

JULY 2019

Commons and the CAP



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Acknowledgments: This report has been co-funded by MAVA Foundation and the International Land Coalition Working Group on Commons and Common Land Rights in Europe, Middle East and North Africa. The ICCA Consortium has also funded previous work related to this report.

Citation:

Salguero, 2019. Commons and the European Union Common Agricultural Policy (CAP). Trashumancia y Naturaleza. Madrid.



LIST OF ACRONYMS:

AA:	Agriculture Agreement
CAP:	Common Agricultural Policy
CBD:	Convention on Biological Diversity
CMO:	Common Market Organization
DG:	Directorate General
DG AGRI:	Directorate General of Agriculture
EAFRD:	European Agriculture Fund for Rural Development
EAGF:	European Agricultural Guarantee Fund
EAGGF:	European Agricultural Guidance and Guarantee Fund
EC:	European Commission
EEC:	European Economic Community
EEA:	European Environment Agency
EFA:	Ecological Focus Areas
EIP-AGRI:	European Innovation Partnership for Agriculture
EP:	European Parliament
EU:	European Union
GAEC:	Good Agriculture and Environmental Condition
GI:	Green Infrastructure
ICCA:	Areas and Territories Conserved by Local Communities and Indigenous Peoples
MS:	Member State
RD:	Rural Development
RDP:	Rural Development Programme
SMRs:	Statutory Management Requirements
SWOT:	Strengths, Weaknesses, Opportunities and Threats
TEU:	Treaty of the European Union
TFEU:	Treaty on the Functioning of the European Union
UAA:	Utilized Agricultural Area
WFD:	Water Framework Directive
WTO:	World Trade Organisation

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The commons and the European Union Common Agricultural Policy (CAP)



1. Introduction: the CAP and the Commons in the context of the EMENA area

Globally, local communities of different continents are experiencing the same trends: environmental degradation, rapid loss of biodiversity, land grabbing and concentration, financial speculation on farmland and food commoditization, spread of industrial agriculture... And, consequently, these communities are suffering the loss of their traditional systems, knowledge, landscapes, culture and livelihoods. Various policies are driving these trends and the European Union's Common Agriculture Policy (CAP) is one of them.

As stated by the ILC's current EMENA (Europe, Middle East and North Africa) strategy, landscapes, biodiversity and natural and semi-natural ecosystems have been shaped by local communities for centuries, through their own governance systems, usually in the form of commons (common managed forests, grasslands, irrigation systems, hunting societies, etc.).

Although these common governance systems manage a relevant area of natural and semi-natural ecosystems - providing key socio-economic and environmental values to society

- they are largely unrecognized and/or neglected as a result of judging them as something from the past and not useful in contemporary society. This basically responds to a very limited understanding and ultra-orthodox view of the concept of "efficiency", based on a purely short-term market value approach and without consideration of environmental or social costs in the balance sheet.

Accordingly public policies generally disregard traditional common systems as being in many cases unsupportive or even detrimental. In the case of Europe, the powerful Common Agricultural Policy (CAP) is probably one of the main drivers of biodiversity loss and natural resource degradation, through its promotion of a highly intensified, unsustainable and high carbon footprint agricultural production system, while also failing to address key social and economic issues in rural areas (such as the dismantling of public services, unemployment, loss of economic activity and depopulation processes).

But as the EU is the biggest world agri-food importer and exporter, the CAP has also consequences for non-EU countries, influencing international markets and boosting agri-food investments, but also creating market distortions and putting at risk sustainable development through insufficient commitment to climate

change and gender objectives¹, environmental degradation and social impacts on people and communities, such as evictions and displacement of local food production².

The CAP has favoured large farms to the detriment of small ones, and three million small farms disappeared between 2003 and 2010 in EU³, and it has been also a key factor in land grabbing and land concentration processes in Europe, mainly by the distribution of direct payments to farmers, where entitlements are related to the surface area of the farm. This factor, in combination with a minimum size eligibility threshold for CAP payments or support, tends to concentrate land ownership amongst progressively fewer owners of larger and larger holdings, with progressively higher land prices, where small farms go out of business or are bought by large enterprises, agribusinesses or financial investors. As a result, in 2013, only 3,1% of farms controlled 52,2% of the farmland in Europe and land ownership is now more highly concentrated than is overall wealth in the EU. This process of land concentration in fewer hands has been especially pronounced in Eastern Europe, where, since the introduction of CAP direct payments following EU accession, land prices and rents have shot up. In Bulgaria, the price of land rose by 175 percent between 2006 and 2012, and the average size of large farms has far surpassed the EU average of around 300 hectares, with the biggest increases in Slovakia, the Czech Republic and Bulgaria⁴. This poses serious threats to land rights, land access and food sovereignty and drives environmental and social degradation of rural areas in the EU⁵.

