

Opinion by the Joint Platform on the Specifics of the Eco-Schemes as Part of the EU Agricultural Policy Post-2020

Targeted financing must be provided for the delivery of environmental, climate and animal welfare services – Exploit all available tools

The associations¹ of the joint platform call for the pending CAP reform to be utilised both ambitiously and strategically with a view to providing attractive supports and targeted remuneration for tangible services in the areas of environmental protection, climate protection and biodiversity as well as for improvements in animal protection and animal welfare in livestock production. Appropriately nuanced payments should expressly attach value to both the services already being delivered by farmers above and beyond the legal requirements as well as the substantial additional efforts that will be required. Both pillars of the CAP as established should be utilised to this end.

Agricultural holdings are facing enormous challenges: a significantly greater contribution is required for maintaining species diversity, resilience to increasing weather extremes must be increased, greenhouse gas emissions must be reduced by one third compared to 1990 in accordance with the German Climate Action Plan 2050, and ammonia emissions must be cut by 29% (NEC Directive²). Further efforts are required in the areas of watercourse protection (EU Water Framework Directive), groundwater protection (EU Nitrates Directive) and the protection of soils. Moreover, there is a need to restructure much of the livestock sector and to expand organic agriculture in line with the German federal government's target to bring at least 20% of the agricultural area under organic management by 2030. Financial support must be secured in order to meet these objectives.

Meeting these core challenges requires a high volume of funding. It is therefore very important that targeted measures be developed not only but particularly as part of the CAP tools so as to make it possible for the farms to make changes. Seventy percent of the CAP funding should be allocated to voluntary measures in the farming sector in the areas of

¹ The joint platform consists of associations engaged in the areas of environmental protection, nature conservation, agriculture, development policy, consumer protection and animal welfare. It is coordinated by the *Bund für Umwelt und Naturschutz Deutschland e.V. (BUND / Friends of the Earth, Germany)* in cooperation with the German family farmers' organization *Arbeitsgemeinschaft bäuerliche Landwirtschaft (AbL)*.

² <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016L2284&from=DE>

environmental protection, climate change mitigation and animal welfare. All elements of the so-called new “green architecture” must be effectively and efficiently utilised to this end:

1. Expanded conditionality: Ambitious minimum requirements must safeguard a full-coverage minimum level of management standards going beyond statutory requirements (inclusive of the maintenance of permanent grassland, minimum crop rotations and a minimum proportion of ecological focus areas).
2. Eco-schemes in Pillar 1 (direct payments) must provide positive income-generating incentives encouraging a maximum diversity of additional ambitious ecological services. A minimum of 30% of the Pillar 1 funds should be made available for eco-schemes at the start of the funding period.
3. More specific measures should be offered as part of the rural development support programmes (Pillar 2), e.g. measures in relation to animal welfare services, support for organic farming, contractual conservation management agreements, protection of herds and flocks against predators, and accompanying measures for peatland protection (climate change mitigation). Here too, the platform associations are calling for an increased budget compared to the status quo.

1. Understanding eco-schemes as a major opportunity

In the following we will specifically address the eco-schemes:

The associations call for this proposed new targeted support for environmental protection and climate change mitigation under Pillar 1 to be understood as a major opportunity and for as many farms as possible to be encouraged to participate. These provisions offer the opportunity for farmers to be remunerated for tangible societal services in a simple and targeted manner while also helping to generate income. A compulsory use of funds must be set out in European law and appropriately funded so as to reach the maximum possible number of farm holdings.

The binding introduction of this instrument in all EU member states would therefore be desirable and should be combined with adequate minimum funding appropriations under EU law. The platform associations propose that 30% of Pillar 1 funding should be made available for eco-schemes at the beginning of the funding period (followed by a year-on-year increase of the percentage share). Animal welfare services (non-investment) should also be included

as eligible measures, both in the EU Regulation³ and in national implementation. Moreover, premia for ambitious eco-schemes should be excluded from capping and degressivity⁴.

2. Measures unsuitable for eco-schemes

The design of the ecological focus area scheme in the current funding period has proved insufficient for maintaining biodiversity and has very clearly demonstrated⁵ that it is as important to describe suitable measures as it is to name those that are unsuitable. It is the view of the platform associations that the following measures are not suitable as eco-schemes:

- Minimum tillage, as it may result in increased crop pesticide usage and achieves vertical carbon fluxes only in the topsoil layer.
- Production of biomass plants, as it does not make any appreciable contribution to improving the carbon footprint and as it generates additional competition for the use of agricultural land. Basically, the same also holds true for crops grown for material use.
- Compensatory allowance and support for less-favoured areas, unless they have an ecological raison d'être.
- Precision farming, as technology *per se* should not be funded, but observable positive outcomes for the environment and the climate.

