THE CAP GREEN ARCHITECTURE POST-2020 DEEPING ECO-SCHEMES

Round Table - THE MEDITERRANEAN REALITYThe Portuguese view

30 May 2019 Zafra, Badajoz (Spain)

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Eco-Schemes

- 1. PORTUGUESE AGRICULTURE LAND USE
- 2. CAP SUPPORT ENVIRONMENT AND CLIMATE
- 3. CAP AMBITION WITH REGARD TO THE ENVIRONMENT AND CLIMATE PT POSITION
 - 3.1 ECO-SCHEMES
- 4. SENSITIVE ISSUES IN THE GREEN ARCHITECTURE

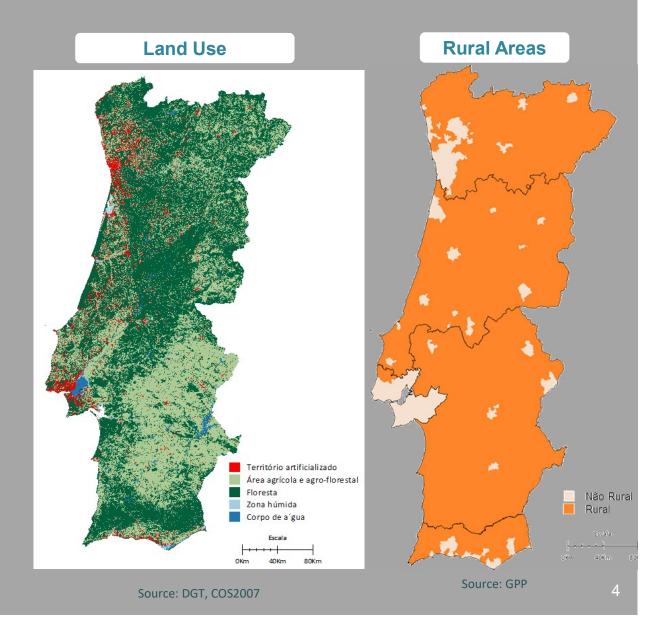




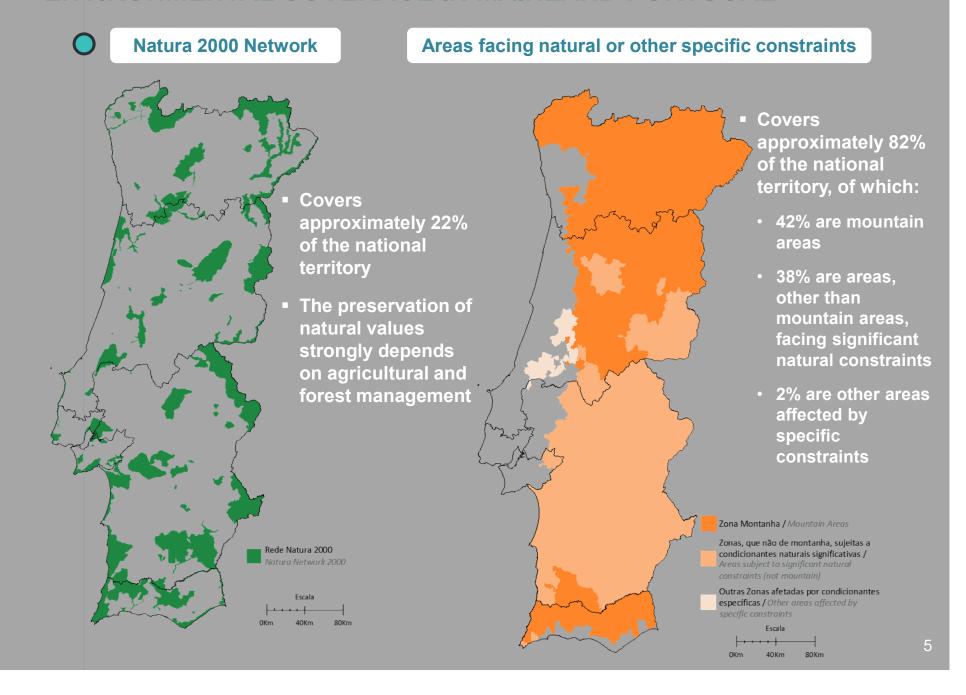
PORTUGUESE AGRICULTURE – LAND USE

O AGRICULTURE - THE MAIN LAND USE IN PORTUGAL

- ✓ Agriculture and forests remain the main users and managers of the territory
- ✓ Agricultural and forest area represents 3/4 of the territory
- ✓ Rural area represents91% of the territory in mainland Portugal
- ✓ Rural population represents 1/3 of total population

