

Draft Report Advisory Group Agriculture and Environment 24 May 2013

(Abbreviations: MS: Member State, COM: Commission, EP: European Parliament, CC: Cross Compliance, DP: Direct Payments, RD: Rural Development, AEM: Agri-Environment Measures, PP: Permanent Pasture, SME: Small and Medium Enterprises, WFD: Water Framework Directive, SMR: Statutory Management Requirement, GAEC: Good Agriculture and Environmental Conditions, SNH: Semi-Natural Habitats)

1. Adoption of the agenda and of the report of the last meeting of 7/12/12 drafted by the Chairman:

No comments from members in the group. When the chairman will get the last clarifications on the question marks in report then the report can be considered adopted.

1a. Short question by EFFAT before the meeting: If Commission can clarify the state of the bio-economy panel.

COM: This is a point of DG research. The process of selection is still ongoing. The bio-economy panel should not be confused with the European Innovation Partnership (EIP) on agriculture productivity and sustainability.

1b. Short update on EIP: the service point for the network has been established. Today the call for the focus group experts was published. There is a first seminar on the EIP network in June which is directed at the programming authorities (not an open event). There is a good process via the Sherpa group of the high level steering board, final compilation of the Strategic Implementation plan is under way. This draft will go the high level steering board to be adopted on 11 July.

2. CAP post 2013:

a. Eligibility rules and how they can work better for farmers and the environment: presentation of the main problems according to the current rules + comments from the AG members in view of informing the new guidelines, implementing rules, etc. (potential introduction of ideas to move forward in second half of the year). Some questions were proposed to the group to guide the discussions – see also full questions in annex 1.

Question 1:

1. Should all features protected by cross-compliance and included in the eligible area be recorded on LPIS?

Should there be a harmonised system for MS to record landscape features and semi-natural habitats consistently on LPIS and to count them as 100% eligible for BPS?

EFNCP: The answer is yes. The rules are quite confused and confusing on what MS can do and how they should work with LPIS. There is a need for a simplified and harmonized system. There should be a principle that all protected by cross compliance should be eligible. Things that are protected and are eligible should be identified under LPIS.

Copa-Cogeca: Eligibility should be linked to farming activity with an economic output. As a result these parcels should be eligible. Features protected under cross compliance should be eligible. In terms of the harmonized system: there should not be complete harmonization in all areas.

COM: An extra contextual element is that the EP proposes to add to the GAEC the word semi-natural habitats (SNH). The link between this and the LPIS is more difficult. There is already a list which includes the protection of landscape features but this amendment has not received support from the Council. However they are considering the element. In the Direct Payments, the inclusion of semi-natural pastures is discussed, but nothing has been decided yet.

The elements of the debate are:

1. A SNH needs a definition for the MS who implement the GAEC. Sometimes there are guidelines by the commission to explain how it should be interpreted, but the final point is with the MS. The currently protected GAEC are quite well defined. The objective is to protect valuable elements.
2. Mapping: we talk about surface and not the elements anymore
3. Goal of the GAEC: the farmer cannot destroy them. But for the semi-natural elements we have other problems: what does it mean to protect SNH?
4. the EP proposes to protect semi-natural pastures, this would be with a different logic than the CC logic. We need to see these two elements together to have a coordinated approach.
5. what interests the commission: if we add SNH in the GAEC, the current rule wants that these areas become automatically eligible for the payments. If this will be still be the case in the future, this means that the consequences can be quite large. We can see that possibly different types of eligibility are needed.

Copa-Cogeca: complex issue can be simplified from our perspective. There must be a minimum level of agricultural activity. The eligibility should only apply to active farmers. There should be a simple system for farmers to work under. The habitats differ across the EU, this needs to be taken into consideration in the rules.

EFNCP: agree with the principle that the defining criteria should be minimum activity, that should be the baseline. The question on defining vegetation type should not be used. How do you define this minimum activity? EP has added minimum livestock density and we think this could be a good way of doing that. This should be looked at especially with extensive elements. The point about harmonization: at the moment, it is too un-harmonized and hence we lose coherence. Some MS see them as eligible or register them in LPIS and others do not. In most MS it is not too difficult, environmental authorities would be able to say it already (in UK and France it is there already). Very large SNH should be addressed and some mechanism could be thought about. (e.g.: limit to how much per farm could be paid for, the co-efficient payment, etc.).

