



ELO & WWF joint statement

“A modern Common Agricultural Policy that delivers for society”

Brussels, March 2018

European agriculture and its long-established Common Agricultural Policy are reaching a turning point. This is brought about by a new phase of technological change, heightened urgency to tackle climate change, the ever-increasing pressure on our natural resources, and by the next phase of evolution of the European Union itself.

The EU is currently debating the future financing of the Union and, as one of the largest expenditure categories in that budget, the purpose and scale of the CAP budget is a critically important matter. A Communication from the European Commission has proposed a decentralised New Delivery Model to truly modernise the CAP to help farming make the transition to the expected market and environmental realities ahead. The success of this new model will depend on the EU institutions establishing and enforcing clear achievable objectives and targets and on how responsibly the Member States use the proposed greater subsidiarity and flexibility offered by the new model to deliver those objectives and targets.

The European Landowners' Organization (ELO) and WWF have a joint interest in using the CAP to steer European rural land management towards more viable businesses, efficiently producing both healthy food and environmental benefits whilst sustainably managing our natural capital. In this regard, at a time where important decisions are being made for the future of food and farming in Europe, we share the following considerations.

1. Market failures and imperfections characterise the food and agricultural sector. Farmers are in a weak position in the food chain and markets do not sufficiently remunerate the provision of environmental and social public goods. These issues justify significant collective policy action with commensurate budget resources, provided that the CAP truly delivers on its objectives and targets.

There are three major reasons for a common EU policy that supports better farming and land management. The first is the trans-European objectives of protecting climate, biodiversity, air, water, soil and cultural landscapes. The second is the need to help farmers deal with price volatility and with the highly concentrated farm input, food processing and retailing sectors. The third is to correct the unbalanced development between urban areas and rural territories.

Nevertheless, the CAP budget must be utilised far more effectively in the future, reducing bureaucracy and revising policy instruments so they can truly help to achieve the policy objectives. The EU must set a robust framework with clear orientations and accountability systems, and Member States must rise to the challenge of using the higher degree of flexibility to design and implement a CAP with EU added value, to improve the provision of environmental and social public goods in a way which also makes sense at farm level.

2. A significant evolution towards sustainability is needed in our food and farming systems. The future CAP can and should guide this transition with a better adapted architecture and efficient policy instruments. The support of smart, agro-ecological and innovative land management by farmers and landowners is essential to ensure the long-term capacity to produce food, particularly in face of climate change.

The CAP has evolved from supporting farm products to supporting producers, and must now take a further step towards supporting more sustainable production systems and enhanced delivery of public goods from land management. The level of support should be scaled to the volume of services delivered. This requires that farmers are helped to pursue knowledge intensive farm production and environmental land management ensuring the best resource use efficiency. It also calls for combining existing agri-environment instruments with new regionally-tailored tools to enhance farming-related climate and environmental action, such as the new conditionality or eco-schemes that are likely to replace greening in the architecture of the future CAP.

Implementing these new tools should be mandatory for Member States, with conditionality being compulsory for all farmers receiving CAP subsidies and eco-schemes offered on a voluntary basis as well funded incentives for higher environmental delivery. In any case, these instruments should be devised coherently, going beyond existing practice and legal baselines, and their combined effect must represent a significant improvement over current environmental performance.

Actions should be designed with a multi-annual perspective, and where appropriate at a catchment or landscape scale, independently of how payments are made in practice. This will give a sense of direction and will allow for a stepwise approach to be implemented by land managers, with incremental improvements in the sustainability of the farm to be achieved by the end of the programming period.

A policy aimed at improving the sustainability of farming must help rebalance rewards in the food chain towards primary producers and help them enhance the productivity and environmental management of agricultural land. This must allow farmers to achieve living standards comparable to those in other sectors of the economy and remain competitive with suppliers in other parts of the world.

3. For the CAP to remain a common policy, joint objectives, targets and indicators should be agreed at the EU level, becoming the robust framework to guide Members States in national/regional policy design and implementation.

As regards environmental action, the commonality of the policy can build on the existing objectives and targets in the areas of biodiversity, water, climate, air and soils, found either in EU environmental law and policy or in international agreements. To integrate them appropriately into

the CAP, the intervention in the farming sector necessary to achieve those objectives must be identified, and the requirements and incentives within the CAP established accordingly. This work would be best done by bringing together agricultural and environmental expertise when designing and managing the relevant CAP instruments.

Appropriate indicators will have to be used to assess progress towards the defined targets in a monitoring system where EU authorities and agencies have a leading role, in full collaboration with Member States. Similar approaches should be used for actions related to socio-economic objectives, such as reinforcing the position of farmers in the supply chain and a sustained generational renewal. When indicators show that actions are not being effective, this should spark a revised approach at the earliest stage possible.

4. The new delivery model is an opportunity to develop a different culture for policy design and implementation. The delivery of meaningful results, both on farms and at national level, will be best achieved if the engagement of the parties is based on trust and accountability, rather than on mere compliance with a set of rules. Such a change in mind-sets will take time, so the reform of the CAP should not be rushed.

For the new delivery model to develop its full potential and not become an empty exercise, a different relationship based on trust and accountability must be built, both between the EU and Member States, and between authorities and the land managers on the ground. Controls and sanctions should have a dissuasive effect, and instead of minor details triggering penalties, they should focus on cases of fraud and clear non-compliance with the rules or with the objectives agreed, and avoid generating frustration and mistrust.

This can be helped by utilising modern data recording, surveillance and electronic communication for applications and controls. This would allow for a less prescriptive framework that will benefit both farmers and administration. For instance, it would reduce the number of physical inspections in the field, which would be required only in the event that evidence made available by technology would not provide conclusive results.

Enough time and resources should be allocated for the development of National CAP strategic plans, in a collaborative process between stakeholders and authorities at all levels. Adequate mechanisms and incentives should be set to ensure these plans are realistic and ambitious, with an intervention logic that responds to the needs identified and the objectives pursued. In this regard, phasing in the new delivery model over a few years, a compulsory mid-term improvement of the plans or establishing sanctions for Member States which consistently fail to develop good strategic plans could be ideas to explore further.

For further information, please contact:

European Landowners' Organization (ELO)
Senior Policy Officer: Ana ROCHA - ana.rocha@elo.org

WWF-European Policy Office
Senior Policy Officer: Jabier RUIZ - jruiz@wwf.eu



The European Landowners' Organization (ELO), created in 1972, is a unique federation of national associations from the 28 EU Member States and beyond, which represents the interests of landowners, land managers and rural entrepreneurs at the European political level. Independent and non-profit making, the ELO is the only organization able to stand for all rural entrepreneurs with over 50 member organizations. The ELO promotes a prosperous countryside through private property dynamism. Its Secretariat is based in Brussels.

European Landowners' Organization | www.elo.org
Rue de Trèves 67; BE-1040 Brussels
EU Transparency Register Nr: 36063991244-88



The World Wide Fund for Nature (WWF) is one of the world's largest and most experienced independent conservation organisations, with over 30 million followers and a global network active in nearly 100 countries.

WWF's mission is to stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

The WWF European Policy Office contributes to the achievement of WWF's global mission by leading the WWF network to shape EU policies impacting on the European and global environment.

WWF European Policy Office | www.wwf.eu
Rue du Commerce 123; BE-1000 Brussels
EU Transparency Register Nr: 1414929419-24