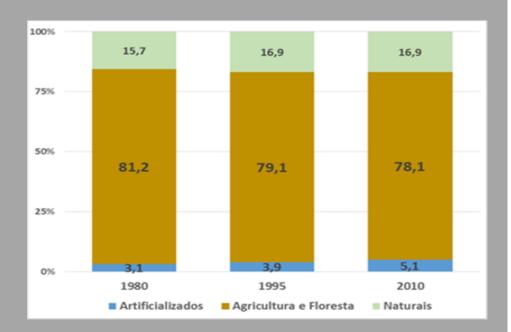


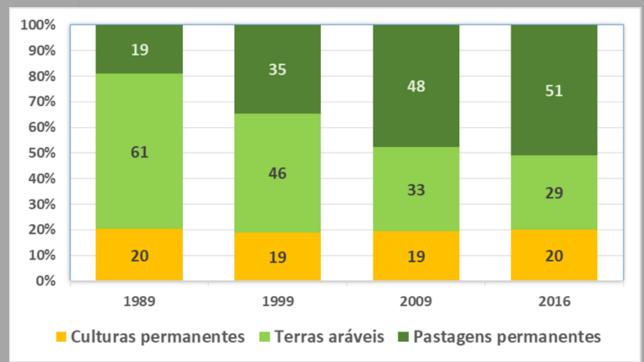
ENVIRONMENTAL COVERAGE IN MAINLAND PORTUGAL



