

The link between CAP and SUD - aspects to be considered in the implementation

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Challenges for the new CAP

- Continued rapid growth in global food **demand**:
 - 100 % between 2000 and 2050;
 - Population growth to 9 billion ;
 - Changing dietary habits in developing countries.
- Limited growth in global food **supply**:
 - Limited growth in agricultural land (arable land: +5% between 2000 and 2020)
 - Production growth predominantly through **productivity** growth:
 - but annual productivity growth is <1 %.

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EU virtual net land import

2007/08

- Net land import: 34.9 mill. ha.
 - Territory of Germany 35.7 mill. ha.



Evolution 1999/2000-2007/08

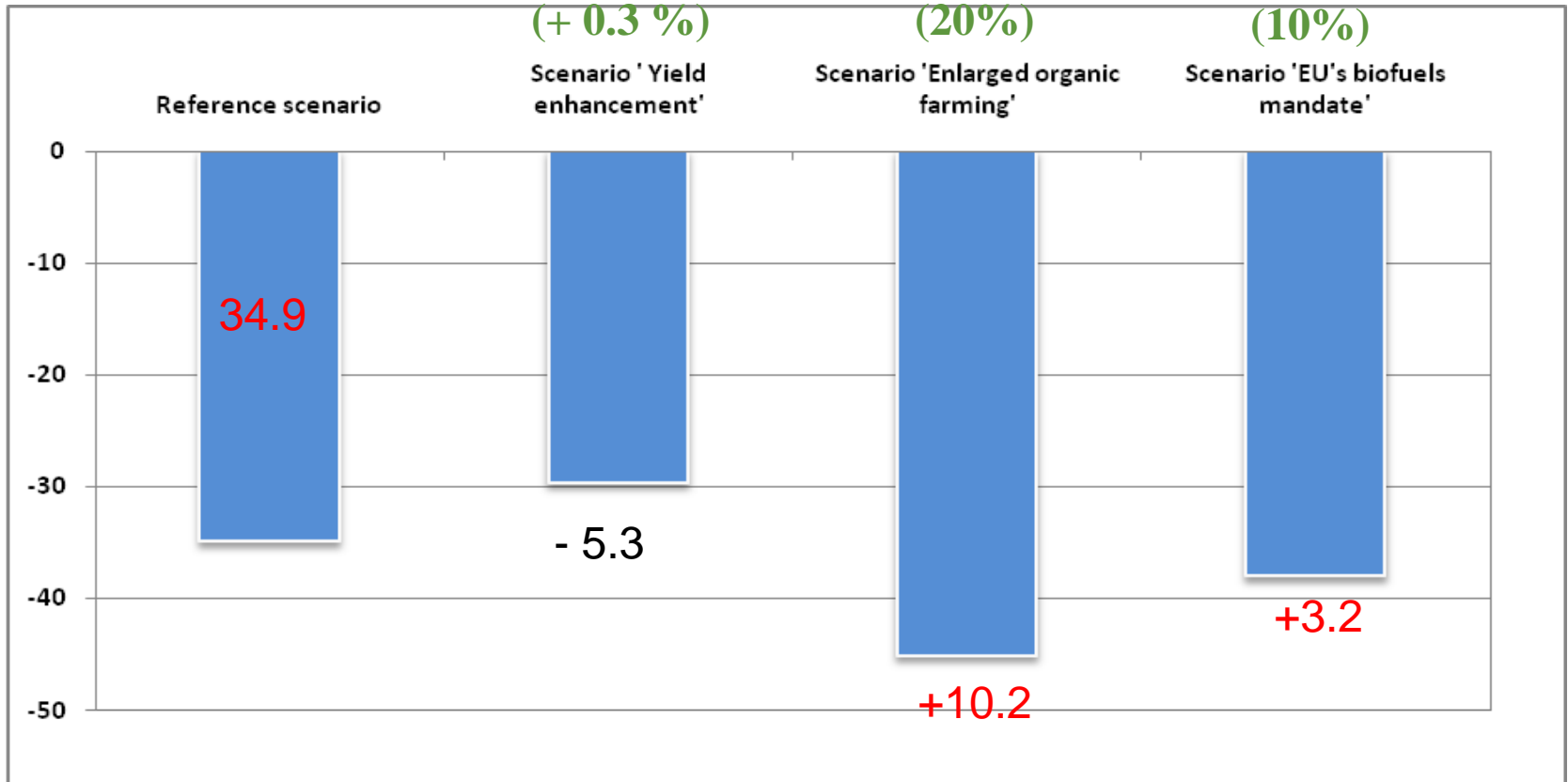
- Virtual land exports: Decline to 14 mill. ha.
- Virtual land imports: Increase to 49 mill. ha.
 - Virtual net import: Increase by almost 10 mill. ha. (+40%)
 - Territory of Portugal 9.3 mill. ha



