EU leaders set to greenwash EU farm policy

The European Commission, European Parliament and national governments are in the final stages of negotiations on the EU's common agricultural policy (CAP) for the years 2023-2027. After seven months of negotiations, an agreement is expected to be reached next week on the content of the EU's farm policy, at the upcoming 'trialogue' meeting between representatives of the three EU institutions, scheduled for 25-26 May.

This is a critical decade in which we must take action to prevent climate and ecosystem breakdown, but the CAP deal the EU is about to strike looks to be no better than the last, focusing more on greenwashing than actually becoming greener.

Agriculture is <u>one of the main causes</u> of environmental degradation in Europe. It contributes to the climate and biodiversity crises, and to air, water and soil pollution.

The EU spends almost a third of its budget on farming subsidies, around €54 billion per year. The EU's common agricultural policy money is one of the defining factors in current agriculture practices in the EU, but the <u>scientific consensus</u> is that the CAP is now driving the problems. The CAP subsidises the <u>most profitable and polluting farms</u>, and has seen a third of EU farms disappear since 2005.

EU leaders will likely trumpet this CAP deal as a win for the environment but, as this briefing shows, the deal on the table doesn't match up to what's needed on **climate**, **biodiversity**, **pollution**, **food security** and **accountability**.

Climate inaction

Agriculture is directly responsible for 15% of the EU's total greenhouse gas emissions, but is also indirectly responsible for significant additional emissions, through the import of animal feed for livestock. Full life-cycle assessments estimate the livestock sector alone to be responsible for 12% to 17% of the EU's total greenhouse gas emissions.

The <u>UN</u> has called for drastic cuts to methane emissions to prevent catastrophic climate change – and <u>54% of EU</u> <u>methane emissions</u> are linked to livestock production. The other main <u>sources of methane emissions</u> are the overuse of nitrogen fertilisers and unsustainable management of grasslands and peatlands. The EU's agricultural emissions have <u>increased since 2012</u> and are <u>expected to fall by less than 5% between 2017 and 2030</u>. The EU must greatly reduce emissions in the agriculture sector if it is to meet its overall 2030 climate target.

What's needed	What's in the new CAP	Rating
End funding for intensive livestock production, reduce the numbers of animals farmed	Harmful CAP subsidies to intensive livestock farming will continue through coupled payments (currently around €3bn per year go to livestock production) and investment support (such as livestock stables). Eco-schemes to improve animal welfare are at risk of becoming hidden subsidies for factory farms.	
Better manure and fertiliser	No mandatory requirements to reduce nutrient use. Use of a 'Farm Sustainability Tool for Nutrients' aimed at achieving nutrient balance,	





management to reduce nitrogen pollution	preventing emissions into the air, soil, and water, was initially proposed as mandatory, but will now be voluntary.	
Protect and restore grasslands and peatlands as key carbon sinks	Mandatory rules ("conditionality") to protect grasslands and peatlands have been seriously weakened by ministers and MEPs. CAP beneficiaries can plough up additional grasslands and manage peatlands unsustainably and still receive funding.	

Destruction of biodiversity

Agriculture is a major driver of biodiversity loss in Europe. Farmland birds have declined by 57% since 1980, and studies show insect populations are collapsing. Most (83%) of protected agricultural habitats in the EU are in a poor or bad conservation state, with 45% deteriorating (versus just 8% improving). The loss of biodiversity is already reducing crop yields because of the loss of pollinating insects and natural pest predators. These trends are mainly driven by the intensification of agricultural practices, supported by the CAP, such as loss of space for nature, heavy use of pesticides, fertilisers and machinery and loss or conversion of semi-natural habitats like grasslands and wetlands.

What's needed	What's in the new CAP	Rating
Restore at least 10% space for nature (e.g. flower strips, hedgerows) on all farms	Weak mandatory rules: the area is likely to be under 5% of space required to be set aside, whereas the minimum to be effective is 10-14%. Non-arable farms (39% of EU farmland) are exempted. There is no binding link to the EU Biodiversity Strategy target of at least 10% of landscape features on farms by 2030.	
Significant funds for tailored biodiversity schemes, around €15 billion per year	There will be no fixed budget for biodiversity schemes, which are needed to deliver more targeted support for species and habitats that are under threat. If member states do put funds towards biodiversity schemes, they will not be judged or monitored on whether these schemes are effective, leaving ample room for weak or even fake schemes.	
Measures to transition away from intensive practices and away from pesticides and fertilisers	No binding provisions to transition away from pesticides and fertilisers, or to boost organic farming. Voluntary environmental schemes like eco-schemes could end up funding very minimal changes. On the contrary, harmful subsidies like inappropriate irrigation expansion, investments in machinery, and support to increase production (coupled support) can continue, driving intensification.	

