Mr Frans Timmermans Executive Vice-President for the European Green Deal

Mr Janusz Wojciechowski Commissioner for Agriculture

Mr Virginijus Sinkevičius Commissioner for Environment, Oceans and Fisheries

Ms Stella Kyriakides Commissioner for Health and Food Safety

Subject: Derogations to CAP conditionality in 2023 are unacceptable

Brussels, 24 June 2022

Dear Executive Vice-President, Dear Commissioners,

We are writing to express our deepest concern in relation to the possibility of the European Commission granting derogations on two basic conditionality standards of the new Common Agricultural Policy (CAP).

This topic was discussed in the June meeting of Agriculture and Fisheries Council, with the European Commission showing its readiness to prepare such derogations and 16 delegations voicing their support. While this debate was held "behind closed doors", the information we have gathered suggests that these derogations would be granted in accordance with Article 148 of the CAP Strategic Plans regulation, and could affect two Good Agricultural and Environmental Conditions (GAEC): GAEC 7 on crop rotation and GAEC 8 on non-productive areas or features.

The main argument used to justify such derogations is the situation of agricultural markets, aggravated due to the war in Ukraine, which we also find extremely worrying and requiring urgent action. Nevertheless, the derogations currently under consideration are a false solution that would hardly contribute to improving the market situation¹.

¹ Scientists, policy analysts and civil society have clearly questioned the utility of such measures, and have called for engaging in more ambitious food system transformation, as documented in the following references: <u>Ref 1</u>, <u>Ref 2</u>, <u>Ref 3</u>, <u>Ref 4</u>, <u>Ref 5</u>, <u>Ref 6</u>, <u>Ref 7</u>.

Not only does the EU have a very limited capacity to increase its agricultural output, especially without incurring in higher imports and environmental impact, but this approach also fails to address other factors of greater influence, such as the role of financial speculation in increasing agrifood prices and the food-feed-fuel competition, which is very strong in the EU. In this regard, the EU should pursue different solutions such as phasing out any support to crop-based biofuels, slashing food waste and tackling the excessive consumption of animal-sourced foods.

Applying these conditionality derogations to the CAP rules would mean taking EU farm policy one decade back, and dismissing the agronomic and environmental importance of these two basic do-no-harm requirements attached to CAP subsidies². Indeed, these agronomic practices help protect soils and biodiversity on arable land, but they also play a substantial role in pest control, crop pollination and increased farm resilience, which can lead to better economic performance and input self-sufficiency³.

Executive Vice-President, Commissioners, you know all too well the very limited progress achieved with the latest reform of the Common Agricultural Policy, but even before the start of the new CAP, those incremental improvements are already in jeopardy with these conditionality derogations. At this crucial time, we call on you to avoid any kind of political horse trade that falsely opposes food security to environmental protection, which must go hand in hand.

It is of paramount importance that the public policies to address food security concerns also support climate action and contribute to healthy agro-ecosystems, rather than undermining them. We count on your political leadership and engagement with the European Green Deal to prevent any further weakening of the CAP rules, which will only delay the transition to a fair, healthy and environmentally-friendly food system that the Farm to Fork Strategy is seeking.

Best regards, on behalf of the 18 cosignatories

Ester Asin Director WWF-European Policy Office

² It must be noted that the <u>future CAP regulations</u> grant large flexibility to Member States for the implementation of these GAECs in accordance with the agronomic features of their territories. The information available in the <u>draft CAP Strategic Plans</u> suggests that these standards will be largely implemented without becoming a significant production constraint.

³ See for instance articles by <u>Nilsson et al. 2022</u>, and <u>van der Ploeg et al. 2019</u>.





























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