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EU virtual land net imports 2007/08 under alternative scenarios (mill. ha)



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Additional challenges

- Global:
 - Water scarcer and more expensive; Growing demand for natural resource protection; Bio-economy and bio-energy targets; Increasing energy price.
- EU:
 - farm income fallen 30% since '90s
 - income 60% of the average wage
 - increasing costs of production
 - resource protection
 - new diseases and pests
 - abandonment of land and poor agricultural practices

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Smart CAP

- We need a smart CAP which ensures:
 - **Food, Environmental, Social** security

Through:

- Unlocking the production and productivity potential
- Bridging solutions between food production and environmental concerns
- Ensuring economic stability for the agricultural activity
- Better targeting regional and local specificities

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EU strategy and policy framework

- “Europe 2020 – A strategy for smart, sustainable and inclusive growth”:
 - European competitiveness lagging behind
- Commission Communication on CAP
 - Smart growth: viable, market oriented food production
 - Sustainable growth: management of natural resources and public goods
 - Inclusive growth: rural areas and territorial balance

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EU strategy and policy framework

- Commission Communication on CAP Reform:
 - **greener** and more **equitably distributed** first pillar
 - a second pillar focusing better on:
 - **competitiveness**
 - **innovation,**
 - **climate change**
 - **environment.**
 - ... “to release its latent productivity potential, [...] and contribute to the Europe 2020 objectives [...] **remunerating the collective services they provide to society**”

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The link between CAP and SUD

SUD requires to protect:

- users
- the public
- biodiversity
- water courses,
- the environment

CAP objectives include:

- providing farmers with a better life in the rural areas
- land management
- increase biodiversity
- better water management,
- protecting natural habitats,
- good agricultural practices

