Making producer-led innovation a reality Organic Research Centre Producer Conference 22-23 January 2013 Aston University

Workshop CAP Reform: Latest developments & Defra implementation plans

CAP reform from the perspective of EU organic and environmental movements

> Christopher Stopes EcoS Consultancy IFOAM EU Group President

Weakening proposals

- EU Parliament, Council and Commission all involved in 'co-decision' making
 - Original proposals now with compromise amendments
- Budget not yet agreed will determine the scope for reform
- If amendments adopted will reform fail?
 - No tools to improve long-term viability of farming
 - Not addressing environmental issues, nor economic & social problems faced by rural communities
 - Risks to long term food security

Organic opportunity –

supported by environment & civil society organisations



- Broad agreement in support of organic mainstreaming through CAP
- ARC 2020, Birdlife, WWF EU and EEB joint positions and lobbying
- In line with product quality, Europe 2020 and Horizon 2020 – "bioeconomy"
 - What does this mean? Biotech or green & organic?
 - Defra's understanding?

European Environmental Bureau EEB – 140 members



ARC 2020

Agriculture and Rural Convention – European Alliance



Key issues

- Compromise amendments to proposals
 - Step backwards de-greening environmental aspects of CAP
 - Vote 23-24th Jan by Agri committee of EU
 Parliament (COMAgri)
 - Plenary vote by EU Parliament in March
 - Then Council and Commission get involved
- Still some way to go, but time is running out!
- Political process Member States, MEPs

1st Pillar – greening direct payments

- Greening measures Pillar 1 proposals
 - Ecological focus area (7%) definition
 - Crop diversification only 3 crops
 - Protecting permanent pasture
- Amendments reduce requirements
 - Proposed menu approach weakens principle of greening
 - Many (most?) farmers would automatically get greening payments with no additional requirements
 - All farms with agri-environment-climate measures
 - Weak certification schemes: Definition, control, costs, verifiability

Crop diversification – not even 3 crops

- Original proposals for 3 crops (too few, and no requirement for legume)
- Proposed amendments
 - Fails to improve water/soil management, no change to large, intensive, non-environmentally friendly systems
 - Exemption for all farms <10Ha (= 15%+ of EU agricultural land!)
 - Farms 10-30Ha 2 crops only

Permanent pastures not protected

- No obligation to protect at farm level
- Only at national, regional, sub-regional level (definitions?)
- National protection is part of cross compliance, and we still face problems
 - Continued decline of semi-natural pastures
- Proposal only maintains status quo in cross compliance

Ecological Focus Areas – not even 7%

- Amendments proposed:
 - Not to apply to farms <10Ha (= 15%+ EU agricultural land)
 - Rejects the 7% down to 3% from Jan 2014, up to 5% from Jan 2016
 - Not limited to agro-ecological elements intensive crops could be included

2nd Pillar

Rural Development Regulation

- Proposed to include costly insurance and risk management measures – proposed by commission
 - Limited Pillar 2 funds should go on environmental improvement
 - Risk of huge strain on budget
 - Should use prevention (greening, farm diversification, market regulation)
- 25% minimum spending on environmental measures not binding (only in recital, not provision) – and anyway should be more

Organic - green by definition

- If organic "Green by definition" in Pillar 1 then risk of "double funding" of organic measures also under Pillar 2?
 - But if the greening measures are so diluted, then the claim of double funding seems to be unjustified
 - Risk of reduced support to organic?
- Essential to argue that organic under Pillar 1 will not preclude organic measures in Pillar 2

Exploiting the organic opportunity

- Some member states (Germany, Austria, Denmark)
 - Organic sector closely engaged with government and lobbying for effective inclusion
 - Member States to draw up "Partnership Agreements" to achieve synergy & coordination across 5 structural funds and Europe 2020 strategy
 - What is status of Partnership Agreements in UK?
 - Can we encourage Defra to argue our case?

Thank you

Support the IFOAM EU Group Join & become involved