O LAND USE

Land use Structure



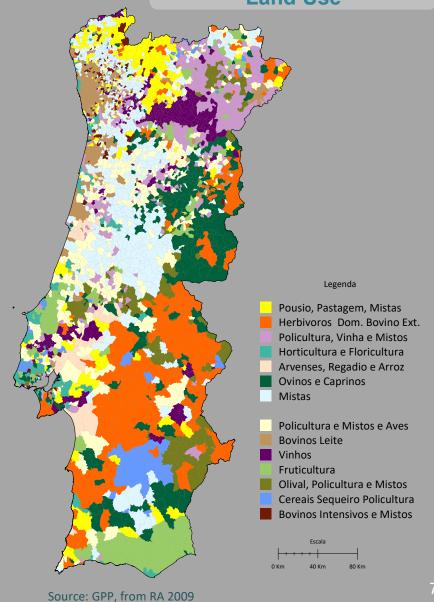


UAA Structure (% UAA) **O** MOSAIC OF TYPES OF FARMING

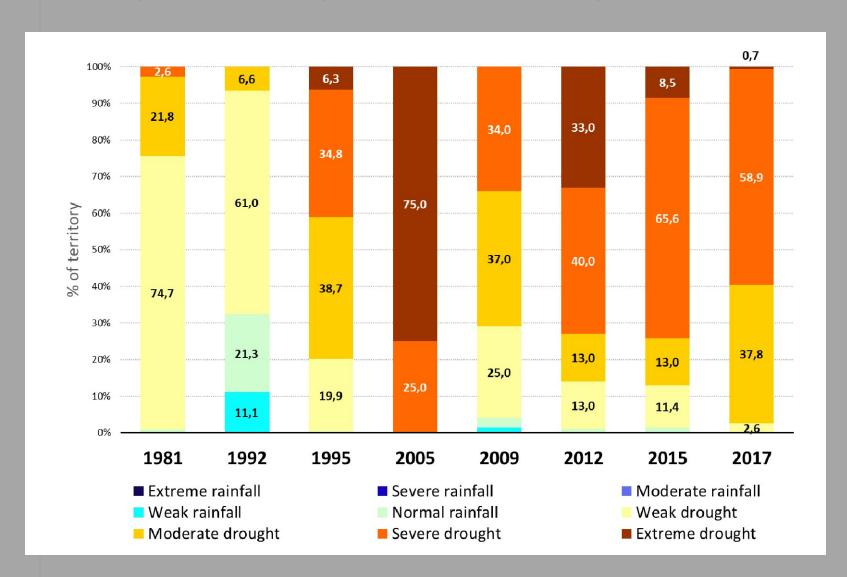
Patterns of Agricultural Land Use

✓ Type of farming - High diversity across the territory

- **✓** Specialised production:
 - Dairy Cattle
 - Cattle extensive regime
 - Fruit growing
 - Vineyard
 - Sheep and goats

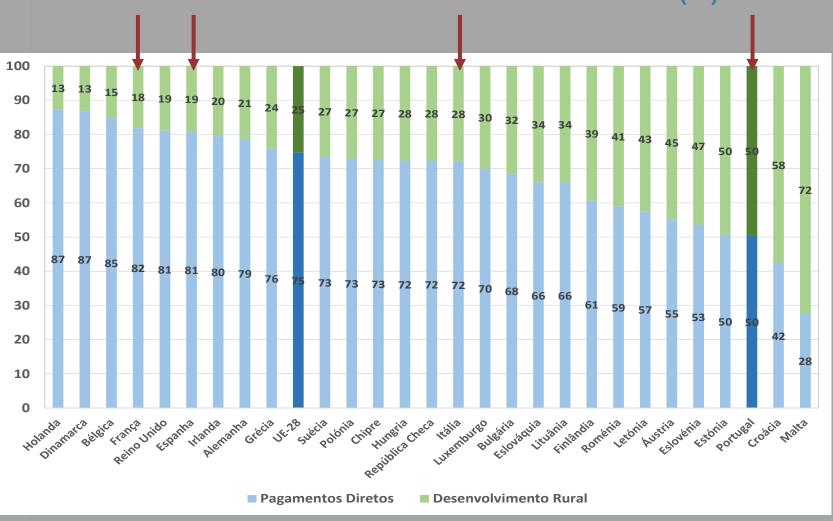


CLIMATE RISK - Territory covered by different categories of drought on 31st August - mainland Portugal % per PDSI index



CAP SUPPORT - ENVIRONMENT AND CLIMATE

DEVELOPMENT SUPPORT BY MEMBER STATE (%)



O AGRI-ENVIRONMENT AND CLIMATE MEASURES BY RESOURCE

Holistic measures with simultaneous positive effects on: biodiversity, water and soil; climate change mitigation and adaptation

Measures with positive effects on one of the natural resources: biodiversity, water and soil.

Biodiversity 672 815 ha

Water 36 816 ha

Organic Production 219 708 ha

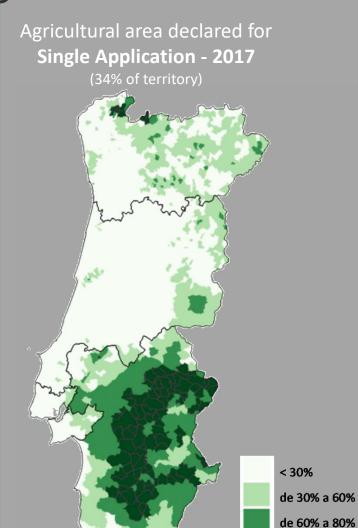
Integrated Production Farming 796 345 ha