A good reason for making the CAP more open and participative is that it deals with food production which is a vital matter for social well-being and survival and inextricably linked to our cultures, our individual and collective histories and our identity⁶. To regain the concept of food as a “common” and not as a “commodity”⁷ is a challenge to which communities and traditional commons systems have a lot to contribute. Furthermore, soils in the majority of European countries are at high level of risks with arable soils as the most exposed to pressures⁸. However, the CAP is a public policy that ‘belongs’ to everyone and should be working for the benefit of the common good. There is a common interest in working towards an improvement of such an influential policy not just in the EU agriculture capacity but also in the sustainability and stability of European society and beyond.

The negotiations for the next programming period (2021-2027) of the CAP are already well under way in the EU institutions. What will be finally agreed will influence our common future and this presents a good opportunity to reflect on the role that commons systems can play. The big challenge is that the CAP should also integrate climate, biodiversity and environmental objectives, helping to comply with other EU commitments.

Most of the communities governing commons are working almost exclusively at a local or regional level and are not usually aware of how much is at stake in supra-national arenas, which will compromise their capacities, resources and future. The main objective of this document is to raise awareness of this situation, shed some light on what is happening in the current CAP reform process and identify

1 Blanco, 2018

2 Diop *et al.*, 2013

3 See https://ec.europa.eu/agriculture/sites/agriculture/files/statistics/agricultural/2013/pdf/c5-5-354_en.pdf

4 Heinrich Böll Foundation, *et al.*, 2019. p. 28-29

5 Kay *et al.*, 2015

6 Slow Food, 2018

7 Vivero-Pol *et al.*, 2019

8 Orgiazzi *et al.*, 2016. p 11-20





some opportunities for commons communities to boost their visibility and their contribution to the debate. This will also help to reinforce the constantly claimed “bottom up approach” and push for a real participation in decision making and common land rights process.

The main purpose of this policy brief is to stimulate these reflections and help strengthen civil society’s involvement in the debate about the European agriculture model.

2. The commons systems in Europe

Shared tenure or ‘commons’ systems date back many centuries in Europe and have been a key element in economic development, as well as in the creation and protection of European natural and cultural heritage. An underlying objective for many centuries was

to follow systems of natural resource management which guaranteed community survival over time. This basic premise of sustainability is therefore elemental in such systems. They generated rural areas of great cultural diversity, made up of mosaics of inter-related farming systems and ecosystems and generating an immense accumulated and collective knowledge to guide their maintenance. The great cultural and natural diversity which we find in Europe is in large part due to these farming systems based on collective ownership.

However, with the emergence and growth of the capitalist production system, based on principles of individual economic interest, competition, profit-driven trade and private property ownership, shared-ownership systems have lost economic value and social function and fallen into decline. Mass emigration from rural areas to the cities has

exacerbated this trend, depriving common ownership systems of their social base and leaving their governing bodies vulnerable.

Despite these adverse trends, many collective tenure and shared management systems have managed to survive in Europe and are more widespread than is often believed. Information about common tenure systems in Europe is scarce, partial and scattered but data are increasingly becoming available from a growing number of site studies. These show that communal systems in Europe are 'diversity hotspots'. This is possible because the land is managed following low-intensity principles and practices that create mosaic landscapes, a key factor for biodiversity conservation and ecosystem services provision. These commons host diversity in terms of:

Governance: They represent a wide and

unique repository of governance systems and institutions, traditional resource management practices and local culture.

Agriculture sustainability: Some European communal tenure farming systems are also living showcases of good practices regarding sustainable interaction between human activity and nature; an example are the so-called High Nature Value farming systems, where Traditional Agricultural Knowledge ('TAK') is embedded. This is crucial as TAK systems encompass information about how to recognize and efficiently manage agricultural landscapes and agroecosystem elements⁹.

Biodiversity: they often harbour some of the most biodiversity-rich areas in Europe, as

9 Vivero-Pol *et al.*, 2019. p 173-181



Box 1: Some figures on commons and natural values

UK:

About 1.2 million hectares of the land in Britain and Ireland are classified as common land. These commons include: extensive pastoral grazing commons, woodland areas, coastal marshes and periurban centres (such as Town Moor Newcastle). 80% of common land is nationally or internationally designated for environmental reasons, and virtually all provides a statutory right of access on foot. 88% of commons in England and Wales lie within designated sites of national and international importance including designated Sites of Special Scientific Interest (SSSI) and Special Areas of Conservation (SAC).

Wales: The Gower Common in South Wales was the first Area of Outstanding Natural Beauty (AONB) to be designated in 1956. The sum total of commons which are covered by a designation is 97%.

England: There are nearly 400,000ha of common land and these include some of the most important environmental and cultural assets in the country.

