

COMMON AGRICULTURAL POLICY

post-2020
Legislative
proposals

SWG SCAR-AKIS – 26 June 2018

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#FutureofCAP





KEY ELEMENTS OF THE REFORM OF THE COMMON AGRICULTURAL POLICY

1. Rebalancing responsibilities between Brussels and the Member States (more subsidiarity)
2. More targeted, result and performance based support
3. Fairer distribution of direct payments
4. Enhancing environmental and climate ambition
5. Simplifying and modernising the policy



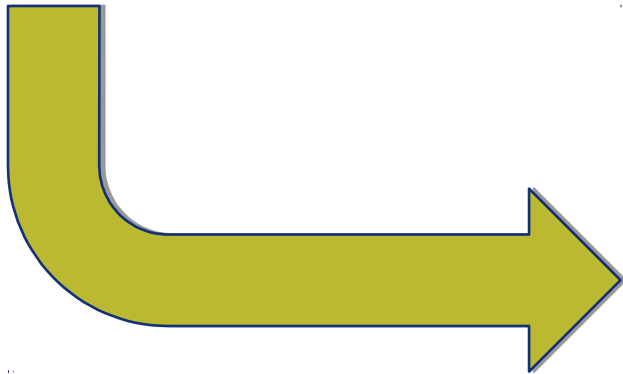
CHALLENGES

Need to rethink the CAP governance

Compliance vs Performance

Characteristics of farming in EU27

Overlaps and Complexity





OBJECTIVES

General Objectives

- **Smart**, resilient and diversified agriculture
- Environmental care and climate action
- Socio-economic fabric of rural areas

Specific Objectives

Farm Economic

- Support viable farm income and resilience across the Union to enhance food security
- Enhance market orientation and increase competitiveness, **including greater focus on research, technology and digitalisation**
- Improve the farmers' position in the value chain

Environment & Climate

- Contribute to climate change mitigation and adaptation, as well as sustainable energy
- Foster sustainable development and efficient management of natural resources e.g. water/soil/air
- Contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes

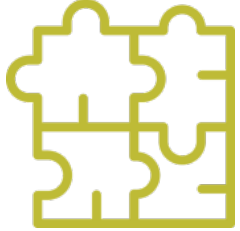
Socio-Economic

- Attract young farmers and facilitate business development in rural areas;
- Promote employment, growth, social inclusion and local development in rural areas, including bio-economy and sustainable forestry;
- Improve the response of EU agriculture to societal demands on food and health, including safe, nutritious and sustainable food, food waste, as well as animal welfare

Cross-Cutting Objectives

- **Foster knowledge, innovation, digitalisation in agriculture and rural areas**





General objectives (art. 5)

- **Smart**, resilient and diversified agriculture ensuring food security
- Environmental care and climate action contributing to EU objectives
- Socio-economic fabric of rural areas
- **Cross-cutting objective:** modernisation of the sector by fostering knowledge, innovation and digitalisation of agriculture and rural areas

Specific objectives of the CAP (Art 6)

- (a) support viable **farm income** and resilience across the Union to enhance food security;
- (b) enhance **market orientation** and increase **competitiveness**, including greater **focus on research**, technology and digitalisation;
- (c) improve the farmers' **position in the value chain**;
- (d) contribute to **climate change** mitigation and adaptation, as well as sustainable **energy**;
- (e) foster sustainable development and efficient management of **natural resources** such as water, soil and air;
- (f) contribute to the protection of **biodiversity**, enhance **ecosystem services** and preserve **habitats and landscapes**;
- (g) attract **young farmers** and facilitate business development in rural areas;
- (h) promote employment, growth, social inclusion and local **development in rural areas**, including bio-economy and sustainable **forestry**;
- (i) improve the response of EU agriculture to **societal demands** on food and health, including **safe, nutritious and sustainable food, food waste, as well as animal welfare**.

Cross-cutting objective of the CAP: Indicators for modernisation (K&I)

- **Impact indicator** (*assessment of policy performance, multi-annual*):

I.1 Sharing knowledge and innovation: **Share of CAP budget for knowledge sharing and innovation**

- **Result indicators** (*annual performance review*):

R.1 Enhancing performance through knowledge and innovation:

Share of farmers receiving support for advice, training, knowledge exchange, or participation in operational groups to enhance economic, environmental, climate and resource efficiency performance.