Widespread pollution

Current agricultural practices severely affect the quality of air, soil and water. Animal farming alone is responsible for 80% of soil acidification and air pollution, due to ammonia and nitrogen oxides emissions. It also causes 73% of water pollution by nitrogen and phosphorus runoff, leading to algal blooms that drain water of oxygen, killing aquatic life. Nitrogen pollution alone costs the EU €70-€320 billion every year. Ammonia is a massive contributor





to air pollution. In Italy (intensive) <u>animal farming accounts for 17%</u> of fine particulate pollution, more than road transport (14%).

What's needed	What's in the new CAP	Rating
Reduce nitrogen and methane pollution by reducing herd sizes, stocking densities and fertiliser use	No measures to reduce pollution sources, but rather significant opportunities to subsidise livestock farming. These include: coupled payments and investment support, and even 'eco-schemes' for animal welfare, which all come without environmental safeguards and can hence go to intensive livestock farms associated with air, soil and water pollution.	
Reduce pesticide use, exposure and residues (i.e. by strengthening conditionality rules like crop rotation)	Weakened 'conditionality' requirements for CAP beneficiaries, which will not address pollution from agro-chemicals. Weak requirements on buffer strips, crop rotation, and space for nature won't be capable of firmly addressing pesticide dependency and exposure. The reform does not even oblige CAP beneficiaries to respect the principle of integrated pest management, enshrined in EU law since 2009.	

A threat to our long-term food security

Healthy ecosystems and sustainable use of resources like soil and water underpin our ability to produce food, and yet current production and consumption practices are undermining all of these. Conventionally tilled land loses fertile soil at least twice as fast as it can form. Land degradation, driven by unsustainable land management and climate change, threatens swathes of southern Europe with desertification.

We are also using land and natural resources very inefficiently: <u>59% of cereal</u> in Europe is used to feed farm animals and 17% for biofuels. At least <u>20% of food</u> produced in the EU is wasted. To secure future generations' ability to produce food sustainably, we need to use resources sustainably, restore healthy ecosystems, reduce land use for feed and fuel, and cut waste.

What's needed	What's in the new CAP	Rating
Prevent unsustainable water use	No new safeguards on public funding for irrigation, despite <u>evidence</u> that investment support for irrigation has exacerbated pressures on water bodies in parts of Europe. Measures to help farmers transition to less water-intensive systems will remain purely voluntary, so no change is secured.	
Foster resilience and risk prevention	CAP 'risk management' can fund insurance pay-outs for crop failures, with no strings attached (e.g. having taken preventive measures). This encourages risky and unsustainable practices, rather than preventive action to rebuild healthy ecosystems, minimise and adapt to climate change (e.g. water saving), and use resources sustainably.	





Fake performance and a free for all model

The CAP enjoys a special status compared to other EU laws and policies, making it less accountable for its environmental impacts. The Commission promised the CAP will be performance-based and in line with the European Green Deal. However, national governments have flexibility without clear safeguards for climate and the environment. In the past, EU countries used this flexibility to prioritise socio-economic objectives over environmental ones, in a way that caused irreversible damage to nature and wildlife. Without a robust and transparent performance framework that can hold governments accountable for how they perform on environmental objectives, the new CAP risks repeating the same mistakes.

What's needed	What's in the new CAP	Rating
Specific and quantified EU-level and national targets, at least for the key Green Deal objectives	The CAP's "performance framework" is based on vague objectives, lacking quantitative EU targets and no obligation on national governments to set meaningful targets at national level. The Commission can only base its assessment of CAP Strategic Plans on qualitative aspects which will be very hard to benchmark against the needed ambition to deliver on the Green Deal objectives.	
Robust indicators and targets to allow proper performance monitoring	The "performance-orientation" of the new CAP is based on Member States setting targets on a set of "result" indicators. However, rather than measuring actual environmental results, they measure how many hectares a particular scheme (e.g. for climate) has been rolled out on. The easier and less demanding the scheme, the easier it is to reach the target.	
Strong and transparent rules, empowering the Commission to require changes or reject poor CAP Strategic Plans.	Weak provisions on the Commission's power during the approval process and no opportunity for public scrutiny before the plans are approved. The Commission will only be able to assess the consistency of the CAP strategic plans with the general principles of EU law and vague CAP objectives. This will make it extremely difficult for the Commission to reject CAP plans that fall short on environmental and climate commitments.	

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