Scotland: Scottish common grazings are heavily concentrated on areas with crofting agriculture, found especially along the Atlantic fringes. These areas are geographically-marginal and socially vulnerable, and most are in parishes designated as 'fragile' by Highlands and Islands Enterprise. The area of land with rights other than grazing (e.g. turbarry and estovers) is unknown. It is estimated that over 20% of the agricultural land under High Nature Value Systems is common land.

Spain:

In Extremadura region, the '*dehesa*' is a unique High Nature Value farming ecosystem. Here there are more than 170 common dehesas with a total surface of 150,000 ha of which at least 45,540 Ha are designated Special Area of Conservation (SACs) and 37,153 Ha Special Protection Areas (SPAs); this is part of the Natura 2000 Network and so protected under the EU Habitats and Birds Directives. These communal dehesas include several natural habitat types of EU community interest (e.g. 6310 Dehesas with evergreen *Quercus* spp.), and several animal and plant species of EU community interest: e.g. Iberian Lynx, Spanish Imperial Eagle, Eurasian Crane, Black Vulture, *Narcissus* ssp., among many others.).

Sweden:

Sweden has a total common forest area of 730,000 hectares and consists of 25,000 individual shareholders with property rights in the forests. The first common was created in 1861 based on an ancient medieval types of common. Swedish common forests have succeeded fairly well and produce not only timber but also provide public goods and services.

Sources:

Commons Toolkit NE 285. Foundation For Common Land. Natural England. <http://www.foundationforcommonland.org.uk/common-land-toolkit>
 Developing High Nature Value Farming and Forestry Indicators for the Scotland Rural Development Programme. July 2011. <http://www.gov.scot/Publications/2011/08/10135254/0>
 LIFE Comforest http://extremambiente.juntaex.es/index.php?option=com_content&view=article&id=3590&Itemid=278
 Ostrom, Schroeder and Wynne, 1993:73 ff..



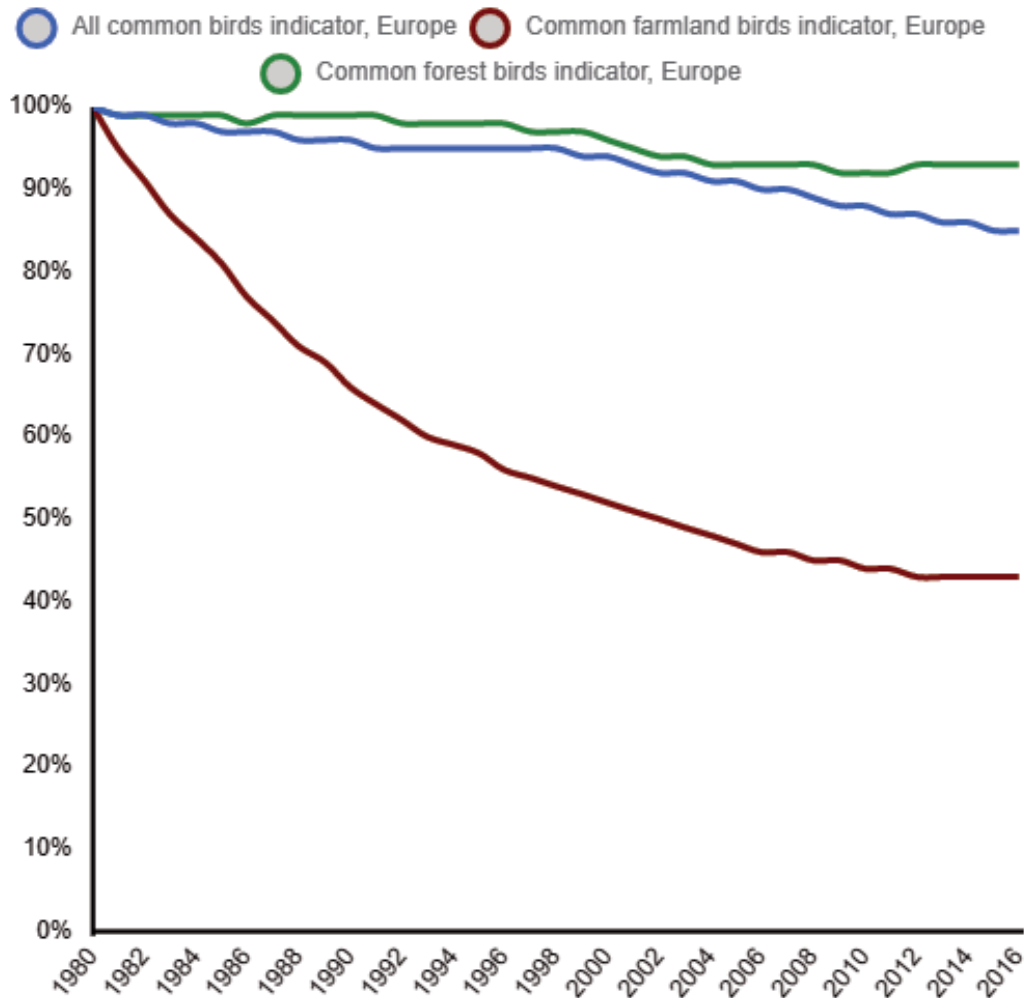


Figure 1: Declines in common farmland birds in the EU (1990-2016), as compared to common forest birds and all common birds. Downloaded from European Bird Census Council, 2019: <http://www.ebcc.info>

shown by the fact that a high percentage of common land occurs within protected areas of one kind or another (see some examples in **Box 1**).