Copa-Cogeca: regarding active farmer, production should be at the forefront. Otherwise, we would have to include a lot of extra land. We need to talk about minimum farming activity as criteria: a combination of minimum livestock density and maximum vegetation cover, no inclusion of unproductive nature protection areas. Question whether the commission carried out an impact assessment of a possible increase of the eligible area?

BirdLife: Management is the key issue and wild areas should not become eligible. But commodity production should not be a pre-requisite, some other areas that are not massively productive are still

important for climate etc. If that logic would be applied then we would lose that protection. We might be accustomed to what is there in terms of current rules, that does not mean they are right. However, changes should be managed correctly.

Copa-Cogeca: Does the Commission have thought about alternatives how to manage those elements / areas if not included into the eligible area? This is also linked to the redesign of LIFE+ and / or how to include these areas in the operational programmes.

COM: All these issues are linked, important to have the broad picture. On GAEC: the objective of the instrument, it is not the goal to make them eligible, the first objective is to protect them and eligibility is a consequence. What do we need to protect, what is in danger of destruction, therefore the GAEC instrument is relevant. Making areas eligible is another instrument.

Impact Assessment (IA): no IA has been made on this proposal of the EP to include semi-natural habitats because there is no definition. The concept might be there in certain cases, but in management terms we do not have the tools.

COM has already the instruments to deal with that, we think that these issues can be solved with other instruments: greening, Agri-environment, CC, eligibility of land, definition of active farmer. Need to keep in mind this is an agriculture policy, not an environment policy.

Question 2:

2. As the German authorities have proposed, should there be an exception for pastures that can have trees and shrubs without recording each one individually on LPIS?

Copa-Cogeca: How to deal with very small features. Are these minor features to be included or just the percentage of area they cover? We could imagine an exception for smaller trees, hedges, etc. so that there is no need to measure everything, it could help the environment and farmers.

EEB: Coming from Sweden, having a lot of pastures with many trees, etc. Would support Copa-Cogeca here, we would need that exception.

COM: DE proposal is very well known to the COM. Ineligible landscape features should be considered eligible if their total area doesn't exceed 25% of the parcel, because till now it is necessary to deduct the ineligible features if the area exceeds the tolerance of the parcel. There is already a simplification at the moment. They can already establish the max eligible area of the parcel, but still you would need to do this per parcel. The Germans would propose that up to 25% we consider all these features eligible. COM is still in the process of making up their mind on this.

Concerning LPIS: they have in Europe 43 different LPIS systems, they are also different technically. Important to adapt the system to the different situation, that is why the rules seem complicated. Why does it need to be mapped in LPIS? Since eligible for the Basic Payment Scheme (BPS) is the main goal. Therefore, every area has to be included in LPIS, but there are different ways to include it as long as the main area is in there. For the eligibility of the parcel: you need to say that they are there present and how big they are. Add a table to the polygon to say there are trees on the parcels or mark them, but that is up to the MS to decide in how far this is necessary.

Question 3:

*3. Is it right for pastures to be excluded from eligibility on LPIS on the basis of tree and shrub density, even if they are in active grazing use?
Should/could minimum activity (e.g. minimum LU/ha) be the determinant of eligibility on such pastures, instead of the number of trees and shrubs?*

COM: Minimum activity: proposal to have it defined on Land Unit density, this requirement would require we have production and that means we require the farmer to produce and this is not WTO compatible. Some MS have put it under the GAEC, but the COM finds this incompatible with WTO. They are trying to target DP to actively farmed areas and to avoid sofa farmers. It is deemed WTO compatible because we do not ask production on a compulsory basis, there must be production or the land can be kept in GAEC (maintenance). For the next CAP: this GAEC component of the activity is dealt with by specific criteria of eligibility. This is replaced by art 4.

Copa-Cogeca: pleased with the Commission defending eligibility linked to minimum agriculture activity. Question on mapping and cost for digitalization. Worry especially when the budget for the future CAP is reduced. Already now payments were stopped in Spain due to IT problems.