Soil 24 673 ha

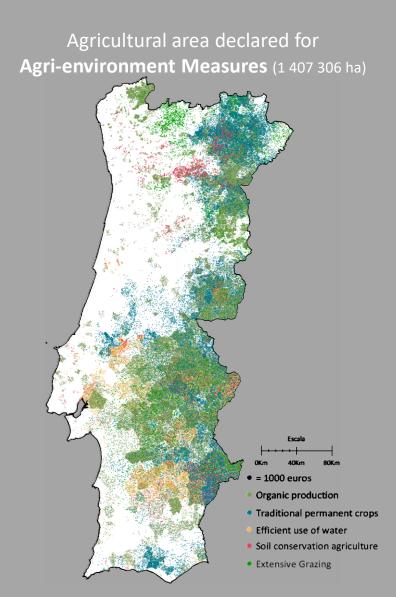
Total net declared area 1 407 306 ha



AGRI-ENVIRONMENT MEASURES



> 80%



CAP AMBITION WITH REGARD TO THE ENVIRONMENT AND CLIMATE – PT POSITION

As a starting point Interconnection with... Investment **Advisory** Knowledge Services **NEW CAP GREEN** ARCHITECTURE transfer Innovation Cooperation

ECO-SCHEME PRINCIPLES (PT view)

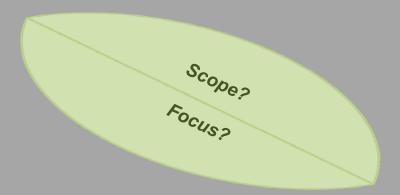
- ✓ Support an increased CAP ambition with regard to the environment and climate as a means to achieve sustainable production
- ✓ Agricultural producers and forestry producers are key agents in fulfilling this greater ambition
- ✓ More attractiveness needed for green architecture support (incentive vs regulation)
- ✓ Flexibility and adaptability for farmers
- ✓ Controllability

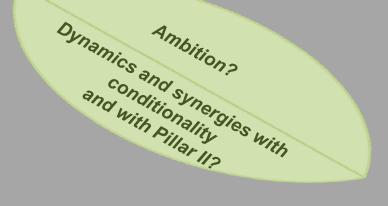
• ECO-SCHEME IMPLEMENTATION (PT view)

- ✓ Appropriate resources needed to achieve greater ambition - incompatible with reduction of the Rural Development financial envelope
- ✓ Flexibility in implementation with possibility of incentives
- ✓ Adequate level of conditionality demanding although not restrictive baseline

ECO-SCHEME APPROACHES

- ✓ Broad scope or targeted schemes?
- ✓ Global, regional or sectoral schemes?
- √ Simple or ambitious schemes?
- ✓ Different from or complementary to conditionality?
- ✓ Different from or complementary to Pilar 2 support?
- ✓ Entry-level scheme: entry level for access to Pillar II support?





O AMBITIOUS ECO-SCHEME (1) (PT view)

- ✓ Baseline with adequate requirement level
- ✓ Simple obligations and rules
- ✓ More attractive to farmers Shorter commitment period
- ✓ More attractive to Member States No co-financing
- ✓ Greater flexibility for transition to/maintenance of modes of environment and climate sustainable agriculture

O AMBITIOUS ECO-SCHEME (2) (PT view)

- ✓ More intensive agricultural systems most affected by internal convergence - compensation for uptake of environment and climate-related objectives - sustainable intensification
- ✓ More flexibility in the payment unit possibility of payment per Livestock Unit
- ✓ Support of FAST tool transaction costs through an ecoscheme (?)

GREEN ARCHITECTURE INTERVENTIONS (PT view) FARMER Holding / Land YES NO Need for flexibility / reaction to market signals Insufficient incentive to maintain Viability of Farm systems Objectives adapted to or to promote a transition to a Specific environmental values diffuse questions sustainable production model Need for predictability Entry level to environmental Long-term Environmental effect payments **Abandonment** Intensification **ENVIRONMENTAL / CLIMATE ECO-SCHEME** Risk Risk **MANAGEMENT COMMITMENTS** Pillar I Pillar II **ENHANCED CONDITIONALITY**

SENSITIVE ISSUES IN THE GREEN ARCHITECTURE

SENSITIVE ISSUES

1. <u>Baseline with a high level of requirements strongly affects the design of eco-schemes and agri-environmental climate measures</u>

Conditionality:

- GAEC 6 (Tillage management to reduce the risk of soil degradation...)