This is especially important in an EU context, where biodiversity trends are of increasing concern, as illustrated by the worrying conservation status of the main habitat groups related to agriculture¹⁰ and continued serious declines in the EU common farmland bird index (**Figure 1**), the only biodiversity perform-

ance indicator for the CAP¹¹.

At the EU level, the concept of ‘common land’ is defined by the European Commission as “land not belonging directly to any agricultural holding but on which common rights apply; the area used by each holding is not individualised” and it is “owned by a public authority (state, parish, etc.) over which another person is entitled to exercise rights of common,

10 European Environment Agency, 2015

11 The Farmland Bird Index is one of various impact indicators for the CAP; see the full indicator set at: https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/key_policies/documents/technical-handbook-monitoring-evaluation-framework_june17_en.pdf

MEMBER STATE	COMMON LAND (ha) year 2010
Spain	4 205 593
Cyprus	805
France	750 000
Ireland	422 415
Italy	610 165
Austria	252 872
Portugal	171 351
United Kingdom	1 195 246
Hungary	627 225
Bulgaria	858 563
Romania	1 497 764
Greece	1 698 949
Slovenia	8 221
Norway	Unknown
Croatia	Not identified
Montenegro	Not identified
EU TOTAL (ha)	12 299 265

Table 1: Estimates of ‘common land’ surface area in different European countries. Source: European Commission. Eurostat

and these rights are generally exercisable in common with others”¹². For the EU agriculture authorities common land is considered to form part of the “utilized agricultural area” (‘UAA’), meaning the area used for farming¹³, and so the target area subject to agriculture policy.

Official EU statistics show the approximate agricultural area corresponding to common land in Europe and this can be found in at least 19 countries, from East to West and North to South, namely: United Kingdom, Ireland, Germany, Portugal, Spain, France, Switzerland, Italy, Greece, Cyprus, Austria, Slovenia, Bulgaria, Hungary, Romania,

Montenegro, Croatia, Norway and Iceland (see **Table 1**). These data do not include forestry or marine areas, which might increase this total quite significantly.

Although common land can consist of arable, pastoral, forestry or other land, in the case of agriculture, the majority of common land is related to livestock grazing and is often called “common grazings”.

Common land in Europe presents considerable differences in its functioning and structure. For example in the UK, most common land is owned by large landowners or NGOs, while in Romania the commoners are family farmers with small scale, subsistence or semi-subsistence units. In Spain there are also cases where communal land was bought by the village inhabitants in a public auction, to prevent privatization in the 19th and 20th century.

3. The Common Agricultural Policy (CAP): background, origins and development up to 2013

3.1 Background

The CAP is one of the EU’s oldest policies and from the beginning, was one of few with an “exclusive Community competence” (where only the UE can act), although the Member States are responsible for the implementing regulation in their territories. Historically the CAP is also the most expensive of the EU’s policies and currently absorbs around 40% of the European annual budget. From a fiscal point of view, it is uneven because while the CAP is supported by millions of taxpayers, the number of its direct beneficiaries is comparatively small.

¹² See https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Common_land

¹³ The concept of UAA includes arable land, permanent grassland and permanent crops as well as smaller ‘subsistence’ farm plots for fruit and vegetables. It excludes non-grazed woodland, water bodies, tracks and land occupied by buildings

Box 2. Commons: some key findings.

Common tenure systems might play a crucial role in Europe, because:

- ⇒ They offer a new (or renewed) socio-economic rationale, based on a participative democracy mechanism, to an European society in search of new democratic models based on the principles of economic, environmental and social justice.
- ⇒ They are built on the concept of collective ownership and/or use, which entails greater legal complexity (and so resistance) if privatization or land grabbing processes were attempted.
- ⇒ They offer one of the most cost-effective management and governance systems which can be alternative or complementary to established models. These systems have been ground-tested through time, are adapted to local contexts, resilient to changes and harsh conditions, and have their own conflict resolution mechanisms. And most important: they are inherent to local culture and legitimized by the community, so the usual difficulty of community rejection to alien top-down management plans is avoided.
- ⇒ They have a huge potential for building up a critical mass since an extensive community network can be built and alliances could be established with other civil actors. This would make a fundamental contribution to consolidating a big civil society group with its own lobby actors influencing real changes in society.