R.2 Linking advice and knowledge systems:

Number of advisors integrated within AKIS

- **Output indicators** (*annual performance clearance*):

O.1 Number of EIP operational groups

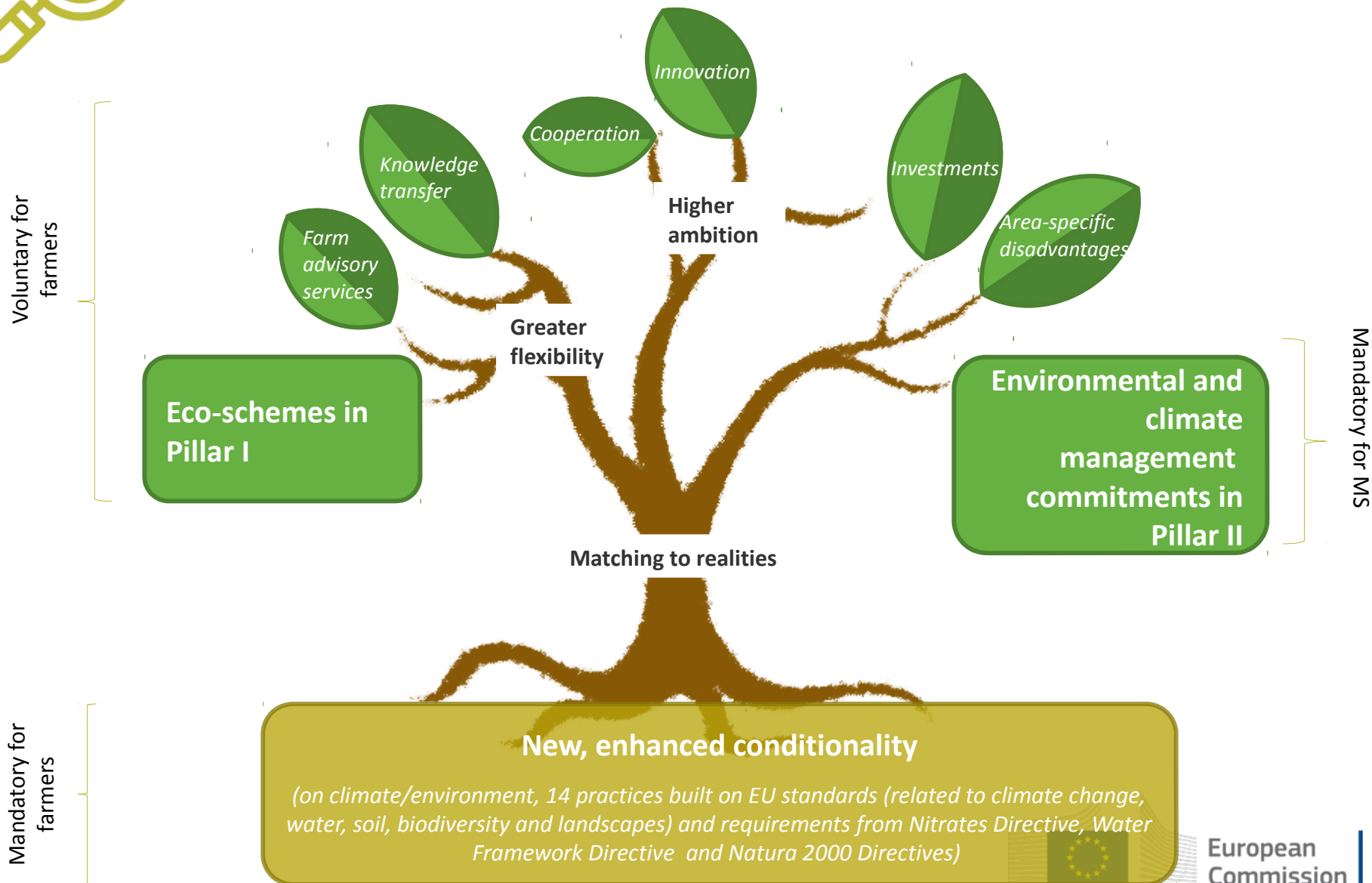
O.2 Number of advisors setting up or participating in EIP operational groups

O.29 Number of farmers trained/given advice

O.30 Number of non-farmers trained/given advice



THE NEW GREEN ARCHITECTURE



Modernisation through CAP Strategic AKIS Plans (Art 102)

