# CDG Environment and Climate Change 12/6/2015

Attended by Rosa Mosquera & Gerry Lawson

Meeting agenda and minutes

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- 3. Update on the CAP Simplification Process
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## 1. Meeting agenda and minutes

Minutes of the meeting on 14/11/14 were formally adopted. EURAF also produced informal notes on this meeting.

### 2. Adoption of the Strategic Agenda

Leonard MIZZI, the Head of Unit in R4 responsible for CDGs explained that the <u>Strategic Agenda</u> for this CDG is particularly broad-based and ambitious. Meeting agendas therefore need to be focused and prepared in advance, ensuring that they match as closely as possible to the Commission's policy making timetable.

## 3. Update on the CAP Simplification Process

Mr Richard ETIEVANT (Deputy Head of Unit, AGRI D2 - Greening, Cross-Compliance – tel 94468) gave a presentation on latest progress with simplification around "Greening" and Council's conclusions of May 11th. The focus is on areas of concern to farmers and MS, but simplification could not jeopardize sound financial management and sustainability. Changes are likely in application of rules on permanent grassland, requirement for a period of crop diversification, definitions of the types of ecological focus and the requirement for the Ecological Focus Area layer in the LPIS. There is scope for simplification by giving more flexibility to MS on targeted controls and revised instructions for the evaluation of permanent grasslands and Basic Payments regulations have been prepared by them LPIS Unit¹. There is no intention to reform the Basic Act, and rumors of a mid-term review are just rumours. Further guidelines on inspection and permanent grassland are expected by the end of July.

<sup>&</sup>lt;sup>1</sup> Reports on the Pro-rata system for permanent grassland (DS-CDP-2015-06) and ETS Executive test suite for LPIS Quality Assessment (DS-CDP-2015-07), were discussed by the EU <u>Direct Payments Committee on 20-5-15</u> MS comments requested by end July. EURAF should make a CAP Simplification Submission referring to the changes we wish to see in these documents.

Comments: a) the new IACS returns are very complex and COPA has submitted a long list of simplifications; b) the Court of Justice ruling on the distinction between permanent and temporary grassland has led to new draft "permanent grassland guidance"; c) problems with trees are being addressed & proposals are still being looked at for simplification - they can be made my any stakeholder; d) can greater tolerances be introduced for farmers in the first year (COPA)?; e) simplification is needed on definitions of buffer strips and EFAs (COPA); e) filling in the IACS form now takes 4 days instead of ½ a day, and much of the problem is classifying trees in terms of cover - this may cause many farmers to remove trees.

### 4. Update on adopted Rural Development Programmes

Mr SCHEELE (AGRI H2 – tel 63970) <u>outlined</u> the current status of RDPs and the planned expenditure on RDPs. In total around €161 billion public funding is planned, with almost €100 billion from EAFRD. 67 RDP have been approved to date. Breakdowns are available on proposed spend per measure (investments in physical assets and agri-environment-climate are 23.5% and 16.8% respectively). 19% of total agricultural land is under a management contract supporting biodiversity and/or landscapes. 7.6% of total forest area is under management contracts supporting biodiversity.

Mr CRESPIN (ENV B1 – tel 56411) <u>described</u> an ex-ante mapping of measures in approved and draft RDPs against the six strategic priorities:

- 1. Knowledge transfer and innovation
- 2. Economic viability and competitiveness
- 3. Food chain organisation and risk management
- 4. Restoring preserving and enhancing ecosystems (main priority related to biodiversity, water, soil) amost 40% attributed to this
- 5. Resource efficiency and climate change
- 6. Diversification and social inclusion

Discussion: proposals for Results Based Payments were commended, and had been proposed by the Netherlands as part of a collective agri-environment and climate measure. EURAF made the point that this type of analysis is not sufficiently detailed since MS have not submitted information at the submeasure level, e.g. distinguishing Measure 8.1 (afforestation) from Measure 8.2 (agroforestry).

### 5. EEA State of the environment report...

Mr HOOGEVEEN Ybele (EEA – tel +45 3336 7178) <u>presented</u> on the European Environment State and Outlook 2015 report. The suite of SOER 2015 products – 2 reports and 87 briefings – provide a baseline to

assess where Europe is making progress against the 7th EAP objectives, and gives opportunities to recalibrate policies and knowledge in line with the 2050 vision. See EEA for <u>executive</u> <u>summary</u>.