The CAP is also one of the EU's most complex and controversial policies. Probably because of this complexity, it is little-understood and inaccessible to the wider public, which is excluded from decision-making processes that have profound impacts on our lives, the environment and public finances. As a result the CAP is trapped in a kind of vicious circle where complexity impedes transparency, which in turn allows powerful lobby groups to influence complex legislation and dominate the discourse, resulting in bad governance, malpractice and corruption.

The next section presents a brief summary of the origins and evolution of the CAP, to place in context the present situation, summarized in later sections.

3.2 Origins and evolution of the CAP 1962-1991

The Common Agriculture Policy is enshrined in the Treaty of Rome in 1958 that established what was initially known as the European Economic Community, ('EEC'). The CAP was the first common European policy, and since its first inception it has been reformed several

times.

When the CAP was implemented in 1962, the agricultural sector was already highly intervened in the six founder member states and harmonization was needed in order to create a European common market. The CAP was conceived after the post-war food shortages (when self-sufficiency was a key target) and shaped by Keynesian economic tools of state support and intervention. The main objectives were to increase productivity, assure food supplies and market stabilization, while ensuring a fair standard of living for farmers and reasonable prices for consumers.

To achieve these aims, the first CAP proposed a policy combining price support and structural measures, but the structural component found early opposition and price intervention became the predominant policy mechanism.

Self-sufficiency targets were soon surpassed and **overproduction** became a major problem, with knock-on effects on the public budget, environment and countries outside the EEC. European agriculture production was always ahead of demand, and food surpluses

either had to be purchased and stored by the authorities, or exported with subsidies to Third Countries, resulting in dumping and distortion of their domestic economies. Ironically, at the same time, food prices for European consumers were above the average prices of the world market.

The intensification of agricultural production also had **negative environmental impacts** causing water pollution, loss of biodiversity (see **Figures 1**), and soil and landscape degradation. The CAP's legitimacy became increasingly questioned and voices were raised claiming a more fair and efficient use of public money.

Overproduction also entailed a **continuing growth of CAP expenditure** which in the light of the Community enlargement with new Member States, inevitably required budget discipline measures, resulting in the first Multiannual Financial Framework 1988-1992 and the first CAP annual budget freeze.

In order to stop overproduction and curb the CAP's expenditure, compulsory land

“set-aside” and “milk quota”¹⁴ measures were introduced. The latter had a significant impact on rural areas, leading to concentration and intensification of milk production while small dairy farmers were going out of business.

3.3 The CAP 1992-2013

The year 1992 was a milestone that marked a “before and after” in the CAP's history, when the EU and the US settled their differences on agriculture within the World Trade Organisation (‘WTO’) and in the subsequent “Agriculture Agreement” (‘AA’)¹⁵ of 1994. Although the Río Conference of 1992 also had some influence in stimulating a more ‘social’ local-based approach to rural development, in simple terms it can be said that the CAP before 1992 was “more European” and afterwards become “global market oriented”.

14 See glossary of terms related to the CAP at http://ec.europa.eu/agriculture/glossary/index_en.htm

15 The Agriculture Agreement was signed during the last Round (Uruguay Round) of the former General Agreement on Tariffs and Trade (GATT) that gave way in 1994 to the current WTO