With respect to *modernisation*, the CAP Strategic Plans shall contain:

1. their contribution to the cross-cutting general objective related to fostering and sharing of knowledge, innovation and digitisation, notably:

- **Describing the organisational set-up** of the Agricultural Knowledge and Innovation System (**AKIS**) [=>**SWOT**]
- Describing how **advisors, researchers and CAP networks will work together within the framework of the AKIS**, and
- **how advice and innovation support services are provided**

2. A description of the strategy for the development of **digital technologies** in agriculture and rural areas





A MORE MODERN CAP

KNOWLEDGE AND INNOVATION

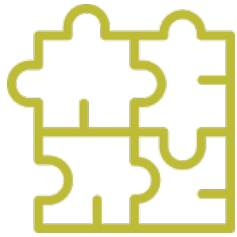
- **CAP Strategic Plans** to foster knowledge, innovation and digitalisation in agriculture and rural areas
- Strategic Plans to include **strategy on Agricultural Knowledge and Innovation Systems (AKIS)** to make advisors, researchers, rural networks, etc work together
- **€10bn from the Horizon Europe programme supporting research and innovation in food, agriculture, rural development and the bio-economy**

FARM ADVISORS INTEGRATED IN THE IMPROVED AKIS

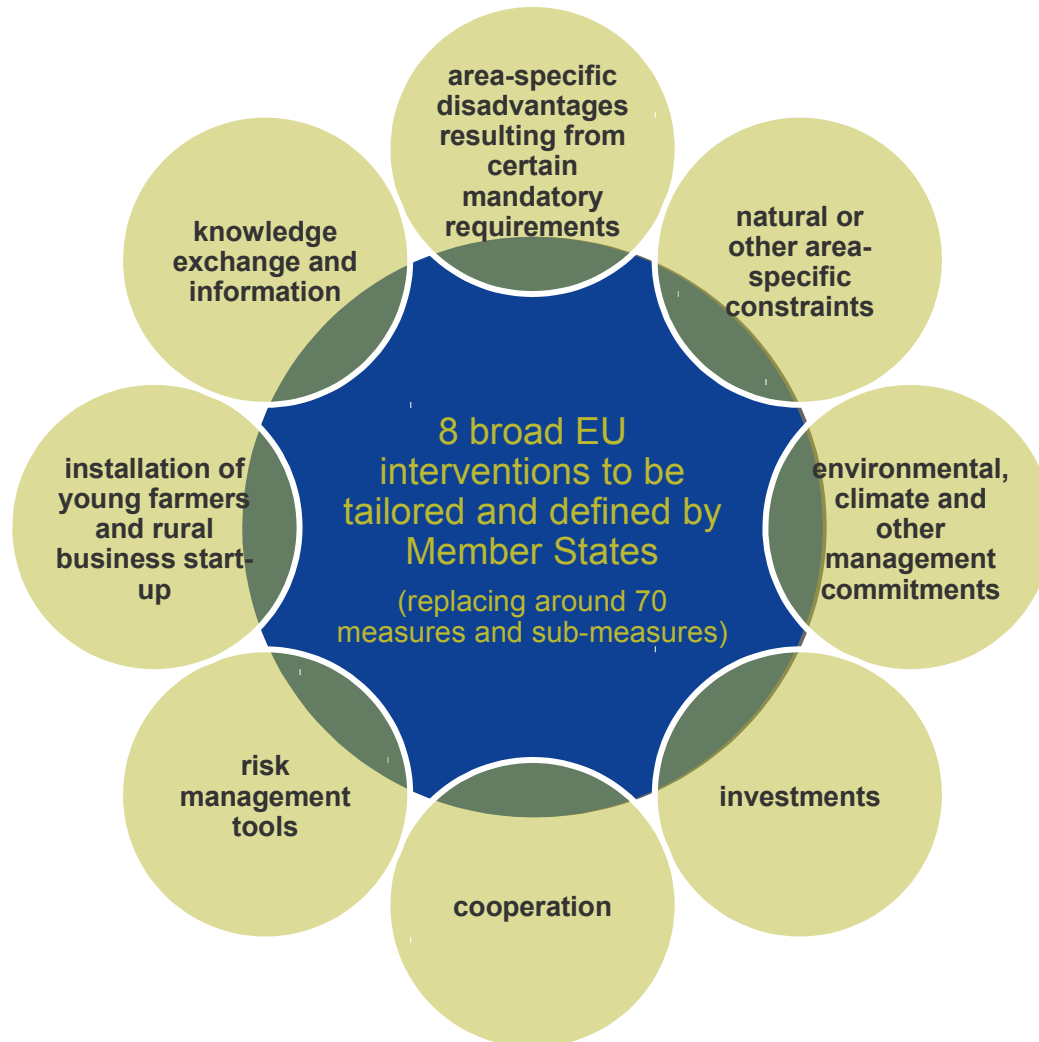
- **Farm advisors to be integrated within the AKIS**; FAS deleted for simplification reasons; farm advice supported under Art. 72 'knowledge exch. and information'
- Scope: at least **innovation support for preparing and implementing EIP operational groups**, requirements and management commitments in the CAP plan (incl. conditionality + other), financial instruments and business plans in CAP Plans **work together work together** and development of digital technologies

