

Brussels, 1 October 2025
(OR. en)

13342/25

**Interinstitutional File:
2025/0241 (COD)**

**AGRI 452
AGRIFIN 105
FIN 1124
CADREFIN 234
CODEC 1378
ENV 905
FORETS 78**

NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Post 2027 Common Agricultural Policy proposals: green architecture

The annex to this note contains the Presidency's background note and guiding questions for the Council meeting on 27-28 October.

The Common Agricultural Policy post 2027 – Green Architecture

On 16 July 2025, the Commission presented its proposal for the Common Agricultural Policy after 2027. At the Agriculture and Fisheries Council on 22-23 September 2025, the Presidency informed delegations that it would organise thematic discussions on different aspects of the proposal at upcoming Council meetings. The first discussion, at the Agriculture and Fisheries Council meeting on 27-28 October 2025, will be on the green architecture. The topic has already been discussed at expert level and in the Special Committee on Agriculture.

The Commission's proposal introduces several structural changes to the green architecture. Firstly, the abolition of the two-pillar structure would mean that only one set of rules would apply to green measures across the Common Agricultural Policy. Secondly, the Commission introduces a system of Farm Stewardship to replace the conditionality system. Thirdly, a new support instrument for transitioning towards more resilient production systems is introduced. Fourthly, while a minimum amount is ring-fenced for implementation of the Common Agricultural Policy in each Member State, Member States would be able to choose to dedicate parts of the non-earmarked funds in their National and Regional Partnership Plans to agriculture, including funds for green measures. Finally, the green ring-fencing in the current Common Agricultural Policy is dropped. However, the Commission proposes to introduce a budget tracking mechanism on the contribution of the National and Regional Partnership Plans to EU climate and environment objectives with an objective of 43 percent, and the possibility to request a minimum allocation in a Member State's National and Regional Partnership Plan based on the Commission's assessment of the Member State's progress in meeting EU climate and nature targets.

The green transition of agriculture remains crucial to meet the EU's climate and environment objectives. At the same time, climate change is increasingly affecting farmers and food security, highlighting the need for adaptation. The Presidency suggests that the Council's assessment of the green architecture consider the degree to which the proposal 1) simplifies the green rules for farmers and administrations, 2) makes delivering on the green transition more attractive for farmers, and 3) ensures a level playing field both between farmers and between Member States. To that end, this note comprises a description of the main elements of the green architecture and two guiding questions to steer the Ministers' interventions at the Council meeting.

Governance

The Commission proposes to issue national recommendations providing guidance to each Member State on the agriculture chapter in its National and Regional Partnership Plan. The objectives of the recommendations would include enhancing climate action, ecosystem services provision, circular solutions, the conservation of biodiversity and natural resources, sustainable farming and improving animal welfare. When drawing up their National and Regional Partnership Plans, Member States would be obliged to duly reason, substantiate and set out elements that effectively address all, or a significant subset, of the challenges identified by the Commission in their recommendations. If the Commission finds that the plan complies with the criteria set, it would then propose a Council implementing decision. Reimbursement of Member States' expenditure would be based on fulfillment of predefined milestones and targets for investments, while for area- and animal-based interventions it would be based on outputs achieved.

Farm Stewardship

The Commission proposes a new concept of Farm Stewardship as a replacement for the system of conditionality. While social conditionality and the requirement for farmers to live up to existing EU legislation (SMR) would be kept, Member States would be asked to include a description of a number of protective practices in their National and Regional Partnership Plan that farmers must implement to receive the entire amount of support under a number of interventions. This replaces the concept of Good Agricultural and Environmental Conditions (GAECs). Support subject to the system of Farm Stewardship would be deemed to comply with the principle of 'do no significant harm'.

Member States must define protective practices that achieve the following objectives: a) protection of carbon-rich soils, landscape features and permanent grasslands on agricultural area; b) protection of soil against erosion, preservation of the soil potential, maintenance of soil organic matter, including through crop rotation or diversification, as well as protection against burning of stubble on arable land; c) and protection of water courses and ground water against pollution and runoff.

Today, the GAECs are primarily defined at EU level. Therefore, the proposal would introduce more flexibility for Member States to develop protective practices adapted to national conditions, contingent on the Commission's approval of the National and Regional Partnership Plans. Member States may under certain conditions establish specific exemptions and derogations to the protective practices. Farms that are certified organic would be deemed to comply with a number of the objectives of protective practices. Small holdings would also be exempted from Farm Stewardship.

