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Agro-ecology and the CAP

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Outline

- Short introduction to the CAP and its aims
  - Brief look at agriculture in Europe
- The current CAP reform proposals
- Some issues about supporting agro-ecology under the new CAP

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Objectives of CAP in the EU Treaty

(Rome 1957, Art. 39)

a) to **increase agricultural productivity** by promoting technical progress and by ensuring the rational development of agricultural production and the optimum utilisation of the factors of production, in particular labour;

b) thus to ensure **a fair standard of living** for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture;

c) to stabilise markets;

d) to assure the availability of supplies;

e) to ensure that supplies reach **consumers at reasonable prices**.

50 years on also **food security** at the global level, **climate change** and **sustainable management** of natural resources

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Reminder: Current EU support framework (CAP) with 2 main pillars

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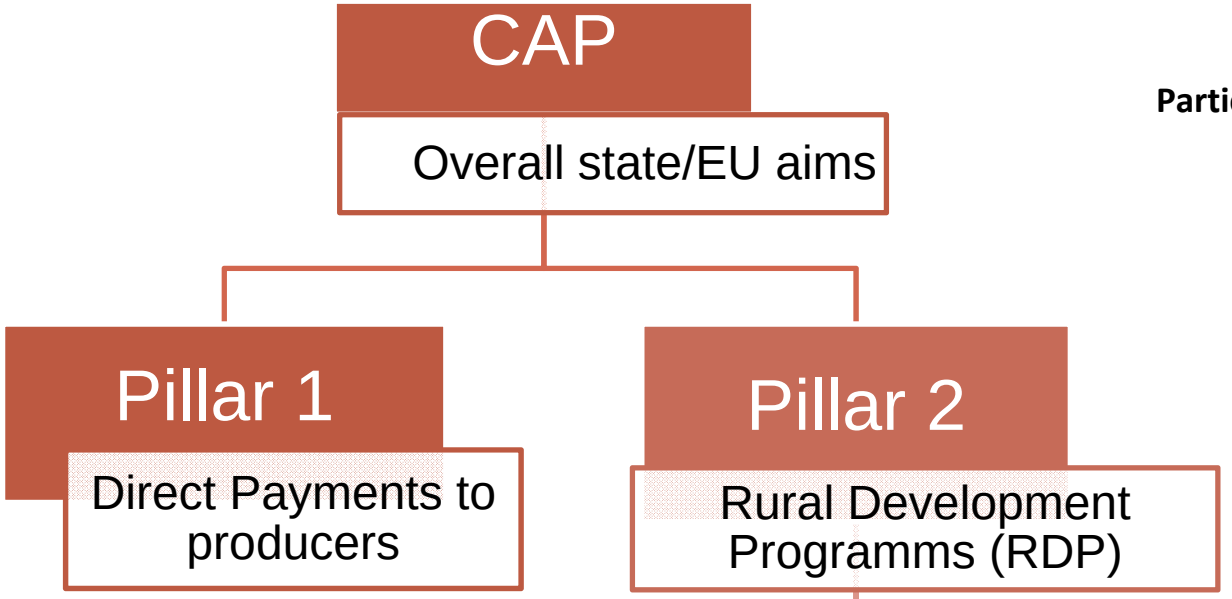

Particularities of Pillar II:

- **Each member state/region to develop their own programme with specific focus**
- **Co-funded EU & member state**