DIGITAL TRANSITION IN AGRICULTURE

- **CAP Strategic Plans** to foresee a **strategy for the development of digital technologies** in agriculture and rural areas
- MS encouraged to use **big data and new technologies for controls and monitoring** ("area monitoring system", GSA, pre-fill of applications...)
- Encouraging the **digitisation** of rural life, on farms (**through precision farming techniques**) and in the wider communities



RURAL DEVELOPMENT



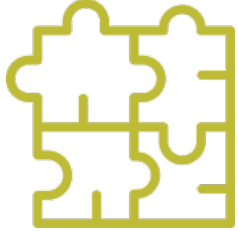
KEY FEATURES

Minimum budget ring-fencing of **total EAFRD** contribution:

- **30%** for interventions addressing the three environmental/ climate objectives
- **5%** for LEADER

Possibility of using **financial instruments** (incl. working capital), also in combination with grants

Digitisation strategy,
YF strategy,
Risk Management Strategy
to be included in the CAP plan



environmental,
climate and
other
management
commitments

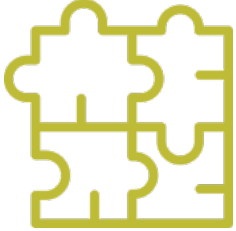
Covers all management commitments beyond mandatory baseline (AECM, Organic Farming, Forestry, Animal Welfare, Genetic Resources)

natural or
other area-
specific
constraints

ANC payments: based on 2020 designations

area-specific
disadvantages
resulting from
certain
mandatory
requirements

Compensation payments for Natura 2000 & WFD



investments

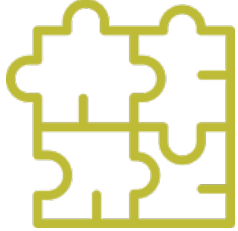
For all relevant types of investments not on negative list –support rate up to 75%

installation of
young farmers
and rural
business start-
up

MS shall grant support - lump-sum limited to the maximum € 100 000 € (may be combined with FIs)
Must be linked to agriculture, forestry or farm household income

risk
management
tools

Mandatory in CAP plan. Covers insurances and mutual funds



knowledge
exchange and
information

Covers wide range of interventions linked to knowledge provision, exchange and advice

cooperation

Covers all types of intervention with a co-operation component – global approach

- LEADER
- EIP
- Short supply chain
- Producer Organisations
- Quality schemes
- Land mobility schemes
- Smart Villages