There is also a new possibility of equivalence, enabling farmers who subscribe to a support scheme more demanding than a particular protective practice to be deemed compliant with that protective practice. Finally, farmers could receive support to implement and sustain the protective practices if Member States offered voluntary green support schemes including these practices. The Commission motivates this change as part of the move from requirements to incentives.

Environment and climate priority areas

Member States would have to offer support to farmers and other beneficiaries at least in each of the following environmental and climate priority areas: (a) climate change adaptation and water resilience; (b) climate change mitigation, including carbon removals and on-farm renewable energy production, including biogas production; (c) soil health; (d) preservation of biodiversity, such as conservation of habitats or species, landscape features, reduction of use of pesticides; (e) development of organic farming; and (f) animal health and welfare.

Support for these priority areas may take the form of payments for disadvantages resulting from certain mandatory requirements, agri-environmental and climate actions or support for investments for farmers and forest holders. Member States with areas affected by water pollution due to nitrate surplus would also have to provide support to farmers for extensification of livestock systems or for diversification to other agricultural activities.

Payments for disadvantages resulting from certain mandatory requirements

The Commission proposes to maintain the possibility of granting support to agricultural production in areas affected by implementation of the Habitats and Birds Directives and the Water Framework Directive. As a change to the current rules, only farmers, forest holders and their associations would be eligible for such support.

Agri-environmental and climate actions

Member States would have to provide incentives for actions beneficial for the climate, environment, animal health and welfare, and sustainable forestry. These actions would be voluntary for the farmers and could be either annual or multiannual.

In addition, the Commission proposes the introduction of a new type of lump sum support for transition to more resilient farming. Farmers would draw up a transition action plan that is approved by the managing authority to receive funding (up to 200.000 EUR) to implement the transition towards more resilient production systems, which includes conversion to organic farming and extensification of livestock production systems. Member States would pay the support in instalments over the period of implementation of the transition action plan, with the last instalment conditional upon the completion of the plan.

Where national law imposes requirements which go beyond the corresponding mandatory minimum requirements laid down in EU law, Member States can also grant support for voluntary management commitments taken up by farmers and other beneficiaries that contribute to compliance with those requirements. This option could encourage Member States to move ahead with ambitious national initiatives while being assured that their farmers will not be negatively impacted in terms of the EU support they may receive. This new element is also included in the Commission's "omnibus" proposal for simplification of the Common Agricultural Policy presented in May 2025.

Support for investments

Member States would have to offer support for investments for farmers and forest holders, making an appropriate overall contribution to the resilience of agriculture, food systems, forestry and rural areas, in particular climate and water resilience. Investments contributing to the green transition could be both productive and non-productive, with the support rate for farmers and forest holders limited to 75 percent for both types of investments, except for young farmers. Where EU law imposes new requirements on farmers, Member States can give support for investments that help farmers comply with those requirements. This can be done for up to three years after the requirement becomes mandatory for the farm, or in the case of young farmers, from the moment of the setting up, or until the completion of related actions in a business plan.

Financial aspects and ring-fencing for green measures

Under the ring-fenced amount of the National and Regional Partnership Plans, the Commission proposes a minimum 30 percent national co-financing rate for payments made to farmers or forest holders for disadvantages resulting from certain mandatory requirements, agri-environmental and climate actions and support for investments for farmers and forest holders. Under the non ring-fenced amount, the minimum national contribution rate is at least 15 percent for less developed regions, 40 percent for transition regions and 60 percent for developed regions. Under the current two-pillar system, there is no national co-financing rate for eco-schemes under Pillar I and a minimum 20 percent national co-financing rate for green measures under Pillar II.

In the current period, a green ring-fencing of 25 percent in Pillar I and 35 percent in Pillar II applies to each Member State. In the proposal, there is no separate green ring-fencing for the Common Agricultural Policy. 43 percent of the National and Regional Partnership Plan budget is expected to be allocated to climate and environment objectives. However, the Commission may request Member States to contribute a lower or higher minimum allocation to green measures, taking into account the Commission's assessment of Member States' progress in meeting their 2030 climate targets for agriculture, transport and buildings (Effort Sharing Regulation) and in implementing the Nature Restoration Regulation.

In light of the above, the Presidency proposes the following questions:

- 1. To what degree does the proposal achieve the objective of making it simpler and more attractive for farmers to deliver on the green transition?*
- 2. Given the lack of a specific green ring-fencing for the Common Agricultural Policy in the Commission's proposal, how can a level playing field for farmers be ensured when it comes to the green transition?*