EFNCP: Regarding SNH and wilderness: by definition SNH is either grazed, cut or harvested and hence it is productive. It often includes shrubs and trees as part of this. The current idea that shrubs are not eligible is nonsense and has to be changed. The DE ministry proposal is that it is valuable because it allows for trees and shrubs as part of the pasture definition. EFNCP thinks it is a good idea from the DE. Is 25% the right figure? Maybe want to allow MS to have more than 25% in certain cases. Main point: currently the rules are creating problems for farmers and environment in Sweden, Estonia, Bulgaria, etc. In Spain, LPIS is revised and pastures have been excluded. Farmers need to even take legal action on this, because of the current rules. The EC needs to send a message to MS now to stop this process which is based on obsolete rules and they should wait before they start excluding land. E.g. Castillia y Leon: most of pasture is with trees and shrubs. On the WTO question: minimum livestock density does not need to be production, it is an environmental necessity.

Copa-Cogeca: Harmony across the EU means working together while taking into account diversity. When looking at eligible area and protection of features such as SNH, they are protected under habitats directive and Environmental Impact Assessment (EIA). There is no need to include everything under the CAP to protect. Eligibility is about Pillar 1: pillar 1 is about farming, hedges were included in the protective area. Having 25% eligible area as scrubland is too high. Mapping individually is too much administration for farmers, with the risk that they will be removed.

COM: WTO point will be taken. Regarding obsolete rules: until the moment that the new regulation enters into force, these rules are not obsolete. Also look at the new definition of PP.

COM: consensus that the rules must be manageable and practical but we need to achieve certain outcomes, be accountable and keep error rate low. Regarding point that there is less money, why bother with the environment because it is about production: COM made major point that agriculture is also delivering public goods. We get on the slippery ground if we disengage.

Point 2b. b. New monitoring and evaluation framework: work to date undertaken by the EC and follow up with a specific emphasis on environmental indicators and assessments

COM : An article that sets out a common monitoring and evaluation framework (CMEF) has been included in the horizontal regulation. Already today, we have a very extensive monitoring and

evaluation for Pillar 2, we have evaluation for pillar 1 and reporting but not a consistent monitoring system. What is indispensable for a proper evaluation of the CAP is to look at the joint achievements of both pillars, an exercise that has not sufficiently been undertaken yet. The concept of having this CMEF is not questioned in trilogue. Only open questions are on whether we define the indicators in delegated or implementing act and the frequency of reporting.

COM : powerpoint

Copa-Cogeca: The monitoring will give a lot of data and figures, but even with greatest care there will be uncertainties about data quality. How to manage this? Land abandonment is also important and there should be an indicator, too, alongside environmental indicators.

EFNCP: we have to use existing data and data systems, but this might not reflect the new structure of the policy. Don't you think we need new data in order to reflect better the actual policy?

Copa-Cogeca: Data availability is important, but all indicators presented express negative environmental impacts, while there are positive impacts that should be included, e.g.: there is not just the emission, there is also the absorption of CO₂ in the soil, besides water abstraction there is groundwater recharge etc. Positive environmental indicators should be added.

EFFAT: in priority 5: indicator on total investment, what exactly is included?

COM: emphasis is on existing data and data collection, this includes the reporting for the different policy measures, and thus, it will be adapted to the new policy design. Yes, one could think of other indicators and other data but it has to be something that is workable and does not lead to additional administrative burden. In addition, for the impact indicators, it is good to rely on established indicators, such as agri-environmental indicators, in order to see the long-term trends which allows for a proper policy assessment. The fact of doing this, does not mean we are not launching other things as well that accompany the indicator business, such as specific studies, evaluations etc. Of course, the indicators will not tell the whole story, they form the framework on the basis of which the policy assessment will be undertaken while including also other sources of evidence.

We don't share the comment that most indicators are about negative environmental impacts. On the contrary, most of the indicators are based on positive elements: biodiversity, soil organic matter, conservation status, etc.. Indicators are not about good or bad, they should reflect reality and show trends and changes in status.