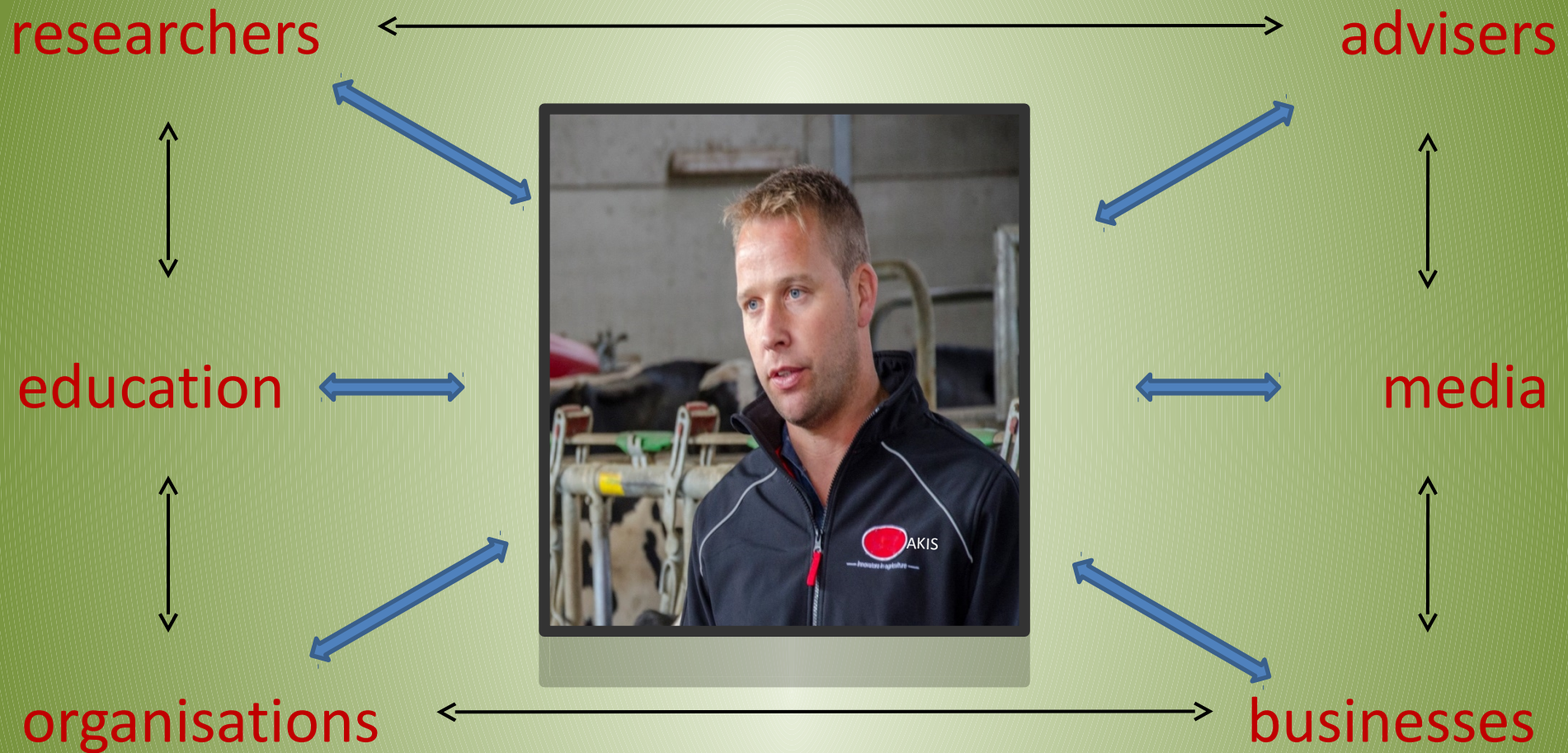
THE SKY IS THE LIMIT – AND THE SPECIFIC OBJECTIVES

Provisions on modernisation in the CAP Plan Regulation

**From innovative
projects.....**

**.....to a whole innovation
ecosystem**

What is AKIS? Actors and Knowledge flows

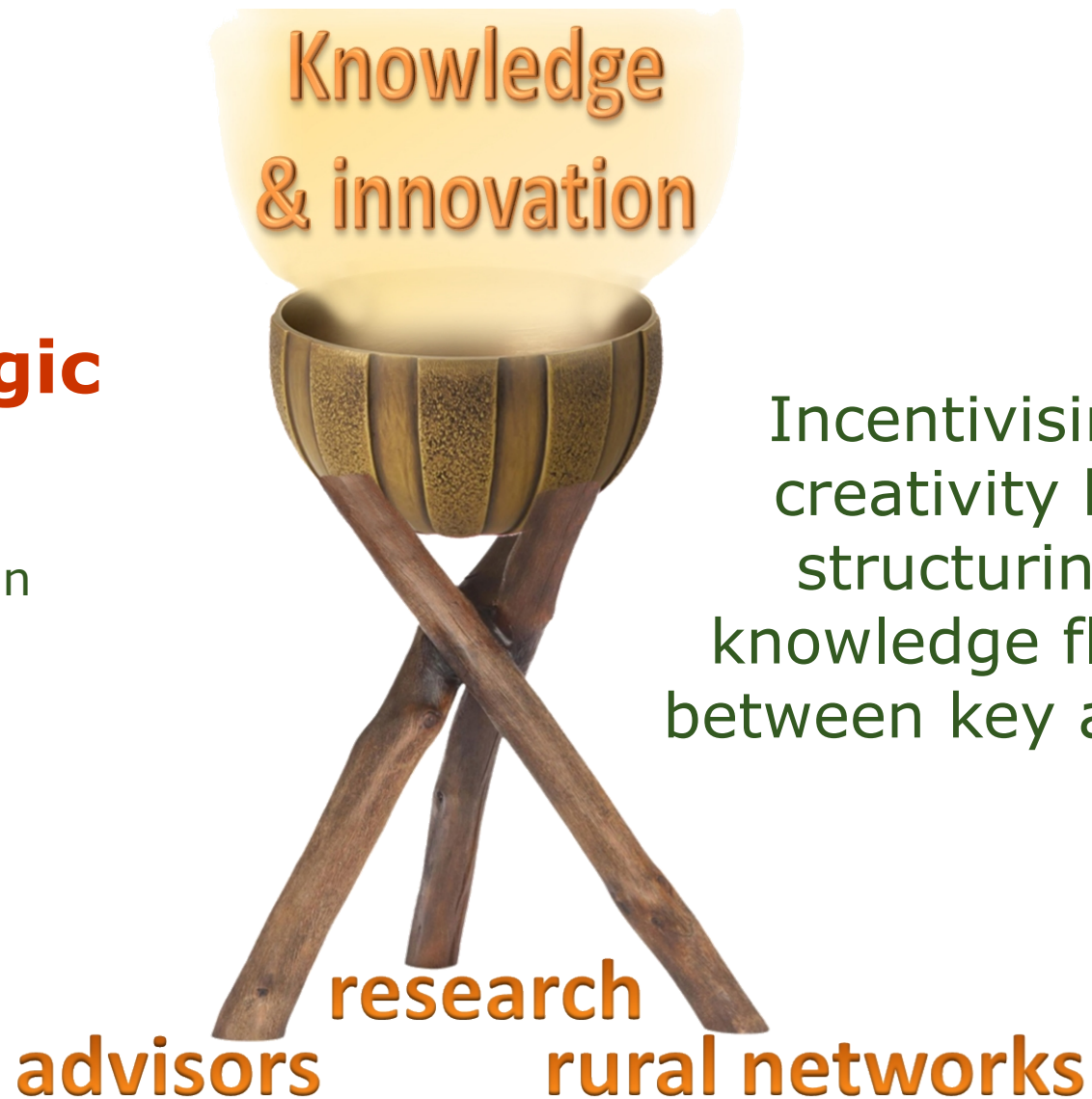




Thinking about AKIS knowledge flows:
What's the process?

CAP Strategic AKIS plans

(cross-fertilisation in
SWG SCAR-AKIS
ongoing)



SWG SCAR-AKIS Exchange of views on **how to improve MSs' Agricultural**
Knowledge and Innovation Systems : <https://scar-europe.org/index.php/akis-documents>

Modernisation of CAP: Strategic AKIS Plans

With respect to **modernisation** (art.102), the CAP Strategic Plans shall contain:

1. their contribution to the cross-cutting general objective related to fostering and sharing of knowledge, innovation and digitisation, notably:

- **Describing the organisational set-up** of the Agricultural Knowledge and Innovation System (**AKIS**) [=>**SWOT**]
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- how **advice and innovation support services** are provided

2. A description of the strategy for the development of **digital technologies** in agriculture and rural areas



Farm advice to be taken up in CAP Strategic AKIS plans (art. 13, 102, 72)

- ✓ Advising farmers and other beneficiaries of CAP support to be included in the CAP plans.
- ✓ **Advisors shall be integrated in the AKIS in an inclusive way, to be able to cover economic, environmental and social dimensions and to deliver up-to-date technological and scientific information developed by R&I**
- ✓ Advisors must be **impartial** and be able to **cover at least:**

- Conditionality
- EU legislation on biodiversity, water, air and use of pesticides; Practices against antimicrobial resistance; Risk management
- **Innovation support, in particular for preparing and implementing Operational Group projects of the EIP AGRI**
- Development of digital technologies in agriculture and rural areas

EIP Agricultural Productivity and Sustainability (art. 114)

EIP –AGRI Operational Groups' innovative projects shall develop innovative solutions based on the **interactive innovation model**:

1. **Focusing on farmers'/foresters' needs** while also tackling interactions across the supply chain where useful
2. Bringing together partners with complementary type of knowledge such as ... in a targeted combination **as best suited** to the project objectives
3. **Co-deciding** and co-creating all along the project