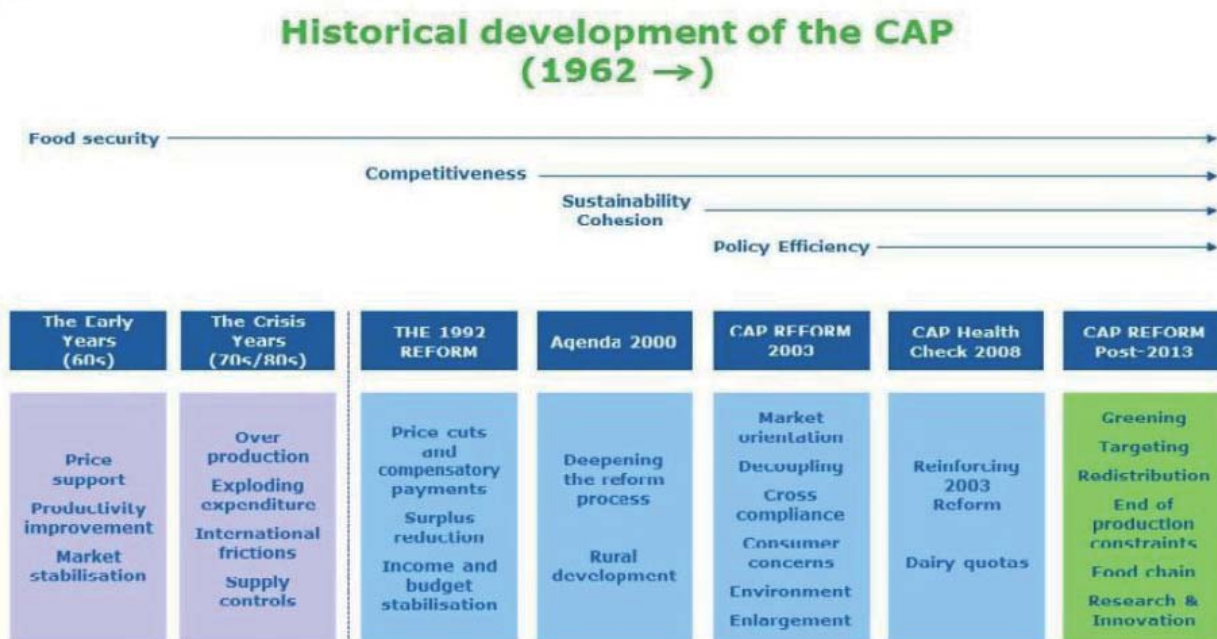


Figure 2: Historical development of the Common Agricultural Policy. Source: European Commission (2015)

This last phase is still in progress, with international trade obligations playing a more dominant role in shaping and conditioning the agriculture model supported by the CAP.

The AA influenced greatly the CAP reforms undertaken through the 90s, pursuing the progressive reduction of the agriculture subsidies linked to production which are considered to be trade distorting. The CAP became increasingly less European and independent in an increasingly globalized trade system and become more and more a mechanism for implementing commitments arising from the WTO.

Consequently, a series of reforms took place, basically aimed at replacing price support mechanisms with direct payments to farmers, so gradually eliminating the link between payments and production (“decoupling”). This had the double virtue of keeping overproduction and budgets under control, while preparing the path to accommodate the changes arising from WTO obligations and the incorporation of the new EU Member States. The reforms can be briefly summarized as follows:

The “MacSharry reform” in 1992 and “Agenda 2000” in 1999. These reforms paved the way for the expected changes derived from the EU international negotiations at the time. Support to prices gradually shifted into direct payments per cultivated hectare or per livestock animal. This reduction of price support entailed a cut of export subsidies and supposedly ameliorated international trade distortions. The CAP architecture was reorganized into its current main two areas, or “Pillars”:

- ❖ The **“First Pillar”** is production- and market-oriented, with direct payments to farmers (90% of the First Pillar budget) and market measures (the other 10%).

- ❖ The **“Second Pillar”** involves measures that support rural development goals. This addressed emerging social and environmental demands and had the “blessing” of the WTO, allowing funds to be shifted in “compensation” for the reduction of price support payments¹⁶. It includes measures addressing a wide range of issues, from productivity, competitiveness and agriculture support in marginal areas, to agri-environment schemes, articulated in Rural Development Programmes (‘RDPs’).

The Mid-Term Review of the Agenda 2000 (or ‘Fischler Reform’) in 2003 and the CAP Health Check in 2008. Continuing with the decoupling process, a new payment system was introduced called the “Single Farm Payment” (‘SFP’), consisting of an annual lump sum related to the surface of the farm. To receive the SFP the farmer should meet obligatory environmental and animal welfare standards, known as “cross-compliance”, consisting of two sets of rules: Statutory Management Requirements (‘SMRs’), and Good Agriculture and Environmental Condition (‘GAEC’).

16 The AA classified agriculture payments in 3 categories or “boxes”: the **“amber box”** (payments distorting trade, such as CAP production payments) that should be eliminated; the **“blue box”** (production limiting programmes, that should be transitional) and the **“green box”** (payments that cause minimal distortion such as rural development payments). The final aim is to eliminate the amber box, using the blue one as transitional, to finally accommodate all payments in the green box

4. The current CAP (2014-2020)

The current CAP was agreed in 2013¹⁷ with an overall budget of around €280 billion for the seven-year period. For the first time the European Parliament intervened in the process, in **co-decision** procedure jointly with the Council, introducing more transparency and democracy to the process of negotiating and approving EU legislation. In order to understand better its implications, the following section provides a brief review of its main elements and its place in the overall legal architecture of the wider EU strategy until 2020.

4.1 EU/CAP legal architecture

4.1.1. The EU 2020 Strategy and EIP AGRI

A central piece of the current EU architecture is the economic **growth strategy** called

“**Europe 2020**” which identifies **five** headline **targets**¹⁸ (regarding employment, investments, carbon emissions, education and poverty) to be attained through **seven** flagship **initiatives** (related to innovation, education systems, digital agenda, resource efficiency, industrial policy for globalisation, labour markets and platform against poverty). For implementing this strategy, one of the financial instruments, ‘Horizon 2020’, provides €80 billion over 7 years (2014-2020), with a view to attracting additional funds from private investment.

