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To:	Delegations
Subject:	Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendments to CAP Strategic Plans, review of CAP Strategic Plans and exemptions from controls and penalties (docs. ST 7723/24 & ST 7723/24 COR1 - COM(2024) 139 final – 2024/0073) - Opinion of the European Economic and Social Committee

Delegations will find attached a copy of the above-mentioned opinion. This opinion is available in all language versions on the following website: https://dmsearch.eesc.europa.eu/search/opinion.

European Economic and Social Committee

OPINION

European Economic and Social Committee

Amendment to CAP basic acts – simplification

Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendments to CAP Strategic Plans, review of CAP Strategic Plans and exemptions from controls and penalties

(COM(2024) 139 final – 2024/0073)

NAT/932

Rapporteur: **Stoyan TCHOUKANOV**

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Referral	Council of the European Union, 19/3/2024, European Parliament, 22/3/2024
Legal basis	Article 43(2) and 304 of the Treaty on the Functioning of the European Union
Section responsible	Agriculture, Rural Development and the Environment
Adopted at plenary	24/4/2024
Plenary session No	587
Outcome of vote (for/against/abstentions)	200/1/8

1. Conclusions and recommendations

1.1 The European Economic and Social Committee (EESC) welcomes the fact that, in line with its previous opinions[1], the European Commission has proposed several measures to increase flexibility and ease administrative burdens for EU farmers with a view to reinforcing food sovereignty and improving farm incomes. At the same time, it points out that the common agricultural policy (CAP), even in a simplified application format, must ultimately support sustainable food systems responding to societal and ecological needs, contributing to the UN Sustainable Development Goals. However, the EESC would like to underline some limitations and uncertainties of the current proposal.

1.2 Firstly, the EESC highlights that this proposal will not solve the main problem faced by farmers, which is the unfair value distribution across the food supply chain preventing them from receiving a fair income for their food production (farmers' incomes are around 40% lower than the average non-agricultural income)[2,3]. The EESC therefore calls for the other elements proposed by the European Commission in the package[4] (on contracts, producer associations, voluntary schemes, unfair trading practices and the observatory on production costs, margins and trading practices) to be quickly presented and adopted. These are equally urgent and will further contribute to the overall objective of establishing a fairer income for farmers, while also attracting younger generations. Fostering short supply chains and quality schemes and ensuring that Member States' procurement procedures give priority to them should also be further supported, including by setting mandatory targets for Member States to create or improve them; this is a way to enhance the added value and profitability of farms. A sharp rise in income is key for enabling farmers to make a good living and contribute more to the environmental ambition by means of greening measures.

1.3 In principle, the EESC supports the flexibility offered to Member States – and consequently to EU farmers – to adapt farming practices to regional conditions in a dynamic way[1]. However, the EESC notes that environmental and climate policies and social standards should not be seen as a burden but rather as part of long-term solutions and guidelines for decision making in the future[1], and that flexibility should not mean decreased ambitions and a weakened green architecture of the reformed CAP. The EESC points out that conditionality was introduced in order to legitimize hectare premiums ('basic income support for sustainability') in the eyes of taxpayers. Only if farmers are economically sustainable will it be possible to have greater environmental ambitions, including through conditionality. Farmers must continue to adapt to climate change, commit to contractualised low-carbon initiatives, etc. Farmers are dangerously vulnerable to climate change and have to cope with increasingly frequent extreme weather conditions, which can interfere with their ability to work within ideal deadlines and timeframes, such as those for installing cover crops. The proposed temporary derogations for adverse weather conditions and simplifications on tillage, soil cover and the restoration of permanent

1 OJ C, C/2024/2099, 26.3.2024, ELI: http://data.europa.eu/eli/C/2024/2099/oj

2 CAP at a glance.

3 The present and future of European agriculture from the organised civil society perspective | EESC (europa.eu); OJ C, C/2024/2099, 26.3.2024, ELI: http://data.europa.eu/eli/C/2024/2099/oj; OJ C 349, 29.9.2023, p. 173.

4 European Commission memo on the Commission's support package for EU farmers.

grasslands will allow farmers to take care of their fields in the best possible way and as far as climatic conditions will allow.

1.4 The EESC recalls the need to protect the internal market and to ensure fair competition for EU farmers and SMEs through balanced trade agreements and autonomous trade measures with third countries that set health, social and environmental standards for imports that are at least equivalent to those required in the EU[1]. Safeguard clauses that are easy to use and effective in the event of market disruption (mirror measures, reciprocity) are also needed.

1.5 The CAP reform was developed before COVID-19 and before Russia's aggression against Ukraine, which both led to a complex economic situation for farmers that could not have been anticipated. In order to support the long-term sustainability and autonomy of EU food production, the current CAP should do more to support farmers to commit to eco-schemes or to other environmental services, such as biodiversity preservation, with a budget that is in line with its ambitions.

1.6 The EESC considers that farmers should be adequately supported through the transition, and that the positive externalities for the landscape, biodiversity, environment and climate of some specific agricultural activities should be incentivised through public funding or private contracts[5]. In this context, the EESC considers that the proposed measures on the so-called 'non-productive features' that allow farmers to choose to rest a share of their arable land or establish new landscape features in those areas (and thereby receive additional financial support via an eco-scheme) might lead to results that are even more positive than initially planned by the CAP, as long as sufficient and adequate additional financial resources are made available. This would not only ensure the ecological effectiveness of the CAP but also enable agricultural businesses to plan a gradual transition into the coming funding period.

1.7 The EESC therefore urges the European Commission and Member States to ensure that funding will be commensurate with the agreed ambition to ensure an economically sustainable, greener and fairer CAP, and recommends that the impact of these simplifications be assessed as early as possible in 2025 at Member State level, looking in particular at effects on farmers' income and on the total amount of surfaces or features for biodiversity purposes.

1.8 As some of these simplification measures will reduce obligations towards good agricultural and environmental conditions, while giving farmers more flexibility in the choice of measures to apply, the EESC stresses the need for adequate training programmes, aimed at increasing knowledge on greening measures given their economic impact, including on crop rotation, pollinator ecology, identification and habitat restoration for farm advisors and farmers[6].

1.9 The EESC also reiterates its recommendation to provide more support for farmers to deal with the needed controls[1]. In this regard, the EESC is not convinced about the proposal to exempt farmers with under 10 hectares from the controls and penalties related to compliance with conditionality requirements. The EESC points out that controls and penalties remain a problem

5 OJ C, C/2024/2099, 26.3.2024, ELI: http://data.europa.eu/eli/C/2024/2099/oj and OJ C 349, 29.9.2023, p. 173.

6 OJ C 349, 29.9.2023, p. 173

for all types of farms, large and small, and that it is important to reduce the burden of controls on all European farms. Furthermore, such a measure would divide European farmers and discriminate against part of them on a legally unjustified base. While some controls exemptions or a decrease in frequency might be appropriate, in particular for small farmers (the definition of 'small' being relative depending on the type of production), the EESC believes that a certain degree of adapted and proportionate controls can be a way to ensure exchanges of information and support to farmers.

1.10 Finally, and while agreeing with the urgency of these proposals in order to ensure their applicability for the next growing season, the EESC highlights that civil society should have been consulted in a different way on these proposals. The EESC therefore urges the European Commission to ensure that all stakeholders are properly consulted on the implementation of these measures and, moving forward, on the other elements proposed in the package, while also discussing them in the context of the ongoing strategic dialogue. It is essential to re-establish a dialogue between civil society and the farming community over the long term and put farmers at the centre of the CAP.

Brussels, 24 April 2024.

Oliver Röpke
The president of the European Economic and Social Committee