 Possible limitations to agri-environment measures aimed at the use of soil conservation techniques, the continuity of which is important to ensure
- GAEC 8 (Crop rotation)
 There are still difficulties in terms of implementation and monitoring, as well as multiannual control, given that the existing technological tools do not allow remote sensing control, especially on very small parcels

O SENSITIVE ISSUES

• GAEC 10 (Prohibit conversion or cultivation of PP in the entire Natura 2000 area)

Difficulty in accepting that all the permanent pasture area in Natura 2000 Network is considered as environmentally sensitive. Need to maintain a diversified mosaic that reduces the risk of fires. The status quo, with regard to the definition being made at MS level, should be maintained.

SMR 11 (Notification of animal diseases)

This Statutory Management Requirement should be deleted, bearing in mind that the reasons leading to its withdrawal from 2015 onwards have not changed.

SENSITIVE ISSUES

2. ANC within 30% EAFRD allocation to environment and climate

Accounting of natural or other area-specific constraints in the calculation of the 30% EAFRD threshold dedicated to the specific environment and climate related objectives.

3. FaST – Farm Sustainability Tool for Nutrients or equivalent tool

Support the implementation of FaST through the advisory services, with a transitional period.

Possibility of establishing an eco-scheme to compensate by means of a small amount the transaction costs arising from the correct use of this tool.

Eco-Schemes THE MEDITERRANEAN REALITY

Zafra, 30 May 2019

Eduardo Diniz Director-General of GPP





COD COM	COD PT	Agri-Environment and Clima, Natura 2000, Forest-environmental and climate services and forest conservationt Payments and Payments to farmers in mountain areas and other areas facing natural or other specific constraints in the Rural Development Programme for Mainland Portugal, in 2014-2020.
M11 11.1 e 11.2	7.1.1	Organic Production (based on European regulation)
M10 10.1	7.2.1	Integrated Production (based on national regulation for sustainable farming)
M12 12.1	7.3.1	Natura 2000 Payments
M10 10.1	7-3-2	Local agri-environment Schemes in specific Natura 2000 areas
M10 10.1	7.4.1	Soil Conservation - using only no-till farming or minimum tillage
M10 10.1	7.4.2	Soil Conservation - maintenance of sown cover crops between rows of Permanent crops
M10 10.1	7.5.1	Efficient Use of Water (Reduction of irrigation rate)
M10 10.1	7.6.1	Traditional Permanent Crops (preserving biodiversity in HNV areas)
M10 10.1	7.6.2	"Alto Douro" Wine Cultural Landscape (preserving cultural and HNV landscape)
M10 10.1	7.7.1	Extensive Grazing-maintenance of HNV "Lameiros"- natural and semi-natural Permanent Grassland
M10 10.1	7.7.2	Extensive Grazing - maintenance of HNV agro-forestry-pastoral systems in the cork oak, holmoak and Pyrenean oak "Montado" (permanent pastures + oak trees + livestock)
M10 10.1	7-7-3	Extensive Grazing - Support for Iberian Wolf Protection (maintenance of the livestock guardian dog)
M10 10.1	7.8.1	Maintenance of indigenous livestock breeds
M10 10.1	7.8.2	Maintenance of indigenous crop varieties
M10 10.2	7.8.3	Conservation of Animal Genetic Resources
M10 10.2	7.8.4	Conservation of Plant Genetic Resources
M10 10.1	7.9.1	Agroforestry mosaic (maintenance of traditional system with plots of naturals and semi-natural grazing areas between forest plots and farmed plots)
M15 15.1	7.10.1	Forest-environment payments - Support for Iberian lynx Protection (Maintenance of Iberian lynx habitats)
M15 15.1	7.10.2	Forest-environment payments - Maintenance of riparian galleries (ecological features in field margins of rivers and streams)
M10 10.1	7.12.1	Agri-environment bee support
M13 13.1	9.0.1	Support to farmers in mountain areas
M13 13.2	9.0.2	Support to farmers in areas, other than mountain areas, facing significant natural constraints
M13 13.3 Total * livestock units: 71 009	9.0.3	Support to farmers in other areas affected by specific constraints