DG ENV contribution to the "key issues" table prepared by DG AGRI/SG in the context of approval of CAP Strategic Plans

(State of play on 4.7.2022)

This contribution identifies the <u>key</u> issues still open for the **Member States with which discussions are sufficiently advanced** to allow this exercise. For the Member States not mentioned in this note, discussions are either less advanced and/or many key issues remain open or not discussed.

The assessment underpinning this list concerns the sufficiency of MSs' changes to the Plan to address the Commission Observations. In some cases, MSs' proposals are not in line with the conditionality provisions of the Regulation (problem of legal compliance of the SP with the EU rules). In other cases, the absence of, or the very low improvement of ambition of the original plan, make for an insufficient contribution to the needs identified by MSs themselves and to the pieces of environmental legislation listed in Annex XIII of the Regulation.

For DG ENV, these issues should be solved before the Commission can give the green light to MS to resubmit their plan for adoption.

Beyond this, it needs be mentioned that Commission observations have resulted in **no or very little reshuffling of budgets/result indicators**.

Given the high pace of exchanges with Member States, the picture presented in this contribution may be subject to rapid changes, in function of Member States' readiness to introduce the changes necessary for the Commission to give its green light to re-submission.

1. Member States for which approval could be possible if the issues mentioned are solved

DK

- Verifying that text corresponds to solutions adopted (conditionality, interventions).
- GAEC 7: removing the derogation for maize and barley for the 3-year rotation requirement.
- Issues on eco-schemes
 - New regulatory model ecoscheme: clarifying that the ecoscheme cannot pay for or result in a reduction of mandatory requirements.
 - Plant production ecoscheme: removing beets and potatoes.
 - Biodiversity ecoscheme: bonus for multiannual commitments.

ES

- Verification ongoing on whether the revised text corresponds to solutions agreed (conditionality, interventions).
- Irrigation: national value for the effective reduction of water use.

- Conditionality not in line with the Regulation (GAEC 7, 8); need to revise eco-schemes after adapting conditionality.
- Ecoschemes: one of the practices is not in line with Regulation, need to revise others or require 3 instead of 2 practices to access it.
- ANC should not be considered as contributing to SO 6 (biodiversity)

LU

- Conditionality not in line with Regulation (GAEC 7), need to revise eco-schemes after adapting conditionality.
- Eco-schemes still insufficiently described, need to see the text to verify

РТ

• Conditionality: two remaining specific points (newly created exception for GAEC 4 in Madeira, excessive conversion factors on two LF under GAEC 8)

FI

- Conditionality not in line with the Regulation (GAEC 2, 6 and 7); agreed changes to others GAECs yet to be seen in text confirmed. Need to revise eco-schemes after adapting GAECs.
- Eco-schemes: eliminating the 25 % cap on the share of each farm that may benefit from eco-schemes; agreed text for other issues yet to be received.

AT

- Conditionality not in line with regulation (GAEC 5, 6, 7); awaiting confirmation on changes to other GAECs; need to revise eco-schemes after revision of GAEC 6.
- Justification or amendment of links of interventions to environmental objectives and/or environmental result indicators
- Higher ambition of one AECM necessary or removal of link to environmental result indicator
- Awaiting replies for a (small) number of observations, including greater overall contribution

2. Member States which, while intending to resubmit in July or August, have a higher number of substantial issues open.

EE

- Conditionality not in line with legal text (GAEC 4, 6 and 7)
- Outstanding issues with environmental result indicators
- Non-satisfactory level of enhanced environmental ambition

- Large number of technical aspects
- Large number of content related aspects as regards environmental interventions

NL [August]

- Conditionality not in line with the Regulation (GAEC 4 and 6)
- Eco-schemes: concretisation of the changes announced.
- Notoriously low target for OF
- Absence of many targets and indicators in the Plan
- Replies not yet received on quite a number of observations (notably 2nd pillar), and on others, while going in the right direction, not concrete enough.

HU [August]

- Conditionality not in line with the Regulation (GAEC 6, 7)
- Lack of general ambition / impact of proposed model of eco-schemes
- Lack of agreement that planting of *Robinia* is non-eligible under CAP funding
- Large number of content related aspects as regards environmental interventions
- High number of technical aspects

PL

- Conditionality not in line with Regulation; GAEC 5 and 6 still in discussion
- A new ecoscheme on mixing soil and straw has been proposed but still no detailed information provided, ambition seems very low
- Unit amounts for ecoschemes are not justified and seem way too low for a number of practices
- Scrapped ecoscheme on 7% no-productive areas should be reinstated.
- Overall ambition for Organic Farming very low (3.52% of UAA), environmental and climate related result indicators very low.

3. Member States which have announced their intention to submit without the Commission having considered all the issues addressed.

FR

- Conditionality not in line with Regulation : GAEC 6, 7, 8
- Eco-scheme (concerns presented for each of the different pathways of access):

- "Haute Valeur Environnementale": despite progress, serious concerns before COM can accept it under the Plan. Also, providing funding under the old "cahier de charges", which is under the baseline, would be in breach of the Regulation.
- "CE2+" access pathway: Requirements of this access pathway are still under discussion at national level, and serious concerns remain that will need to be solved before COM can accept it in the Plan.
- "Diversification": requirements do not appear to result in a substantial change of practices on the ground.
- "Top up" for Organic Farming: despite the recent introduction of a specific "top up", its level is not in line with the effort, the requirements and environmental benefits of OF, compared with those of the other pathways, easier to meet and yielding less environmental benefits. This has to be assessed against the background of France's Plan absence of support for maintenance. In a fresh Report (30 June), the French Court of Auditors, has raised this very point¹
- Natura 2000: Guarantees on the maintenance of funding for the regions (,in particular Auvergne-Rhône-Alpes and Bretagne) are still necessary; insufficient take up of the Prioritized Action Framework (the PAF is a document prepared by MSs stating the N2000 financial needs to be covered by the CAP).
- Indicators: no link should be made between indicator R31 and payments for areas of natural constraints.

¹ <u>Le soutien à l'agriculture biologique | Cour des comptes (ccomptes.fr)</u>. Orientation 1, point 1 : « rehausser fortement le niveau d'exigence du cahier des charges applicable à la certification environnementale, notamment pour la mention Haute valeur environnementale (HVE), et proportionner le niveau des aides en fonction des bénéfices environnementaux des divers labels et certifications ».