EIP Agr. Productivity and Sustainability (art. 114)

- Shall contribute to **all** specific objectives of the CAP (Art 6) by stimulating innovation and knowledge exchange.
- Make use of the "cooperation intervention" **Art 71** (= broad type of activities)
- However, *by way of derogation*, the maximum **EAFRD contribution rate for EIP OGs shall be 80 %** instead of 43%
- Member States may decide to **pay advances of up to 50%**
- The envisaged innovation may be based on **new but also on traditional** practices in a new geographical or environmental context. (was in the current innovation guidelines)
- Operational Groups shall **disseminate their plans** and the results of their projects, in particular through the CAP networks. (enabling earlier connections of OGs and better networking)

EU and national CAP networks (art. 113)

Objectives:

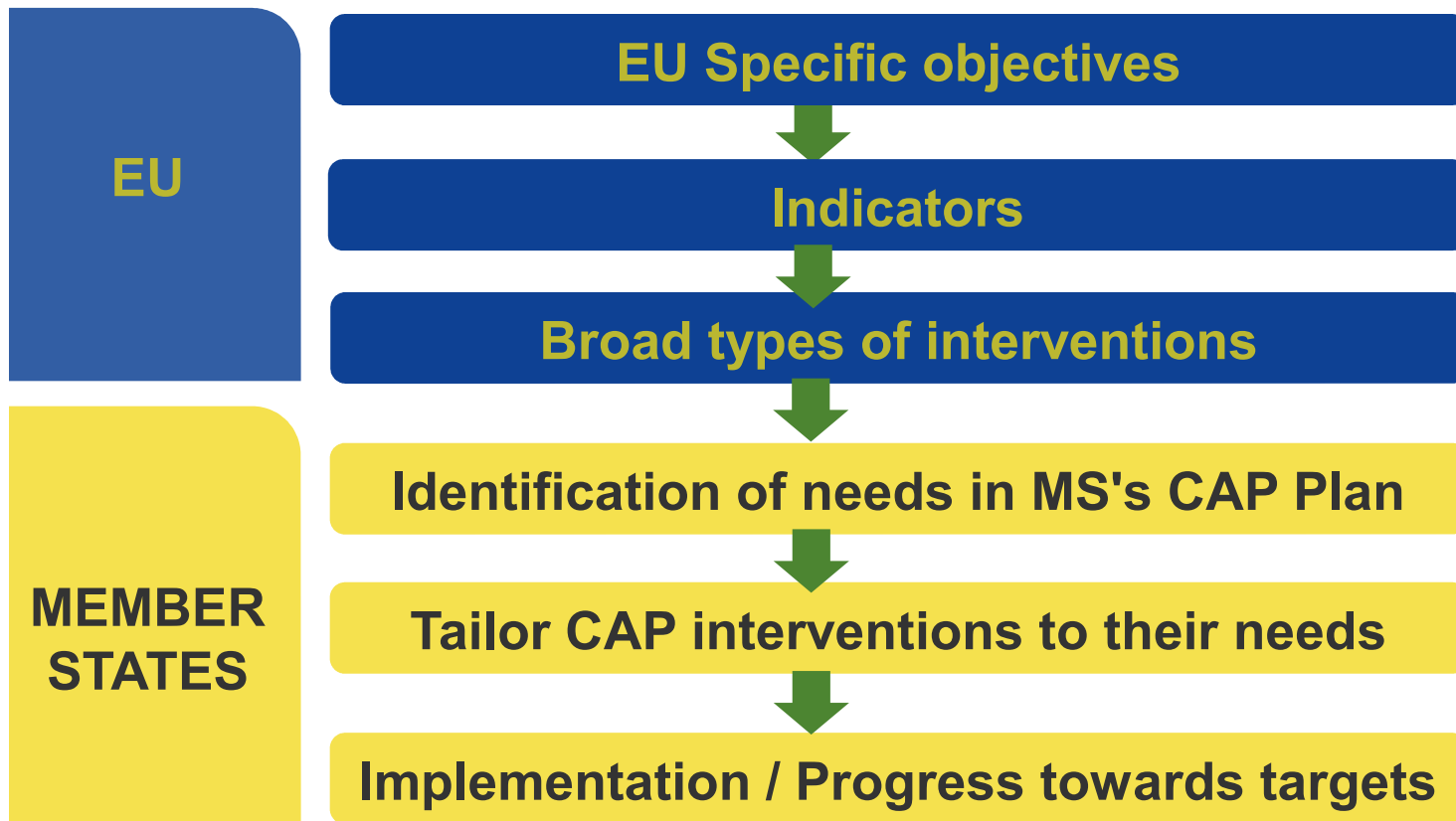
- *increase involvement of stakeholders in the design and implementation of CAP strategic plans*
- *facilitate **peer to peer learning and interaction** among all stakeholders*
- ***foster innovation and support the inclusion of all stakeholders in the knowledge-building and knowledge-exchange process***
- ...