In response to some of your questions, it is necessary to recall that today we just discussed the indicators related to the environment, there are more related to other objectives of the CAP and of course we have to include context indicators in our assessment. When we want to report on the performance of the CAP, we first look at the overall context and current trends. Are we in a crisis, do we have natural catastrophes, etc. We will look at land abandonment, social economic and territorial aspects, before assessing further the information stemming from the indicators. We have the data available, but it won't tell us the whole story, we need to look at the context, then we can evaluate further on what it means for the policy. The asset of establishing this new monitoring and evaluation framework is that evaluators and others do not have to look for data and indicators when they start an assessment of a policy instrument, they can start from the beginning with the analytical work.

Unreliability of data: is relevant point but we will base ourselves as much as possible on processed and verified data such as the Farm Structure Survey , data from the IACS etc. However, we are surely good advised to double check and verify data in case of doubt.

Copa-Cogeca: There need to be clear criteria, so that the indicators are indicating something. With statistical data alone it will not be possible to record the effectiveness of programmes nor their efficiency.

The baseline year is 2014 and then the evaluation takes place end 2020. Are high level indicators sensitive enough to capture the changes in such a short time period?

Add to the positive indicators the efficiency indicators.

COM: on the criteria of the indicators, it would take a lot of time to show how we got to our list of indicators. We started with the objectives, broke it down to more specific objectives, objectives of measures and defined indicators. It was an intensive analytical work to identify the indicators based on the establishment of intervention logics.

Of course, a crucial element is how much can we measure in a short time. For the impact indicators, we therefore decided to work on established indicators in order to be able to see a trend. But a careful assessment will be necessary in order to define what is the overall trend and what is the change in the policy. It will be extremely difficult and surely has to be accompanied by additional case studies etc. that capture more clearly local and regional effects.

2c. Exchange of views on the Farm advisory services (FAS and advice under Rural Development) and implementation under the new RD regulation with focus on resource efficiency and environmental measures

COM: ppt

COM :Key is article 16: which is programmed during current period, which will continue 2014-2020. For the moment the RD is at stage of trilogue. Try to simplify the procedure for the administration and for the beneficiaries. The provision of group advisors is a new element and covering also forestry now. There is also a new point on training of advisors to improve quality and performance. The target groups will be the farms, the forest holders and SMEs, the service providers. Other new elements: some limitation on frequency of advice, no limitation on frequency of use. Also eligible are the non-agri SMEs. The SME advice may cover economic and environmental performance. The advise can go by group or to a group. What is an advice? Transfer knowledge provided to a group of people, you have Q&A. They concern specific needs, tailor made training and advise that is provided

We have some new conditions: the providers should have appropriate resources, be regularly trained and have appropriate staff. The procedures are going to be public and transparent on the basis of public procurement. We are proposing 1500EUR per advise, for farm holders and SMEs and 2200EUR per year for the training of the advisors. The farmers can cover at least one or more advice on SMR and/or GAEC. We also propose the greening, climate mitigation and adaptation. Advice should cover minimum implication for Natura 2000 and WFD.

EEB: will it also be possible to develop advisory service for organic farming?

Copa-Cogeca: Is it possible to also use advisors from other countries?

EEB: Sustainable Use of Pesticide Directive (SUPD): if you will including them in FAS is it linked to the CC inclusion? New group aspect, can it be mixed groups? NGO/farmers or does it need to be non mixed?

IFOAM: question on the horizontal regulation?

COM: in this period, the goal is to open as many measures as possible to different target groups. The condition does not overlap with the eligibility of the measures, it does not overlap with the other measures of the program. It can be open partially for the quality measure, can also be open via article 29. It is open to differentiate the physical object and financial object, to avoid overlapping payments.

COM reply on IFOAM: EU funding, co-funding can be used in the internal market. The money cannot only be used in the country where it is defined also in the other MS. This is up to the national authorities, depends on the public procurement.

Aspect of the group: yes, groups can be mixed, under the condition that the sub-groups are eligible.

COM: on SUPD: it is obvious because it was supposed to be in CC. Nevertheless the delay, it is a good time, to provide something at farm level in this concern. Deadline for Integrated Pest Management is there anyway as from 1/1/2014. Since it is a key obligation for MS, it should be a minimum to provide it to the farmers. They work also with JRC to improve the FAS.