The CAP is expected to contribute to the strategy mainly through innovation and resource efficiency. This is the origin of the so-called “**European Innovation Partnership for Agriculture productivity and Sustainability**” (**EIP-AGRI**) launched in 2012. This is meant to be a new approach to apply research and innovation solutions to agriculture through multi-actor projects.

17 For a summary of the main elements see http://europa.eu/rapid/press-release_MEMO-13-621_en.htm

18 See <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:2020:FIN:EN:PDF>



Potentially, there are opportunities here for public participation, and civil society groups are specifically encouraged to develop ideas and projects: topics related to common goods and communities could be one of them. In this sense it is worth noting that the EIP-AGRI scheme's wide concept of 'innovation' includes: "technological, non-technological, organisational or social, and based on new or traditional practices. A new idea can be a new product, practice, service, production process or a new way of organising things."¹⁹

4.1.2. The funding of the CAP

The CAP is financed through two different funds:

- ❖ The **European Agricultural Guarantee Fund** (EAGF) that covers all the so-called "**direct payments**" of **Pillar One** and some other agriculture market measures. It sits outside other funding frameworks and absorbs 80% of the CAP budget, with the payments being 100% financed by the EU.
- ❖ The **European Agriculture Fund for Rural Development** (EAFRD) finances **Pillar Two**, and thus all of the RD measures, from the remaining 20% of the CAP budget. These measures need to be cofinanced by the Member States, normally at 50%. This means that the implementation of these measures will depend on the cofinancing capacity of the Member State or Region.

RD measures can also be financed through four further EU funds, namely the European Social Fund, the Cohesion Fund, the European Regional Development Fund and the European Maritime and Fisheries Fund. With the aim of maximizing coherence and cost-effectiveness, Regulation (EU)

1303/2013 sets out a "**Common Strategic Framework**" for these four funding instruments plus the EAFRD. Amongst other things, this Regulation states that each Member State must sign a "**Partnership Contract**" (PC) with the European Commission. This document is crucial as it must show how each country will link structural and RD objectives to meet the Europe 2020 Strategy, and it is binding for the design of RDPs.

The PCs also set out how a significant amount of public EU funds will be spent during the 2014-2020 period, and most importantly, how environment and development aims will be met. EU law sets out clear requirements for stakeholder participation, multilevel governance and minimum contents in the preparation of the PC and the programming documents for the main funds. This creates a clear opportunity for civil society communities and groups to become closely involved.²⁰

These PCs could potentially counteract the structural weakness of the EU RD policy, scattered as it is between five funds and often playing a residual role in all of them.²¹

4.2. Rural Development Policy

As was mentioned previously, the structural policy used with price measures in the CAP in the 1960s was a sort of "incipient rural development policy" that was watered down and isolated by a predominant focus on prices, agriculture sectors and markets. Since then RD has played very much the role of an "accompanying policy", as rather the "unwanted child" in the CAP.

¹⁹ <http://ec.europa.eu/eip/agriculture/en/content/eip-agri-part-eu's-growth-strategy-decade>

²⁰ For more information about CSF and Rural development implementation see http://www.ifoam-eu.org/sites/default/files/event/files/ifoameu_policy_workshop_srdtd_fertl_20130424.pdf

²¹ In the previous programming period there were more than 400 schemes designed for rural areas, with no coordination or overall vision

