

CAP environmental derogations: What is the impact on food security?

Looking at the CAP, 2022 and 2023 have been marked by multiple authorised derogations on environmental standards. Those derogations, claimed to be necessary to ensure food security in Europe, have been highly criticised by the scientific community. Now, as the data on food production resulting from these derogations emerges, we aim to examine the concrete impact of these decisions on food security in the EU. For that, we will present the findings of a report published by Abl, Birdlife, Global 2000 and Corporate Europe Observatory.

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2022 CAP derogations

Back in March 2022, and following the invasion of Ukraine by Russia, the conservative branch of the EU parliament and agricultural ministers started to build on their narrative of at-risk food security in the EU. This narrative, pushed by COPA-COGECA for weeks, ended up in a <u>communication</u> by the EU Commission and subsequent adoption of an implementing act allowing Member States to derogate from CAP (2014-2022 legislation) greening measures and produce crops for food and feed on fallow lands that are part of Ecological Focus Areas (EFA) while still receiving the greening payments. The decision also allowed for the renewed use of pesticides and synthetic fertilizers on those areas.

This move was largely criticised by the scientific community. A <u>statement signed by more than 660</u> <u>scientists</u> made it clear that dismantling the few spaces set aside for biodiversity under the mantra of increased productivity would actually lead us in the opposite direction. According to their statement, "global food insecurity has its origin not in a shortage of supply, but in high economic inequalities and maldistribution". It is thus a food system transformation that would be needed, giving priority to four main actions.

- Accelerate the shift towards healthier diets with less animal products in Europe
- Increase legume production
- Reduce the amount of food waste
- Strengthen the Farm to Fork Strategy

The science is clear: the long-term challenges for our food systems are **adaptability to climate change** and **reversing the decline of biodiversity**. But as is often the case, science was muted. And in the end, 21 Member States decided to make use of the derogation (all except DK, DE, IE, NL, MT, RO), with all of those (except Wallonia) allowing the use of pesticides on EFAs.

Prolonged derogations in 2023: GAEC 7 and GAEC 8

This crusade against biodiversity, built on manufactured fear, doesn't stop at one-time derogations. In July 2022, the EU Commission published an <u>implementing act</u> to allow Member States to derogate from two Good Agricultural Environmental Conditions (GAECs) in the now freshly implemented CAP (2023-2027), for year 2023. These derogations concern GAEC 7 (crop rotations) and the first requirement of GAEC 8 (maintenance of non-productive areas) and are permitted by using article 148 of the <u>CAP</u> <u>Strategic Plan regulation</u>.

As you can see in the figure below, out of the 28 CAP Strategic Plans, 26 integrated the derogation from GAEC 7 and 24 the derogation from GAEC 8.

MS	Decision to use the derogation		Date decision
	GAEC 7	GAEC 8	
BE-FI	yes	yes	29-août
BE-W	yes	yes	29-août
BG	yes	yes	26-août
cz	yes	yes	26-août
DK	no	no	
DE	yes	yes	16-août
IE	yes	no	28-juil
EE	yes	yes	23-août
CY	yes	yes	28-juil
EL	yes	yes	24-août
ES	yes	yes	27-juil
FR	yes	yes	5-août
HR	yes	yes	29-août
IT	yes	yes	23-août
LV	yes	yes	29-août
LT	yes	yes	16-août
LU	yes	yes	5-août
HU	yes	yes	8-août
MT	no	no	
NL	yes	yes	8-août
AT	yes	yes	29-août
PL	yes	yes	11-août
PT	yes	yes	25-août
RO	yes	yes	29-août
SI	yes	yes	1-août
SK	yes	no	23-août
FI	yes	yes	25-août
SE	yes	yes	25-août

Figure 1 : GAEC 7 and GAEC 8 derogations by Member States

Allowing farmers who implemented greening practices from the previous CAP to derogate while maintaining payments was already a strong political move against biodiversity protection but still only concerned farmers who were already implementing greening measures. In an <u>article last year</u>, we showed that this derogation would only impact around 1% of the Used Agricultural Area (UAA).

However, allowing to derogate on GAECs is a much stronger attack, as all farmers wishing to apply for direct payments have to comply with those rules. GAECs are a cornerstone of the CAP environmental and climate governance. They are ensuring that 72% of the whole CAP budget, in the direct payments, is linked to minimum standards for protecting the environment (55% of the whole CAP budget if you exclude eco-schemes which should go beyond GAEC standards in theory). This is all the more frustrating when considering the fact that the Commission took this decision in the summer, when most stakeholders were out of office.

In its own <u>summary overview</u> of CAP SPs, the Commission explains that the GAEC conditionality is the main CAP tool to ensure that "public support meets societal expectations of good stewardship". It is "expected to cover 144 million hectares or 90% of the EU's agricultural area".

What was the impact of the 2022 derogations?