For organic farming: in principle FAS should be open for every farmer, it cannot be a selection. In the system they will ask to MS to impose some criteria. If there are not sufficient services, they maybe need to try to select the farmer and define priority categories.

3. Agri-environmental and climate measures under rural development:

a. Feedback from the Advisory Group on Rural Development (ENRD working group) on agri-environmental measures

COM: ppt:

b. Information by the Commission services on the transitional arrangements with regard to Rural Development (focused on environment related issues) and short discussion by the members

COM ppt

EEB: Question on the new legal commitments under the old rules. Can it be based under the old baseline even if there will be a new baseline? Will there be a review clause? Will this say that the baseline will then be the greening? There is a co-decision process, the EP and the council will have to co-decide. It can take a while; will this be on time for 1/1/2014?

BirdLife: clarification between the amendments to implementing regulation. MS could use old rules, old money, but transitional regulation says: old rules, new money or not?

COM: The ad hoc basic act on transition says in Article 1, paragraph 1 that area and animal-related measures can be implemented on the basis of the old regulation. In the implementing Regulation 1974/2006 there are two review clauses: the first one says that when the baseline changes you need

to adapt the payment accordingly. In 2011 another review clause was adopted which says that the commitment needs to be adapted when the new policy enters into force. In the first case, the farmer can get out from the commitment without the need to reimburse the support received if he does not accept the revision, in the second case as well.

About co-decision: in two weeks' time, there will be Council working party to discuss the ad hoc basic act. At least for RD the proposal is quite straightforward, and COM believes also for DP. What is expected is that the proposal could enter into force not much later than the actual reform proposal.

About Regulation 335/2013 and the proposal for ad hoc basic act on transition, indeed they say what you can do: You can continue to use old rules, old money in 2014-2015. Also if you run out of old money, you have the possibility to start using new money, new decisions on new commitments can be made, but according to the ad hoc basic act, old rules can still be applied in 2014 but paid from the new money. The reason was to give a safeguard for the MS. Normally all transitional rules would be in the delegated act; we will win some time having it in the ad hoc basic act instead of the delegated act.

On technical issues on modulation: Instead of referring to the new article of the DP proposal, we are just changing the reference for 2014 to old article of DP regulation. The ad hoc basic act refers to 2014, it does not apply for commitments made in 2015; MS should try to get their programmes approved by the end of 2014.

4. Natura 2000, farmland and agriculture:

a. Financing of actions in Natura 2000 areas through funds under the Common Strategic Framework (CSF) and update on the Prioritized Action Framework (PAF);

b. Update of the preparation of the EU guidance document on management of farmland in Natura 2000 areas;

COM (Mr. Cipriani) ppt – the guidance document will have to be reviewed once the negotiations on CAP are over.

Copa-Cogeca: The importance of the agricultural system and that support for farmers is necessary was stressed as well as the importance of the partnership approach. The mistakes regarding the selection of the Natura 2000 sites are repeated by not involving farmers in the selection process. New selection of additional 140 areas in Austria is up for discussion and in this context the question for financing arises. We already know that only 20% funding is available. Do you have a proposal how to get the rest of the funding?

Can areas that have already been designated be taken out again? There are some areas where the protected species for which the designation was made are not / no longer present.

The third question is on financing models that were proposed where private participants could contribute towards protection: E.g. the tourism sector? Regarding the partnership approach, are there recommendations regarding the role of contract conservation?

BirdLife: what is the role of this guidance document? Requirement on MS to follow what is in there? Can we be stronger to ask MS to take those on board? The status of the process across Europe on the

Prioritized Action Framework (PAFs): are there delays to get these finished? Will this mean that the priorities will not be fed into the Common Strategic Framework (CSF)? Does it mean Natura 2000 is not getting enough support? What safeguards are there so that MS will need to show they fund Natura 2000?

Copa-Cogeca: The Commission said that agriculture is important in conserving biotopes and that abandonment is a major threat. How far can intervention into agricultural activity go? Can you oblige farmers to keep cows on his land while economically he would take them off the land? This could be too much interfering into farmers' affairs. In Germany there are examples where farmers cannot build a stable in Natura 2000 area even this could drive him out of business. Will agriculture be further limited? There are other examples where traditional fishing practices are prohibited.