Axis 1

Improve competitiveness

- Skills
- Investment
- Market infrastructure

Axis 2

Protect the environment

Land management schemes

- open to all
- for specific habitats/protected areas
- includes organic

Axis 3

Improve quality of life in rural areas

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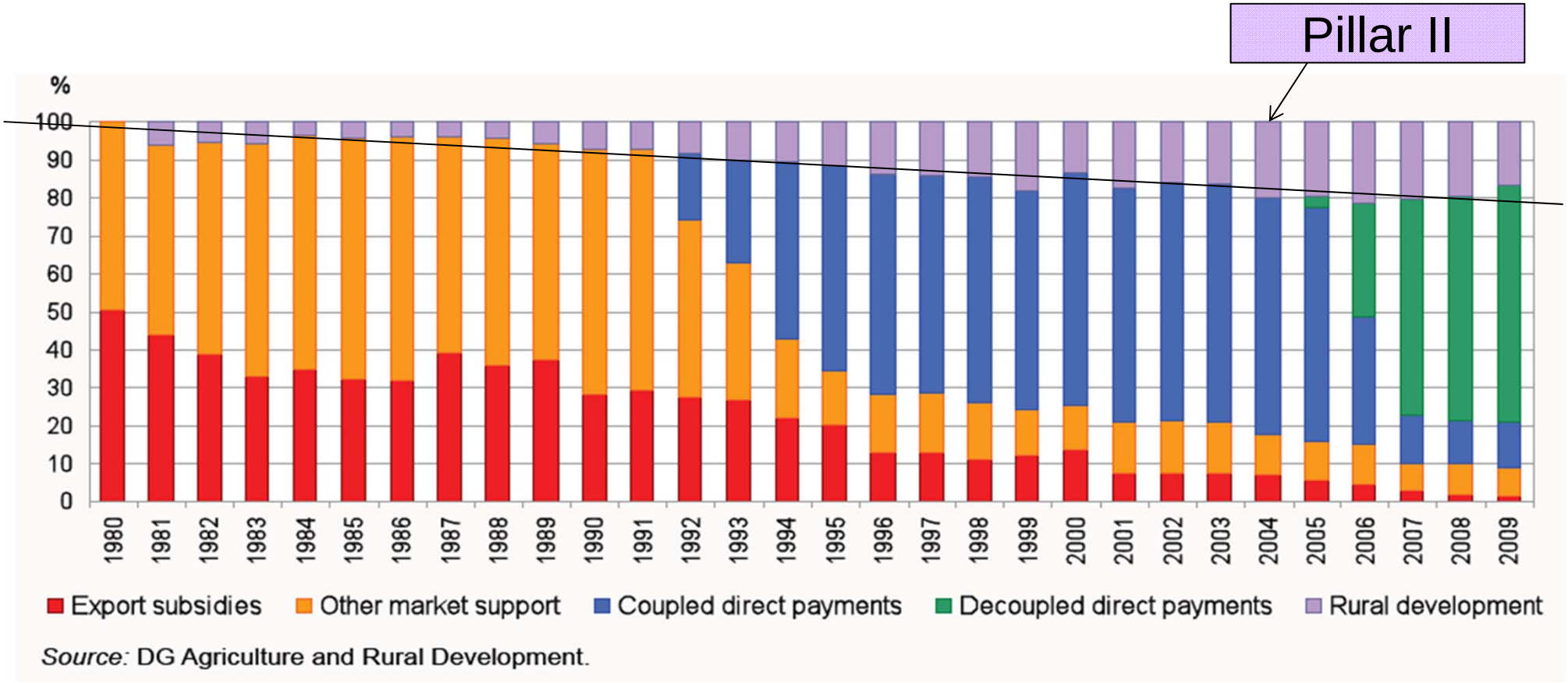
Changes to the CAP funding streams



Source: DG Agriculture and Rural Development.

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Agriculture in Europe: Fair standard of living for all farmers?

- Loss of farms and farmers
- 12 mil farms, but 3% of farms (>100ha) own 50% of all farm land (Franco and Borras, 2013)
- Large proportion have relatively low income per worker, but a small proportion of holdings record a very high income level per worker (FADN, 2013)

- Access to land?
- Is farming an attractive profession?

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Sustainable management of natural resources?

- Concerns about loss of biodiversity
- Damage to diverse landscapes
- Damage to soils
- Risk of loosing farming in high nature value and marginal areas
- Anti-biotic residues are developing
- Vulnerability to climate change?

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What agriculture do we want?

Agro-industrial

Agro-ecological

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What is Agro-ecology?

- The application of ecological concepts and principles to the design and management of sustainable agro-ecosystems (Altieri 1995)
- The holistic study of agro-ecosystems, including all environmental and human elements
- Managing the farming system as a whole

- Three main meanings as a **scientific discipline**, an **agricultural practice** and a **social movement.**

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Why should the CAP support agro-ecology and organic farming?

The agro-ecological and organic sector in European will d**esign and manage agro-ecosystems with positive externalities**

- **Public goods**
  - Environmental protection (e.g. biodiversity, genetic diversity minimise pollution)
  - Resource conservation (energy, soils, water)
  - Greenhouse gas mitigation
  - Animal welfare
  - Social goals (rural development)
- **Competiveness**
  - *Products with distinct qualities*
  - Consumer interest is growing and markets are developing
- **Innovation niches**

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CAP Reform Legal Proposals: brief overview

- Public good focus to debate
- Direct payments remain – flat rate and some limits
- Greening element for 30%
  - 4 key elements: Crop diversity (>3); Ecological focus (>7% area); Permanent grass; Organic farming
- Rural development – from 3 axes to 6 objectives
  - Fostering knowledge transfer and innovation programmes
  - Agri-environment includes climate, organic separate
  - New risk/income insurance schemes and food chain
  - Some development in forestry/agro-forestry

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Issues to consider: Pillar I

- **Real greening:** 30% for farms that take recognizable steps towards a more agro-ecological agriculture (including organic farmers)
- Flexibility to shift more funding to second pillar

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Issues to consider: Pillar II
Agri-environment payments

- Debate about income forgone or output based payments
  - Needs clearly defined outputs **and** appropriate monitoring indicators
  - Better understand causal relationships between land use practices and specific environmental services
  - Consider transaction costs and administration needs
- Combination of systems-based approaches (such as organic farming) with more targeted measures can be cost-effective
- Reliable schemes
- Combining with bottom-up community schemes (catchment areas, specific geographical features)

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Pillar II: Other objectives

- Flexible schemes for market development
  - Also suited for smaller and “riskier” initiatives
- Strengthen the agro-ecological knowledge systems
  - Improve capacity and capability (promote and exchange good practice)
  - Links to innovation and research
  - Multi-actor with respect for different types of knowledge (tacid, lay and local) and different needs

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Further information about CAP reform also at
http://www.organicresearchcentre.com/?go=Policy and debates&page=CAP reform

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