All those derogations from environmental obligations are supposedly implemented in order to ensure food security in the EU. The main argument of the supporters of those derogations is that all available cropland needs to contribute to the provision of food and especially wheat and other grain for human consumption. Therefore, we want to share the findings of a <u>new report</u> published by Abl, Birdlife, Corporate Europe Observatory and Global 2000.

The report analyses how the 2022 CAP greening derogation really contributed to the production of food. With the exception of Nordic Member States, it was maize, soybeans and oilseed sunflower that were the main crops cultivated on the freed EFAs. No bread grains are amongst the main cultivated crops.

As the Commission didn't communicate detailed information on acreage and harvested quantities, the report then focuses on a study case, Austria, where corresponding figures were made available. The detailed analyses of Austrian production on EFAs showed that bread grains such as wheat and rye only represented 0,6% of the cultivated areas while maize and soya, mainly used for feed and other industrial processes, occupied 72% of the previous EFAs. In the end, it was calculated that "Austria's additional 2022 wheat production corresponds to one slice of bread per Austrian per year".

Even though the impact of this derogation tool on food production has been limited, the impact on biodiversity but also the amount of catch crops and nitrogen fixing crops has been huge. Austria lost 56% of its EFAs, 84% of EFA's catch crops and 48% of EFA's nitrogen fixing crops.

The report concludes that "the above figures show a sharp decline in measures that add nutrients to the soil, contribute to the build-up of humus or provide habitats for pollinating insects. The clear losers of this derogation are thus the health and fertility of agricultural soils, climate protection and pollinating insects, and thus the essential pillars of sustainable agricultural production capacity."

Same scenario for 2023 ?

The observations presented above are all the more worrying when we know that, after 2022, CAP derogations were extended in 2023, targeting GAEC 7 & 8. But we also need to point out that the Commission did improve on its previous decisions. The decision should, this time, be more efficient in providing additional food for humans. Indeed, it is stated in the <u>implementing act</u> that « Member States shall ensure that the arable land which will not be devoted to nonproductive areas as a result of the derogation referred to in the first subparagraph, in point (b) shall not be used to grow maize, soya beans , or short rotation coppice ».

It is not explained how Member States need to prove that this requirement will be respected. But they will need to provide an assessment of the impact of these derogations on food security, alongside the annual performance report. It is however not explained what kind of assessment is required or what type of data should be provided to prove the claims. Seeing how difficult it was for the authors of the report presented above to find aggregated data on the effect of the 2022 derogations at EU and Member State level (they obtained Austrian numbers through a request under the Duty to Provide Information Act and the Environmental Information Act), it is unlikely that such quality data will be provided willingly by Member States for 2023.

Although the derogations on GAEC 7 & 8 might have a better impact in terms of food production, the added requirement will not change the deleterious impact of the measure on biodiversity and soil health. Neither will it change the fact that the EU doesn't need to produce more to ensure food security.

Conclusion

This analysis demonstrates that the food security argument used by the agricultural lobby to push for more productivity on EFAs and derogations from GAECs is a scam. Most of the "freed from biodiversity" areas have been used to produce feed for livestock while it is already widely acknowledged by the scientific community that our level of meat consumption is a threat to our food security.

It needs also to be re-established that the EU is already a net exporter of cereals with a self-sufficiency of 112%, that 55% of all our cereal production is used for feed and only 23% are directly reserved to food for humans, and that 62% of the EU cropland is dedicated to growing feed for livestock. The EU is also a net exporter of meat. You can check out our articles on food security from last year to learn more, if you've missed them or need a refresher (1, 2, 3).

In terms of CAP money, big chunks of the budget are now being allocated to deal with this skewed food security narrative. While large portions of the crisis reserve are being spent to help circulate grains from

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Ukraine, 55% of the whole budget (all direct payments minus eco-schemes) will be distributed with lowered conditionality in 2023.

This food security narrative does not only affect the CAP. The agricultural lobby and its political allies are on a crusade to undermine all biodiversity related pieces of legislation coming out of the Green Deal. Right now, it is the Sustainable Use of Pesticide Regulation and Nature Restoration Law that are on the verge of being rejected.

It is thus essential to show and diffuse the facts. And the facts show that the proposed measures to enhance food security are doing nothing to address real hunger. They are distractions from the real causes and solutions. They only serve the short-term economic interests of a few and at the expense of society and the environment.

Once again, we need to reiterate what is urgently needed in terms of UAA to ensure food security in the long-term in the EU. As far as biodiversity is concerned, the science is very clear. A minimum of 10% of agricultural areas must be dedicated to biodiversity. Furthermore, biodiversity and soils should be protected by phasing out pesticides and chemical fertilizers. Additionally, we need to halve our meat consumption (with a special focus on pig and poultry) and the land freed up from feed production needs to be used to grow vegetables, leguminous crops, and overall ensure protein self-sufficiency. Extensive grasslands then need to be redeployed for all livestock production.