3. Suitable measures for eco-schemes

The associations are of the opinion that the measures set out below would be suitable as eco-schemes. The level of the premia to be calculated for these schemes should be governed by the benefits they deliver for the environment, climate and animal welfare and by the degree to which they contribute to meeting the objectives of the CAP Strategic Plan. The greater the benefits for the environment, climate and animal welfare, the higher should be the annual per hectare premium. The associations advocate uniform levels of premia throughout Germany and a positive impact on incomes ("incentive"). Suitable measures include:

- Extensive grassland management with no grassland to cropland conversion, no applications of pesticides and mineral fertilisers, and highly restricted applications of

³ Addition to Article 28 so as to read "Schemes for the climate, the environment and animal welfare"

⁴ Pursuant to Article 15 of the Commission proposal for a Regulation for a CAP Strategic Plan, COM(2018) 392final.

⁵ Here we imply the disproportionate use of catch crops and leguminous crops as EFAs.

organic fertiliser, thus supporting the objectives of species protection, water protection, and climate change mitigation. Where intensive grassland management is followed by extensification, the associations recommend a graduated premium which is lowest in the first year and increases year-on-year thereafter.

- Extensive arable production with no applications of pesticides and mineral fertilisers and highly restricted applications of organic fertiliser / no fertiliser applications (species protection, water protection, climate change mitigation). Where intensive arable production is followed by extensification, the associations recommend a graduated premium which is lowest in the first year and increases year-on-year thereafter.
- Production of leguminous crops without applications of pesticides and fertilisers, given that the ability of these crops to fix atmospheric nitrogen can replace the need for mineral fertilisers to a certain degree. Only a proportion of legumes going beyond the obligations under 'conditionality' should be eligible (soil protection, climate change mitigation, potentially nature conservation).
- Extensive pasture-based livestock production⁶, given that grazing by sheep, goats and cattle can maintain grassland biological diversity and also increase soil carbon sequestration (species protection, water protection, climate change mitigation).
- Establishment of arable fallow, given that such lands are refuges and areas for the regeneration of numerous species of flora and fauna and given that they may also contribute to water protection and climate change mitigation (nature conservation, water protection, climate change mitigation).
- Establishment of sown wildflower strips and flowering strips for beneficials as well as of sequential patches of annual flowering plants with a view to integrating species-rich and flowering strips or patches into the agricultural landscape as a natural resource base and food source for numerous pollinators and other fauna (nature conservation).
- Establishment of tillage plots managed with a view to light-loving species ('Lichtäcker'), and cereal crops with widely spaced drills and undersown flowering plants, with no pesticide applications and reduced fertiliser use; the aim being production-integrated, flower-rich habitats for fauna and flora as well as a reduction in pesticide use over extended areas, thus fostering water protection (nature conservation, water protection).
- Management of traditional orchards, given that these are explicitly particularly biodiverse habitats of the cultural landscape and, moreover, contribute to the cultural identity of agricultural landscapes in Germany (nature conservation, cultural landscape protection).

⁶ Between 0.5 and 1.4 LU/ha

- High proportion of landscape elements on the farm, going beyond the minimum requirements under 'conditionality' (species protection, water protection, soil protection).
- High proportion of permanent grassland under grazing management on the farm, going beyond the minimum requirements under 'conditionality' (climate change mitigation).
- High level of crop species diversity on the farm, going beyond the minimum obligations under 'conditionality'.

In addition to the area-based measures listed above, the associations believe it is necessary to make eligible for funding measures designed to restructure livestock production, e.g. straw bedding, outdoor access or significantly more space for housed livestock. Remuneration for these services should be sufficiently attractive for the farms, and the option envisaged by the EU Commission to provide additional supports (top up) per eligible area should be utilised to this end.⁷

Basically, there are three possible variants for the implementation of the support measures:

- Area-based support (similar to agri-environmental and climate change mitigation measures in Pillar 2);
- Package solutions, i.e. bundles of measures per farm that are implemented in conjunction (similar to the current greening; could also be implemented by way of farm certifications);
- Farm-based assessments (point systems) which in the context of the initial scheme application would record the farms' services provided in the areas of environmental protection and climate change mitigation and subsequently provide results-based remuneration. This type of system would give farm holdings the flexibility to select eco-scheme measures from a catalogue of measures in such a manner that these are tailored to the farm context and help generate income.

