



Agri-environment-climate measures: support for results, controllability and the way to go?

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Challenges



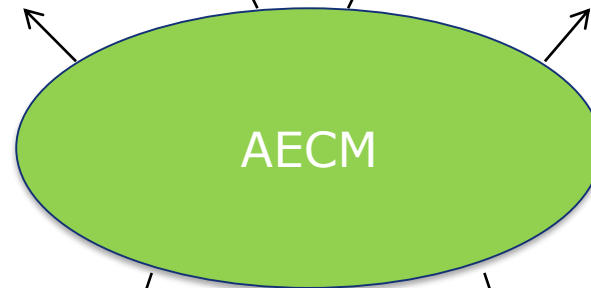
Reverse decline
of
biodiversity

Preserve
landscape



Climate
Change

Genetic
resources



Protect water

Protect soil



Why does AECM matter?

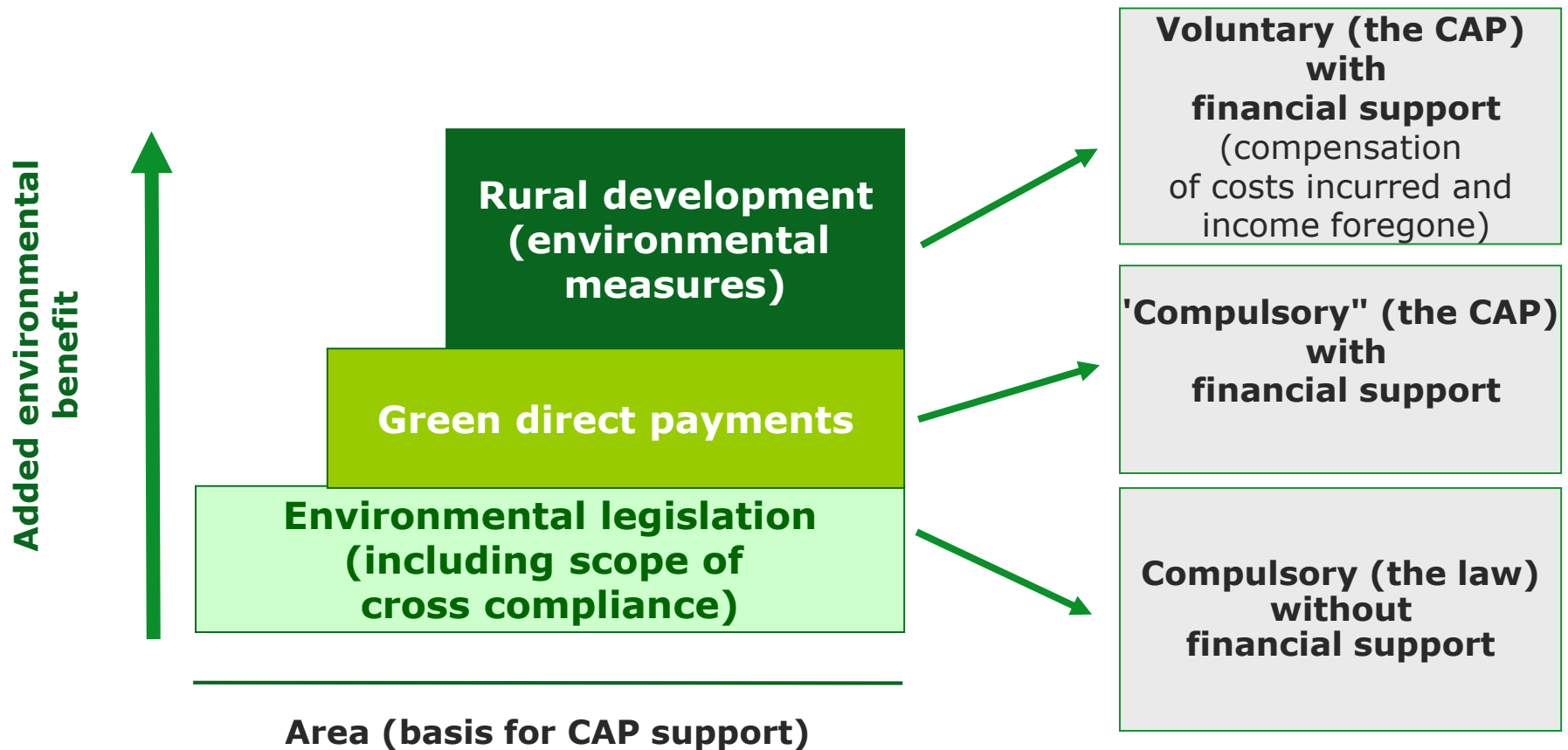
One of the main tools to deliver to the CAP objectives and priorities:

Objective: Sustainable management of natural resources and climate action

RD priority: Restoring, preserving and enhancing ecosystems

RD priority: Resource efficiency and shift towards a low carbon and climate resilient economy

Environmental measures in the CAP architecture



Why does AECM matter

AECM in 2007-2013 and 2014-2020 periods (EAFRD only)

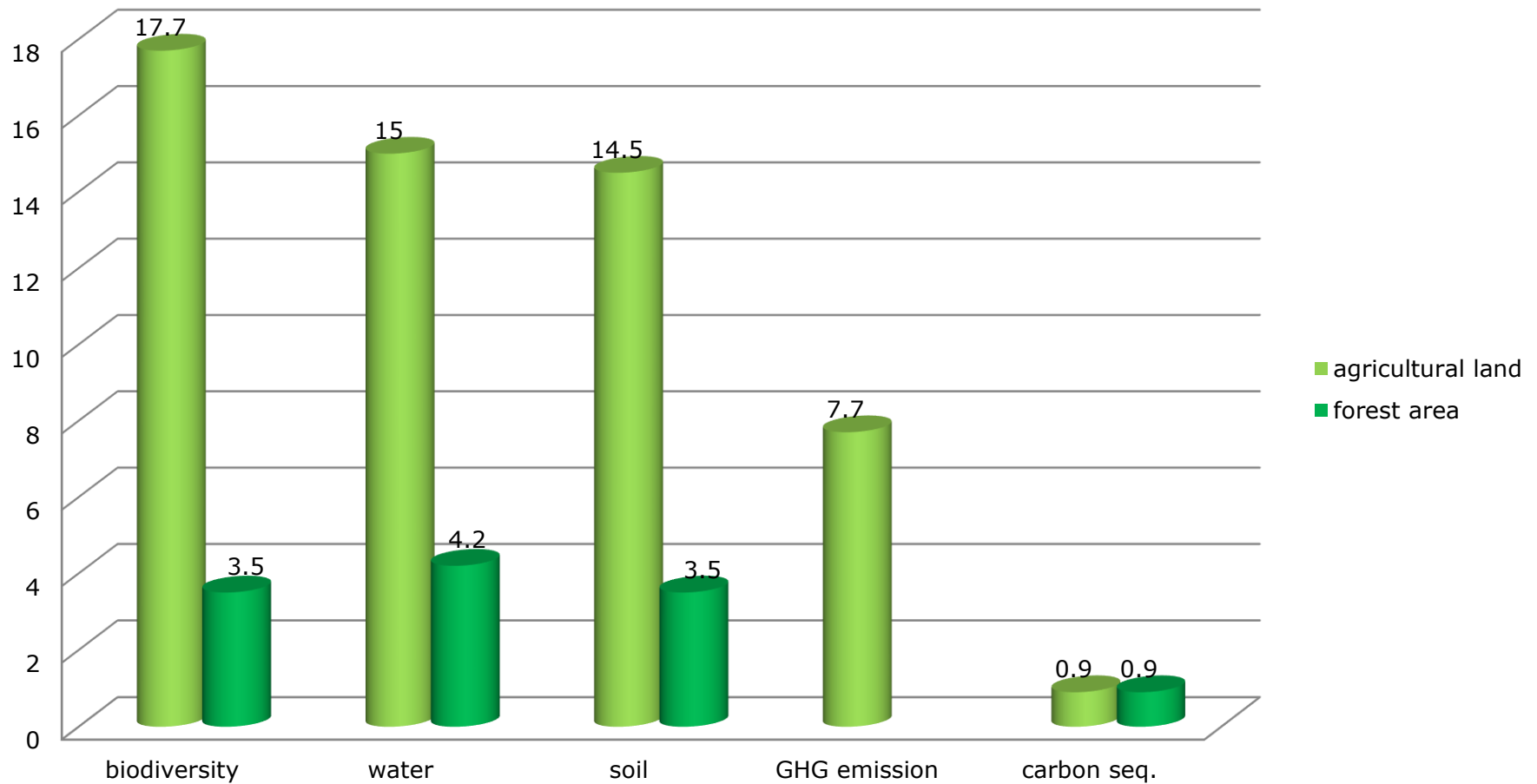
	budget allocation (bln)	budget as % of all EAFRD	Area under AECM (mln ha)
2007-2013	23,6 ¹	25 %	46.8
2014-2020 ²	22,7	23 %	42.8