Tasks:

- *Collection, analysis, **dissemination of information/good practices***
- *Capacity building of MS administration and other stakeholders*
- *Collecting and facilitating exchange of information between stakeholders*
- ***Facilitating networking of EIP Operational Groups, LAGs, etc.***
- *Preparation of future CAP plans*
- ...



REBALANCING RESPONSIBILITIES



"Agritania"

Jean
Monnet
Père de l'
Europe

12/05/1954



“Ce qui nous arrête, c’est la peur du changement. Et pourtant c’est du changement que dépend notre salut”

“What stops us is the fear of change.
And nevertheless, it is on change that our salvation depends”

Overview of AKIS and EIP in the Commission proposal CAP post 2020

Relevant articles:

- 1. An more inclusive AKIS with better knowledge flows as part of MS' CAP Strategic Plan (Art 102)*
- 2. EIP OGs supporting all CAP objectives (Art 114)*
- 3. EIP interactive innovation model defined (Art 114)*
- 4. Impartial advisors' inclusive integration in AKIS (Art 13), replacing FAS*
- 5. Innovation brokering and facilitation - supporting EIP OGs (Art 13)*
- 6. Use of the cooperation intervention for funding OGs (Art 71 = M16)*
- 7. Interventions Knowledge exchange & information (Art 72 = M1 & M2) , including support for advice*
- 8. CAP networks at EU level and National/regional levels to support EIP (Art 113)*



How strengthening AKISs?

<https://scar-europe.org/index.php/akis-documents>

Enhancing knowledge flows and strengthening links between research and practice (e.g. creating an innovation environment, incentivise researchers for their impact beyond academia, demonstrations joining farmers and researchers, novel education approaches)

Strengthening farm advisory services within MS' AKISs: capturing and sharing farmers' needs, acting as innovation brokers/facilitators, participating in and sharing knowledge from innovative projects, advisors' training, cross-visits (learning peer-to-peer), spend time with researchers...

Incentivising interactive innovation projects (OGs, H2020 MA) + help connecting, facilitating cross-border calls/exchange, put innovation support services in place to develop projects

Support digital transition in agriculture (repositories with agricultural data for multi-purposes, OGs on digital innovation, ...)

Outcomes discussions in EIP-AGRI Seminar "Moving EIP-AGRI implementation forward"

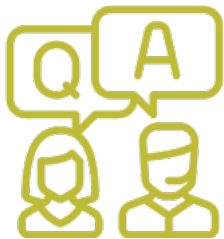
10-11 May 2017 – Athens, Greece

Good examples of the measure and for simplification:

[https://
ec.europa.eu/eip/agriculture/content/eip-agri-seminar-moving-eip-agri-implementation-forward](https://ec.europa.eu/eip/agriculture/content/eip-agri-seminar-moving-eip-agri-implementation-forward)

Report:

[https://ec.europa.eu/eip/agriculture/sites/agri-eip/files
/eip-agri_seminar_moving_eip-agri_implementation_forward
final_report_2018_en.pdf](https://ec.europa.eu/eip/agriculture/sites/agri-eip/files/eip-agri_seminar_moving_eip-agri_implementation_forward_final_report_2018_en.pdf)



A TENTATIVE OUTLOOK

2018 - 2019

Debate in the European Parliament and in the Council on the CAP proposals

Spring 2019

Potential agreement of the next MFF 2021-2027 by the Heads of States and Governments

Spring 2019

Potential adoption of the next CAP 2021-2027 by the co-legislators

Mai 2019

Elections of the European Parliament

2021

Potential entry into force of the new CAP

Thank you

[https://
ec.europa.eu/info/food-farming-fisheries/key-poli
cies/common-agricultural-policy/future-cap_en](https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap_en)