As a matter principle, these eco-schemes should be accompanied by whole farm consultancy for implementation (supported under Pillar 2).

⁷ Pursuant to Article 28 (6)(a) of the Draft Regulation COM (2018) 392final:
<https://ec.europa.eu/transparency/regdoc/rep/1/2018/EN/COM-2018-392-F1-EN-MAIN-PART-1.PDF>

4. Eco-schemes within the “green architecture”

The services supported as part of the eco-schemes must go beyond the minimum requirements under the expanded conditionality. This is something the member states must take into account when working out the details of the proposed rules and in their implementation. Clear distinctions are called for when it comes to these supports. For example, minimum crop rotations are to be defined with which farmers must comply as part of the conditionality requirements; it is the view of the associations that these crop rotations should also include a minimum proportion of leguminous crops. The eco-schemes with regard to crop species diversity and proportions of leguminous crops must go beyond the minimum proportions required under ‘conditionality’ accordingly.⁸

Similarly, there must also be a clear demarcation between the eco-schemes and the agri-environmental and climate measures (AUKM) under Pillar 2. Some of the measures proposed above as potential eco-schemes are currently offered by some of the German *Länder* as part of their Rural Development Programmes. However, the challenges faced by the farming sector, as described in the introduction, set the bar much higher for all the *Länder*. Therefore, the nationwide and broad introduction of the proposed eco-schemes is as necessary as the expansion of regionally specific support measures as part of the agri-environmental and climate measures (AUKM).⁹

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Signatory associations:

Arbeitsgemeinschaft bäuerliche Landwirtschaft e.V. (AbL) (German family farmers' organization)

Bund für Umwelt und Naturschutz Deutschland e.V. (BUND) (Friends of the Earth, Germany)

Bund Ökologische Lebensmittelwirtschaft e.V. (BÖLW) (Umbrella association for the German organic farming and food sector)

Bundesverband Beruflicher Naturschutz e.V. (BBN) (National federation of professional conservationists)

Bundesverband Berufsschäfer e.V. (BVBS) (National federation of professional shepherds)

Bundesverband Deutscher Milchviehhalter e.V. (BDM) (German national federation of dairy farmers)

Deutscher Naturschutzring e.V. (DNR) (German League for Nature Conservation and Environmental Protection)

⁸ For further details see [German only]: Deutscher Verband für Landschaftspflege (DVL 2019): Die Gemeinwohlprämie und die „Öko-Regelungen“ in der neuen GAP-Architektur nach 2020. p. 11, https://www.lpv.de/fileadmin/user_upload/190117-DVL-GWP.pdf

⁹ On the differentiation between eco-schemes and AUKM, also see DVL 2019, 12 ff [German only] https://www.lpv.de/fileadmin/user_upload/190117-DVL-GWP.pdf

Deutscher Tierschutzbund e.V. (German Animal Welfare Federation)
 Deutscher Verband für Landschaftspflege e.V. (DVL) (German Association for Landscape Management)
 EuroNatur Foundation
 Greenpeace e.V.
 Naturschutzbund Deutschland e.V. (NABU) (German Federation for Nature Conservation)
 Netzwerk Solidarische Landwirtschaft e.V. (Community-supported agriculture network)
 NEULAND e.V. (German animal welfare labelling scheme)
 Save Our Seeds (SOS)
 Schweisfurth Foundation
 Slow Food Deutschland e. V. (Slow Food Germany)
 Weidewelt e.V. (Association promoting pasture-based livestock management)
 WWF Germany
 Zukunftsstiftung Landwirtschaft (Association promoting organic agriculture)

The platform associations would also like to make reference to its previous opinions on CAP reform:

- For an agricultural policy that is supported by society, March 2017¹⁰
- Die EU-Agrarpolitik muss gesellschaftlichen Mehrwert bringen [German only], März 2018¹¹
- Kernforderungen zu den Vorschlägen der EU-Kommission zur Gemeinsamen Agrarpolitik (GAP) nach 2020 [German only], September 2018¹²

¹⁰ https://typo3.euronatur.org/fileadmin/docs/umweltpolitik/verbaendeplattform/000000_German_Platform_for_another_CAP_-_March_2017.pdf

¹¹ https://www.abl-ev.de/uploads/media/Plattform-Verb%C3%A4nde_2018-03_Stellungn_zur_KOM-Mitteilung.pdf

¹² https://www.bund.net/fileadmin/user_upload_bund/publikationen/landwirtschaft/landwirtschaft_gap_verbaende_stellungnahme.pdf