EFNCP: one of the best things DG envi has done since long. Important to keep farming alive, so that should be good. How to make sure that policy response to that message provides the right support. We know that this is not what happens. The CAP gives the least support to the types of habitats that are most important. The habitat types that have difficulties on eligibility have to get protection. Why do we not have 100% EU funding for all measures that try to protect farming in Natura 2000? Can that still be done under CAP reform? Will article 17 reports will be available soon? Will they be available to provide the indicators of this morning?

Copa-Cogeca: The obligations for the farmers in Natura 2000 areas have become so heavy that are one of the reasons to stop agricultural activities in these areas. It is important to think together to reduce the constraints. For example the geese population developed so well in some regions that they become a threat for agriculture. EFNCP is right when stating that it is crucial to provide the appropriate support for farming in Natura 2000, but not with a 100% EU funding. The national co-financing forces MS to carefully choose the measures, therefore 100% co-funding is not the way forward.

COM: question raised by AU colleague: linked to the top down approach to select Natura 2000 sites. If you look how selection process has been carried out, we see all types of situations. This is because the directive does not impose a specific procedure. The directive imposes the scientific criteria for selection. Actually many MS have involved the stakeholders already at the level of protection. Designate has been over for most of regions and most MS. Now MS have to adopt the conservation measures, this means that a participatory approach is most useful and recommendable. They aim to increase the availability of these funds via the EU and any other source of funding. In the guidance documents, you can find innovative examples for Payments of Ecosystem Services. Revision of designated areas: if the criteria are purely on scientific basis, the same is possible for the de-designation but it needs to be foreseen by scientific reasons. If the disappearance of the species is done by human interference, declassifying the site is not justified.

Update on the PAF: COM asked MS to submit the PAF by the end 2012. Until now they received it from 17MS. They underlined several times the importance of timely submission of PAFs. This will mean that it will be more difficult to integrate it properly within the CSF. The quality differs and there are gaps. In these cases, the Commission will ask for a revised PAF. COM will not formally adopt the PAF. They will consider it, but funding priorities will be approved by the COM when doing the approval of CSF funds. The info of the national level will be available soon. The EU assessment (art 17) will take longer.

A number of questions on the constraint of the farmers: of course there are limits, pro-active management conservation measures cannot be reduced to obligation. It is a question of providing the necessary mechanism, funding and incentives to continue farming according to these. You cannot force these people to do this.

Point 4c. Update on the Natura 2000 measure under rural development programmes: functioning, payment levels, relations to management plans, etc.

COM ppt

Copa-Cogeca: It was asked about Natura 2000 payments and other beneficial schemes for biodiversity to be tied also to other structural funds of the EU. It provides benefits to society beyond agriculture and therefore the cost of managing Natura 2000 sites cannot just be borne by agricultural funds.

Co-financing is vital. As of now, under the negotiations, there is very little being said about co-financing, and whether the money comes from other funds

EFNCP: we heard the need to support farmers on certain type of farmland for common EU objectives and do it via AGRI funds. I do not see the argument that because it is a different type of farmer you want to do this via a different type of funding.

Copa-Cogeca: The problem is quite obvious: it is not about financing farmers, it is paying for environmental progress in the EU. The public service provided should be financed by the whole society.

COM: The presentation covered only RD funds but this does not mean that biodiversity or Natura 2000 - related objectives should only be addressed via RD funds (EAFRD). It should be remembered that the biodiversity strategy sets the overall objectives for the whole EU and various EU policies are concerned. The strategy explicitly includes actions related to different sectors and policies among which agriculture. Therefore, when the objective is to ensure a proper management of Natura 2000 in agriculture or forest areas, then the agriculture fund seems to be the main fund which should be used to address this objective in these areas. However, that should not mean that EAFRD is the only fund to be used to respond to all Natura 2000 and biodiversity-related objectives.

What the COM has proposed in the form of Common Strategic Framework (CSF) can really help in ensuring coordination between different funds in addressing the same goals. In this framework, it is expected that MS, in their partnership agreement, will show how they want to address different issues by using different funds e.g. the objectives set in the biodiversity strategy..

