Support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP strategic plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) 2021–2027

2018/0216(COD) - 23/10/2020 - Text adopted by Parliament, partial vote at 1st reading/single reading

Parliament adopted by 425 votes to 212, with 51 abstentions, amendments on the proposal for a Regulation of the European Parliament and of the Council establishing rules support for strategic plans under the CAP financed by the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD).

The matter was referred to the committee responsible for inter-institutional negotiations.

The main amendments adopted in plenary concern the following points:

Improving the environmental performance of EU farms

Members stated that Member States should ensure that Common Agricultural Policy (CAP) strategic plans contribute to the timely achievement of the objectives set out in the Sustainable Development Programme 2030, the Paris Climate Agreement and the European Green Deal.

Furthermore, the EU and its Member States should ensure that development cooperation objectives are taken into account in all CAP interventions, and respect the right to food as well as the right to development.

Parliament has reinforced mandatory climate and environmental requirements, i.e. the cross-compliance clauses that every farmer must respect in order to get direct support. EAGF and EAFRD support should thus aim to:

- promote the development of a modern, competitive agricultural sector that guarantees long-term food security, while at the same time preserving the family farming model;
- strengthen market orientation on local, national, EU and international markets, as well as market stabilisation and risk and crisis management;
- contribute to climate change mitigation by reducing greenhouse gas emissions and integrate sustainable energy into the agricultural sector, while ensuring food security, sustainable management and protection of forests;
- improve ecosystem services and contribute to reversing the loss of biodiversity and supporting high nature value farming systems. Member States' strategic plans should include an area of at least 10% of landscape elements beneficial to biodiversity;

- strengthen the socio-economic fabric of rural areas to help preserve and create jobs, ensuring a sustainable income for farmers and combating rural depopulation;
- support young and new farmers and promote the participation of women in the agricultural sector. Member States should allocate at least 4% of their budget for direct payments to support young farmers.

Aid would only be granted to 'active' farmers carrying out a minimum level of agricultural activity.

Members stressed the importance of setting up farm advisory services in each Member State and earmarking at least 30% of the EU funds granted to them to help farmers combat climate change, manage natural resources sustainably and protect biodiversity.

Climate, environment and animal welfare schemes

Member States should offer a broad variety of eco-schemes in order to ensure that farmers are able to participate and to reward different ambition levels.

Support for eco-schemes should take the form of an annual payment per eligible hectare and/or a per holding payment, and it should be granted as incentive payments going beyond

compensation of additional costs incurred and income foregone, which may consist of a lump sum.

Member States could also provide for additional income support for voluntary schemes to boost competitiveness.

At least 30% of the budget for direct payments should be devoted to environmental schemes, which would be voluntary but could increase farmers' incomes

Support for small farms

Members considered that redistributive income support for sustainable development should be redistributed fairly from large to small and medium-sized farms.

Member States should reduce the amount of direct payments to be granted to a farmer in a given calendar year when that amount exceeds a threshold of EUR 100 000 (instead of the EUR 60 000 proposed by the Commission) but could allow farmers to deduct 50% of their farm-related income from the total amount before the reduction.

At least 6% of national direct payments should be used to support small and medium-sized farms.

Rural development

Members proposed that at least 35 % of the total EAFRD contribution to the CAP Strategic Plan should be reserved for interventions of all types addressing the specific environmental- and climate-related objectives.