# 6. Circular Economy Package. State of Play.

Mrs D'Cunha (ENV A1 – tel 86939) gave a verbal presentation on the Circular Economy and the <u>consultation</u> which is open till 20th August. It seeks to make an incremental change in European

resource efficiency, keeping added value in products for a long as possible and eliminating waste. The measure was withdrawn and will be replaced with a whole value chain proposal by the end of this year. Emphasis is on recycling and elimination of waste and collection and treatment. The CE will benefit the environment, growth and jobs. It copes with an increasing need for raw materials (imports of often critical materials from unstable areas), societal pressures (global middle class doubling to 5 billion by 2030). It could generate potential benefits for businesses estimated at 250 - 600 billion euros. Much waste legislation is already in place, but synergies need to be exploited across the whole value chain including extractive and production processes. One example given is that the current EU Fertilizer Regulation includes only inorganic fertilisers and could be extended to cover extraction of nutrients from sewage sludge. Studies are underway on barriers to the cascading use of such biomass.

## 7. EU Climate Policy

Andreas Gumbert (AGRI H4) unit <u>presented</u> on "options for including agriculture and LULUCF in the 2030 climate policy supported by Simon Kay of DG CLIMA A2 (tel 60763). The Comission has agreed a cut of at least 40% on 1990 levels of GHG emissions with the share of both renewable energy and energy saving increased to at least 27%. There are two pillars for EU climate policy: sectors within the Emissions Trading Scheme and those outwith it (transport, buildings, waste, agriculture), which are part of the EU Emissions Sharing Decision (ESD). LULUCF is not included (unless it is a net emitter, and this is not the case in the EU), but the Comission wants it counted from 2020 onwards. A consultation closes in June on three possible accounting options: 1) LULUCF maintained as a separate third pillar, 2) Agriculture and LULUCF assessed together as a third pillar termed AFOLU (Agroforestry, Forestry and Other Land Use, 3) Agiculture and LULUCF accounted separately but included in the Emissions Sharing Decision. The Commission wishes to "encourage the sustainable intensification of food production, while optimising the sector's contribution to GHG mitigation and sequestration, including through afforestation.

EURAF's position (and that of ICRAF and other research bodies including IPCC) is to support Option 2. The Industry representatives on this CDG, and many of the NGOs are supporting Option 1. EURAF feels that carbon and other GHGs should be accounted together in a pillar spanning both agriculture and foresry. The opportunity for agroforestry to contribute to climate change mitigation and adaptation would be more easily calculated within this AFOLU pillar. Recent studies have shown not only that agroforestry has a large potential for <u>carbon sequestration</u> but that it can filter up to 40% of <u>ammonia emissions</u> in silvopastoral situations.

Member States are sharing expertise on including Crop Management and Grassland Management in UNFCCC reporting, and mitigation options are available on agricultural land (<u>more</u>). This is an active area of research and EURAF is hoping to produce a position paper later in the summer.

Discussion: COPA's preference is for Option 1, but it is looking at the issues. EURAF pointed out that the LPIS provides a sophisticated dataset of agricultural information for farm-based GHG accounting. EURAF also pointed out that LULUCF was a term deprecated by IPCC and replaced by AFOLU, and that Option 2 was the UNFCCC favoured route.

# 8. EU Environment-Nature Policy

#### 8.1 Summary on State of Nature Report

A short <u>presentation</u> was made by Mrs RUBIN (ENV B3 – tel 62234) and Mrs LEDOUX (ENV B2 – tel 57384). The State of Nature Report is huge exercise on a 6-year cycle, and was adopted by the Comission on 20th May with data from 27 countries. Analysis is scientific and systematic, with data on 1650 species. The report is produced by the EEA and the Biodiversity Topic Centre. It feeds into the Fitness Check evaluation of the nature directives. There has been a huge loss of areas of natural and semi-natural habitat across the EU: e.g. ½ of wetlands disappeared before the Habitats Directive was adopted. Natura 2000 has a focus on reporting of species and habitats and discussion of population status and trends. For over 50% of bird species the conservation status is 'secure', but ½ of species are threatened or near-threatened. Recovery of species has benefited from the <u>LIFE programme</u>, <u>species action plans</u> and and agri-environment schemes.

For habitats only 16% of assessments are favourable, and significant numbers show declines. Grasslands, wetlands and dunes are in particular concerns. There are some success stories and declines can be reversed with targeted measures. Changes in land use and hydrology are compounded often by climate change.