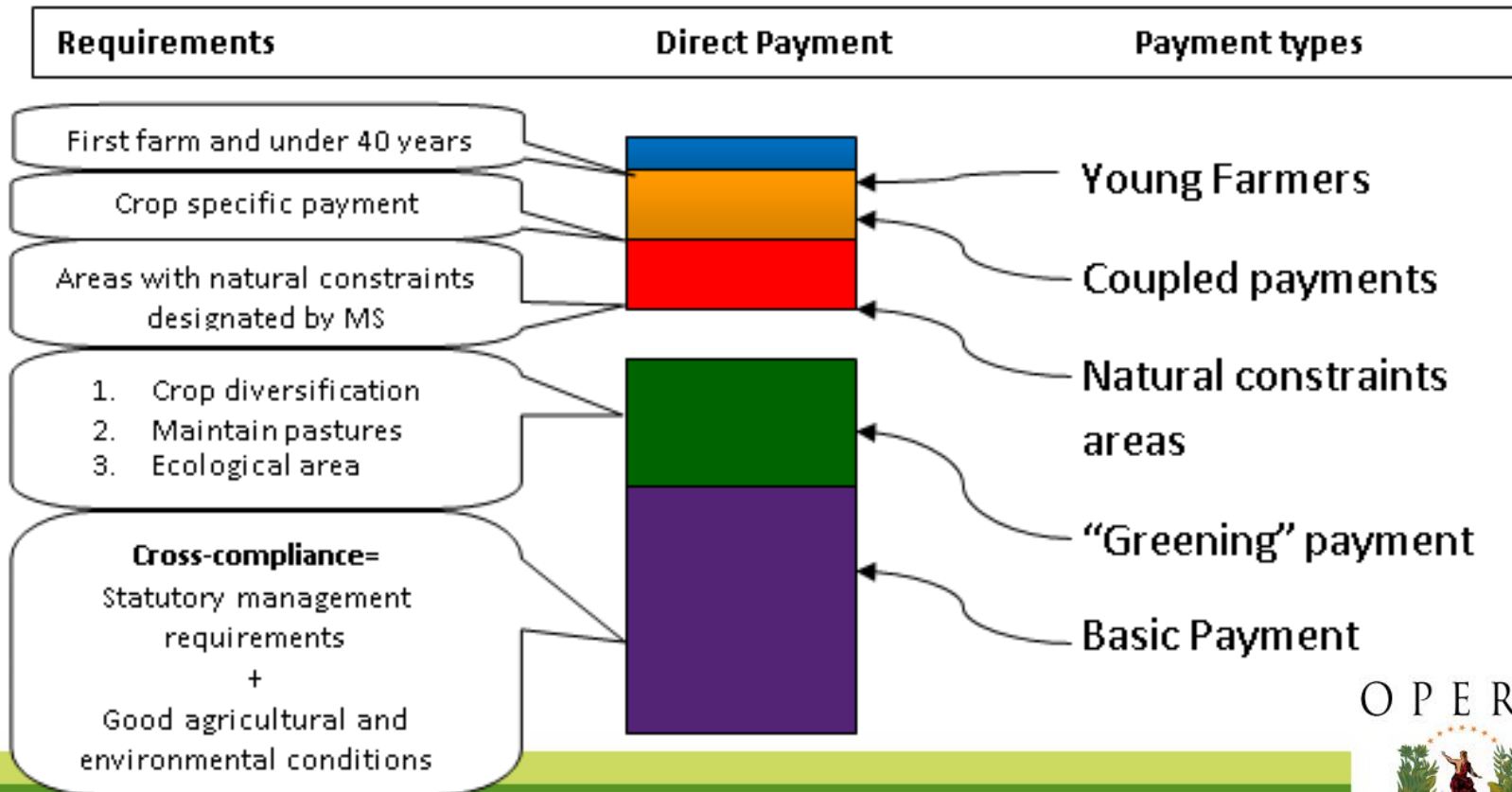
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Reference in the direct support legislation

Future cross-compliance: ???

One possibility: no SUD in cross-compliance but “ecological areas” compliant with SUD, e.g. buffer zones



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Reference in the direct support legislation

Now, SUD is one of the compulsory Directives in cross-compliance for CAP payments

- Regulation 73/2009 on rules for direct support schemes for farmers, Annex II:

- Point 9. Council Directive 91/414/EEC, Article 3



- Regulation 1107/2009 placing on the market of PPPs, art 55

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Article 55

Use of plant protection products

Plant protection products shall be used properly.

Proper use shall include [...] good plant protection practice and [...] conditions Article 31 and specified on the label.

It shall also comply with the provisions of Directive 2009/128/EC and, in particular, with general principles of integrated pest management, [...] which shall apply at the latest by 1 January 2014.

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Reference in the rural development legislation

- *NEW CAP: both economic and environmental viability will become compulsory criteria for projects under Rural Development programs*
“ecological areas” will be mandatory for any CAP payment (possibly 7% of the agricultural area)
- Regulation 1698/2005 art 39:
“Agri-environment payments cover only those commitments going beyond the relevant mandatory standards”

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The role of SUD as policy

Risk Assessors:

Real risk

Exposure models

Professionals

Mean values

Projected behavior

Good Agricultural Practices

Focus on individual

aspects



Risk Managers:

Perceived risk

Real life activities

General population

Diversity of practices

Human interference

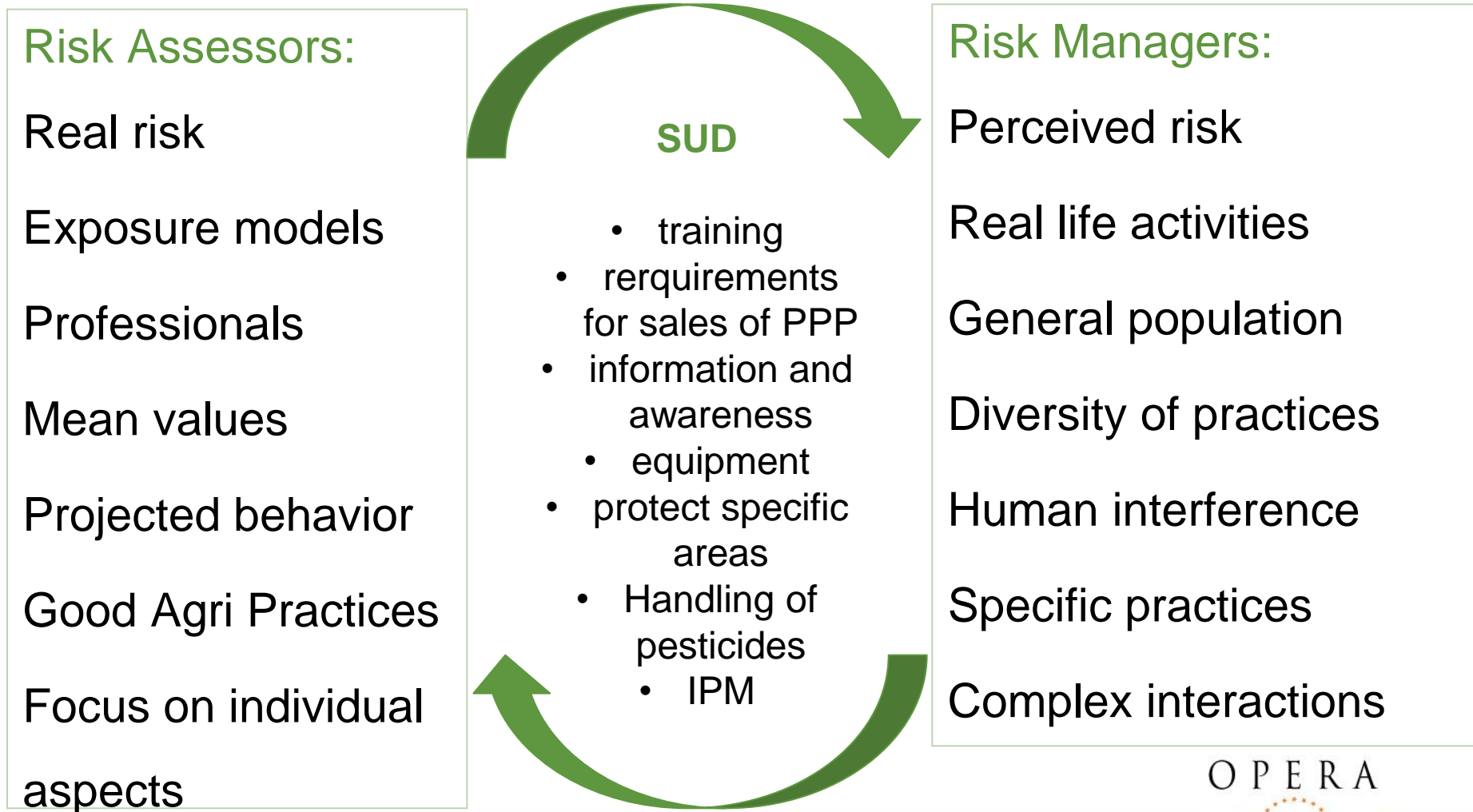
Specific practices

Complex interactions

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The role that can be played by SUD

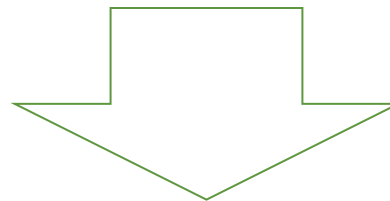


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SUD can provide answers if:

- Measures are pragmatic and applicable
- New requirements for users produce a real risk reduction
- New practices produce benefits also for farmers
- Appropriate incentives are in place
- Training, information and awareness raising are based on scientific evaluations and recommendations



A participatory, multi-stakeholder
process is needed for the
implementation

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Implementation of Dir 128/2009 needs to be:

— Simple

- pragmatic, understandable, clear

— Measurable

- visible effects, to be integrated in IACS

— Achievable

- cost effective, realistic, real risk reduction

— Relevant

- Related to agriculture, addressing real risks

— Timely

- Related to agricultural cycle

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Sustainability

- Current regulatory framework already a basic filter for sustainability
- Additional requirements should receive incentives through the CAP – promoting public goods provision to society
- Criteria to judge sustainability should always cover the three dimensions:
 - Economic
 - Environmental
 - Social

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Thank you !

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