On the issue of granting the 100% co-financing for Natura 2000 related payments, it must be recalled that rural development has many objectives and priorities and the environment, and biodiversity, is just one of them, therefore the limited financial resources have to be shared between various relevant objectives and a 100% co-financing could make such a sharing very difficult. .

Point 5. Water:

a. Update on actions related to agriculture in the Blueprint to safeguard Europe's water resources.

b. Reporting on state of implementation of the WFD and ways forward

COM ppt

Copa-Cogeca: In Finland under its humid conditions drainage is key to address diffuse nutrient loads. In Nordic conditions, drainage is key to maintain fertility and growing capacity. Pillar 2 measures to address improved drainage are important.

BirdLife: Under necessary cost: CAP and others were identified as funding. MS identified themselves, but the sector is not carrying a lot of the costs. Is the objective to secure a higher share from the agriculture sector and if yes by what kind of timeframe?

Copa-Cogeca: Was there something in the Blueprint about helping MS with data collection and monitoring aspects?

EEB: on greening of the CAP you mentioned three elements: WFD, Ecological Focus Areas and Pillar 2. In the negotiations, the three elements are no longer valid. WFD is not going to happen. On EFAs: not sure what will remain. Pillar 2: less and less funding will be available. Problem with irrigation are coming on top of that. Question on WFD: if it is not in CC, will DG envi think about further actions?

Copa-Cogeca: There is the challenge to increase production and at the same time fulfil the WFD objectives. There is a need to further focus on targeted measures and to look into the classification of natural, modified and artificial water bodies.

Certain MS (like France) have put very ambitious targets for the WFD. What happens if they do not reach them? Is it possible to revise them? Regarding water storage two aspects need to be considered: the lack of water as well as floods.

COM: If you think about hydrological issues, getting the water off the land, this is what you want to do with drainage. This did have certain large consequences for the water courses further down the line. In certain areas marginal land could be given back to the river via AEM, this could be helpful. Reality is that drainage had an impact on the water ecosystem and how it functions.

COM: cost recovery is not just for the agriculture sector. This was an innovation of the WFD, but there has not been real big spread of this. The development of methodology has been useful. It is for all sectors and all costs, not just agriculture.

Cost recovery: number of issues identified in the plans. For 15 years they worked in the agriculture status group about the links between the pressure and how that is affecting the biology of a river, coast, etc. There is a range of different pieces of analyses that has been done that needs to be brought together for a second cycle. There is no specific action in the blueprint. This points to the need to better aggregate the info. This needs to be synthesised to inform better targeted measures.

Irrespective what we will get out of the CAP, WFD should be included in CC. WFD should be implemented anyway by MS. Since it does not happen through CAP, it will be more difficult for MS to integrate it. The Commission already did an assessment of what MS have done on article 11. Some MS have not done it. When meeting MS who have a problem, but they do not have a measure to control it, they will try to push for it. We are still be hopeful on EFA. Maybe farmers would try to put

this to a good WFD use and would not have to ask extra. Try and target the delivery of ecosystem goods and services from the land.

France did have quite ambitious plans, but the Commission already met them and discussed it and MS will not be penalized for an ambitious approach. Follow up some issues and try to have next cycle to do better.

Copa-Cogeca: Can the Commission help with funding for storing water in water stress areas and against the risk of flooding?

COM: you can definitely store water against flooding. On storing where there is not enough, it depends on all the different elements of the ecosystem (minimum environmental flows). Guidance will come on that as well.

Point 8: 8. International commercial agreements (multilateral and bilateral) and possible inclusions of "non-trade issues" with focus on environmental aspects

COM: ppt

EEB: more info on the Transatlantic Trade and Investment Partnership (TTIP)?

Copa-Cogeca: Many agricultural products enter with a negative environmental balance. It was suggested to develop a common position in order to insist on the interest to apply on the products to enter the EU the same rules.

In some non-EU countries there are lower environmental standards, this is also relevant in the light of Canada and the US agreements.