¹ based on declared amounts

² AECM + organic farming

Certain 2014-2020 targets (1)

Targets 2014-2020 (% of land under RD relevant management contracts)



Certain 2014-2020 targets (2)

2.4% of Livestock Units concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions

15% of irrigated land switching to more efficient irrigation systems



€ 2.9 billion total investment in energy efficiency

€ 2.7 billion invested in renewable energy production

"Ideal" AECM

- Clear objectives
- Evidence based
- Clearly going beyond mandatory standards
- Targeted at specific problem / need and area
- Delivering clear result
- Controllable and verifiable.

Input reduction

- Focus on mineral fertilisers and/or plant protection products
- Control problem: reduction by x% is more difficult than a ban on the input application
- *Alternative*: a good link to advisory service + setting the reduction as objective but not as commitments

- *Is this approach sufficient to ensure better verifiability?*
- *Should such type of operation continue to be supported in AECM?*



Cooperative approach

- European Court of Auditors said about this approach:

"In certain cases it might be necessary to have in a particular geographical area a minimum number of farmers signing a contract. Such cases can be to maintain (...) local landscape, to reduce pollution (...) or protect certain species (...). Expenditure for a few individual contracts may not be effective in such cases. One way to ensure that a sufficiently large group of farmers delivers the necessary environmental benefits is through collective approaches".

- ECA also encouraged COM & MS to be more proactive in management of AECP through collective contracts.



Cooperative approach

- Why to encourage cooperation among land managers in managing land and the environment?
 - Territorial approach = territorial results
 - Flexibility / higher effectiveness?
 - Administrative simplification (lower implementation costs)
 - Strengthened sense of community
- Adaptation of rules to accommodate cooperative approach
 - Higher transaction costs
 - Real time notification allowing to respond to changeable factors.



Result based AECM

- Result-based schemes = where payments are linked to outcomes
- Why result based?
 - Better targeting / closer to the ground
 - Greater flexibility
 - Innovative approach
 - Ownership of results by beneficiaries
 - Tangible results / increase policy effectiveness
 - Easier control – no control of rigidly prescribed practices
- Also ECA encouraged COM & MS to be more proactive in management of AECM through outcome based measures.



Results based AECM

- Features of a successful result based operation:
 - Scientific knowledge and data: solid bases
 - Clear objectives understandable for beneficiaries
 - Relevant, objective-related indicators
 - Simple and clear way of measuring / monitoring indicators
 - Involvement of farmers & stakeholders from an early stage
 - Regular and solid links to advice and support for farmers.



Result based AECM

- Is EAFRD framework adapted to accommodate result based?
- Issue of payments:
 - WTO agreement on agriculture states that payments for environment should be dependent on the fulfilment of specific conditions including those related to production methods and inputs and that the payments should be limited to extra costs or loss of income.
 - How does it fit into EFARD rules?: payments must be linked to income loss and additional costs of practices which are considered necessary to achieve the expected results.

Double funding

- Measures concerned: agri-environment-climate, organic farming, Natura 2000 & Water Framework Directive payments
- General rule: no double funding between the payments for the above measures and the green payments in the 1st pillar
- Method of the payments' calculation: *"when calculating the payments (...), Member States shall deduct the amount necessary in order to exclude double funding of the practices referred to in Art.43 of DP Regulation"*.



Excluding double funding

- Double funding has to be excluded when calculating the relevant RD payments:
 - ✓ For AEC, OF and Natura 2000 and WFD payments calculations shall take into account only commitments going beyond the relevant greening practices
 - ✓ for three AEC commitments (*catch crops, winter soil cover, production with no fertilisers and/or pesticides*) when applied for equivalence purposes, by lump sum reduction (in case they are not used for equivalence – a normal, not reduced, calculations apply)
 - ✓ Certification: certification of the correctness of the premia calculation has to include a specific reference confirming that the premia excludes double funding.



Goal: to manage AEEM to deliver more tangible environmental results while ensuring controllability of the operations.



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Thank you for your attention