### 8.2 Update on midterm report on the 2020 EU Biodiversity Strategy

This <u>presentation</u> (Ms Lidou) and more detailed reports at a conference in <u>May 2015</u> outlined progress towards the 2020 biodiversity targets based on a) a technical report due in autumn 2015, b) national reports made by MS to the CBD, c) the EEA State of Nature report. An EU Parliament own initiative report was also expected din 2015. Council conclusions are timetabled for Dec 15. Preliminary conclusions are:

- Target 1 (fully implement the birds and habitats directive). Status of species and habitats
  fairly stable in last 6years, some local improvements, nature 2000 network largely complete
  for terrestrial habitats but big gaps for marine, need to ensure that sites are managed and
  funded.
- Target 2 (maintain and restore ecosystems and their services). Progress on key actions (GI, MAES) more needs to be scaled up and more effort on restoration and biodiversity proofing of the EU budget. Degradation of ecosystems and services continues
- Target 3a (maximise bio-diversity related measures in the CAP). Continuing decline in agriculture relates species and habitats. Farmland birds and grassland butterflies still declining. Some CAP shortcomings. Local success needs scaling up.
- Target 3b (sustainable forest management to result in improvement in status of forest species and habitats). Forest cover increasing but status of habitats and species of EU importance has deteriorated. Types of management plan varies considerably and few contain biodiversity measures.
- Target 4 (sustainable use of fisheries to achieve Good Environmental Status (GES).
   Important progress in policy framework for sustainable fisheries (CFP) and GES (MSFD).
   Majority of fish stocks over exploited. Only 4% of marine habitats have GES. Uneven progress.
- Target 5 (combat invasive alien species). EU on track with the EU Invasive Alien Species Regulation. MS require to implement.
- Target 6 (help to avert global biodiversity loss). EU leading donor for biodiversity and taken steps to reduce indirect dirivers of biodiversity loss. Nagoya Protocol ratified in 2014.

Comments: a) not all the many targets in CBS can be achieved - farmers understand this responsibility but long term approach is needed with research and incentives (COPA); b) urbanisation and 'soil sealing' is a major threat and should be restriced (COPA); c) more research needed on the impact of soil erosion on biodiversity (COPA); d) forest owners are contributing greatly to biodiversity - the SON Report is disputed in this area (COSEGA); e) more emphasis needed on agricultural pollination threats due to decline of domestic and wild bees (BeeLife); f) The Birdlife report "Halfway There" gives a more detailed analysis of the EU failings on biodiversity targets, and a presentation would be made at the next meeting.

#### 8.3 Update on Nature Fitness Check

The <u>presentation</u> outlined the Commission's efforts to evaluate the Birds and Habitats Directives and their fitness for purpose under <u>5 headings</u>: effectiveness, efficiency, coherence, relevance and EU added value. AllI MS are being consulted, but 10 are providing more detail - with comments provided by the administrating authority, another public authority, NGOs and the private sector. A 12 week public consultation has already generated 210 thousand responses (#NatureAlert)! The consultation closes on 26th July but the exercise continues into 2016. Implementation is responsibility of the MS. <u>Citizen science</u> is one way to disseminate information on nature and conservation. Much information on biodiversity is available from LIFE projects

Comments: a) the fitness check is a positive move and will highlight differences between MS, but the CAP can do more and is still pushing for intensification of farming and more policy coherence is needed (EBB); b) effects of climate change and urbanisation are not accounted for the the methodology, and the Natura 2000 regulation is becoming outdated, can areas be de-listed? (COPA); c) there were many pre-filled submissions to the consultation - how does the commission deal with these?; d) recognition needs to be given to "sustainable intensification" and invasive species are a worry (Finish Farmers Union); it is surprising that there are still gaps in data on birds (COPA); protected wolves are a problem for farmers in mountain areas (ECVC); has training to agricultural workers been in included in assessment (EFAT); clearer guidelines needed on permanent grasslands (COPA); more voluntary approaches are needed and local action plans (COPA).

#### 8.4 Presentation on European Red list of Bees.

Mrs GARCIA (IUCN tel 32 2 739 3009) and Mr KOVACEVIC (ENV B2 – tel 91016) presented on the extension of the ICUN red list of threatened species to bees. There are 1965 European bee species, with 400 endemic. 9.2% of wild bee species are threatened and 25.8% of bumblebees. However population trends of 79% of bee species are unknown! Major threats are agricultural expansion and intensification, livestock farming and ranching and agricultural/forestry pollution. Conservation actions include good quality habitats, protected areas, mass flowering crops, agri-encionment schemes and mosaic landscapes. Agroforestry was specifically mentioned as an option for encouraging wild-flow strips, whilst maintaining farmers income. The economic value of bumblebees may be more than €14 billion annually.

Comments: herbicides focusing on graminae in tree strips (e.g. propysamide) may benefit flowers (EURAF); what is the balance between varroa mite attack and other attacks like American

Foulbrood disease and damage from herbicides and pesticides (COPA). Response was generally that much more research was needed.