COM: TTIP will start in July, they are treated as all others in terms of sustainable development chapter. We have the same message to pass on all other chapters. In particular we noticed the level of the environmental conventions is not the same as in the EU. Their level of commitments is much lower than ours. Canada has strong tradition to include environment annexes. This is different as the EU. The EU has strong focus on multilateral agreements. How to bridge two different approaches of Canada and EU? On food, not too much to say, it is much more about making a strong point and assuring that through multilateral systems, there are some fundamental points which are agreed on the multilateral level, cautious not to create a bilateral body. But find a way to further propagate the multilateral processes. There are rules on biodiversity, pesticide, trade, etc. Try to make sure that our trade partners respect these rules. Maybe it is the Canadian legislation on this, we want to make sure that the multilateral aspect is there.

Copa-Cogeca: Environmental standards in trade are important also for the environmental NGOs. So we could get a similar interest there. It would be helpful to keep the theme in this group. They are of relevance also regarding the discussion on ILUC. This should be dealt with through trade agreements.

Action Point: it was suggested to set up a small group to work on this topic, interested persons should contact the chair of the Advisory Group.

Point 7: Discussion on the EU Strategy on adaptation to climate change (foreseen to be briefly presented at the Informal Environment Council in April) - implications for the agriculture sector (impacts and adaptive capacity)

COM: ppt

European water partnership: relevance of the water management strategy, this cannot be undermined. This is important because of the River Basin Management Plans (RBMP) and the Water Management Strategies (WMS) in the adaptation package.

Copa-Cogeca: It is crucial to have coherence in trade and climate policy.

COM: WMS is relevant and has direct implications. The adaptation strategy does not have a lot on water because adaptation has to a large extent already been mainstreamed (integrated) into EU water policies, such as the water blueprint, already presented.

Does the Commission talk to each other? Yes, we do. Can we use trade policy as a bargain in climate policy? (personal view): it is not necessarily the case, they have other ways to do this. Climate change adaptation is also about food security for the EU and the rest of the world, in particular via trade patterns. Climate change in the rest of the world could have repercussions in the EU. Drought in Russia had implications in some MS. Important how we design trade and agriculture policy. This has been done, but it was not enough. The issues of spillover effects of climate change on food production worldwide and its repercussions in the EU will be further assessed in the near future.

Point 6: Information by the Commission on recent developments related to neonicotinoids

COM: ppt

Copa-Cogeca: Regrets the quick decision. Now it is important to define the rules, so that there are real clear lines of action in order to have common points for a new decision in 2 years.

COM: the decision might look like it has been taken quickly, however the point has been already for years on the agenda of the standing group and even France was in favour. But when this was discussed last year, most MS wanted to wait for EFSA. And once EFSA had discussed, there have been a lot of discussions with all stakeholders.

On the lines of how this will be implemented. In two years max, this issue will be re-discussed (even before the 2 years). In the meanwhile, EFSA is finalizing specific rules that will be ready soon (June). Hopefully the industry will be able to get clear "lignes directrices".

Point 9. A.O.B.

Nothing was added

Annex with the questions from point 2:

"Cross-compliance requires the protection of landscape features, and the EP has added semi-natural habitats to this requirement. These features should be eligible for Basic Payment Scheme (BPS).

The German Federal authorities have proposed that a parcel should be able to have up to a defined percentage of landscape features while remaining 100% eligible and without having to identify the individual features on LPIS. This is intended especially for pastures with trees and shrubs.

MS are continuing to review parcel eligibility on LPIS and to exclude pastures with trees/shrubs from eligibility even if the pastures in question are in active grazing use, this problem should be remedied."

QUESTIONS

1. Should all features protected by cross-compliance and included in the eligible area be recorded on LPIS?

Should there be a harmonised system for MS to record landscape features and semi-natural habitats consistently on LPIS and to count them as 100% eligible for BPS?

2. As the German authorities have proposed, should there be an exception for pastures that can have trees and shrubs without recording each one individually on LPIS?

3. Is it right for pastures to be excluded from eligibility on LPIS on the basis of tree and shrub density, even if they are in active grazing use?

Should/could minimum activity (e.g. minimum LU/ha) be the determinant of eligibility on such pastures, instead of the number of trees and shrubs?

Disclaimer

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