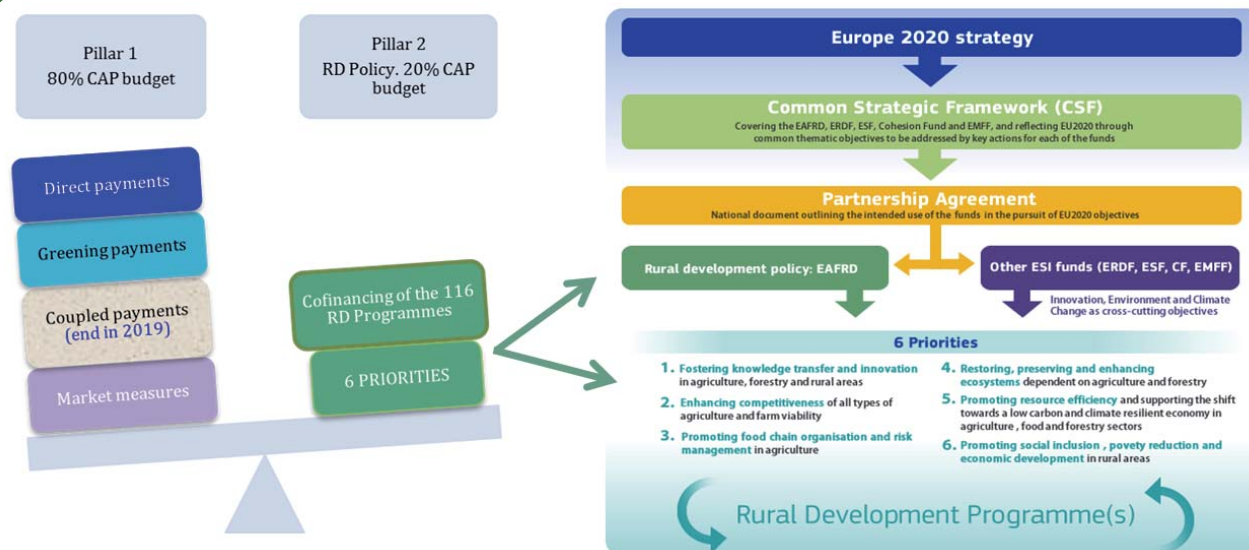


Figure 3: Links between the CAP, rural development policy and the wider Europe 2020 Strategy. Source: Author's work and European Network for European Development: <http://enrd.ec.europa.eu>

Interestingly, in the history of the CAP, RD policy has shown an almost 'circular' evolution. It played a minor role until the mid 1980s, constrained by a market-unisectoral perspective, but a turning point came in the 1990s, with a new "local and multisectoral logic", introducing pilot projects based on the endogenous capacities of local areas and community actors. Whilst this was not sufficient to counter the more damaging aspects of the CAP such as environmental damage and rural depopulation, the new approaches showed some interesting promise. The Community Initiative 'Leader' approach²² was a good example, and although originally not part of the CAP (as it is today), Leader applied a new "bottom-up" focus based on seven principles²³.

Recent years have seen a retreat from this idea and a return to a more market- and

production-based approach. The Agenda 2000 reform returned RD to the "unisectoral logic" predominance and, despite the continuing social and environmental problems associated with the CAP, this trend has not changed in the most recent reform.

The RDP must be approved by the European Commission, and contain some schemes where common systems objectives could fit well.

It is difficult to generalize, given the wide variety of RDPs, measures and national procedures, but the RDP elements most likely to match communities objectives include²⁴:

- ❖ "Agri-environment schemes", these compensate the loss of income to farmers who subscribe, on a voluntary basis, to commitments intended to benefit the environment and which go further than the minimum compulsory cross-compliance and greening requirements. Implementation across Europe varies considerably, but their small budget

²² Leader is a French acronym that stands for "Liaison Entre Actions de Développement de l'Economie Rurale" meaning "Links between Actions for the Development of the Rural Economy"

²³ These principles are: Area-based local development strategies, bottom-up elaboration and implementation of strategies, local public-private partnerships (Local Action Groups), integrated multi-sectoral actions, innovation, cooperation and networking

²⁴ For example, see the specific 'Commonage' proposals for Ireland: <http://www.efnecp.org/projects/hnv-farmland-irish-uplands/commonage-case-studies/>

compared with the funding available for direct payments make them insufficient funds for the size of the task that is required to halt the decline of farmland biodiversity or address other environmental problems.

- ❖ The Leader scheme (see above), currently called the “Community-Led Local Development” programme²⁵ is designed to empower people in local areas. This is a clear opportunity for local communities, as their involvement is a precondition for obtaining these grants. Its budget can be complemented with additional funding from the EU Structural Funds. Once again, success will depend greatly on the “health” of Member State governance at various levels, and on the commitment of local communities to insist on full and meaningful scheme implementation.
- ❖ The innovation programme (EIP-AGRI) will also be implemented via RDPs, for which operational groups (where civil society should participate) must submit specific projects, where topics related to common systems can also be admissible.

4.3. The CAP: rhetoric and practice

The current CAP aims to address three main issues:

- ❖ **food security** through increasing production;
- ❖ environmental sustainability by **reducing pressure on natural resources**; and
- ❖ **territorial balance** by promoting both competitiveness and diversification.

Whilst these aims seem compatible and achievable in terms of rhetoric, the legal measures for applying them, and their application, often fall short in practice. A closer analysis reveals a profound gap between rhetoric and reality, making some of these main CAP objectives appear purely aspirational, at best.

Taking the **food security** argument as an example, the main argument here is that the expected world population increase might entail a 70% increase in food demand by 2050, so the EU should be ready to respond. It is argued that the CAP must continue to strengthen EU agriculture through enhancing competitiveness and productivity in order to maintain EU leadership in world markets, and so to support industrial agriculture. This also matches the WTO trade liberalization requirements, with the CAP further consolidating the payment decoupling process. This



25 For more information see http://enrd.ec.europa.eu/themes/clld/en/clld_en.html

perspective also perpetuates the tendency to transfer the majority of the CAP budget to **large agribusiness companies and industrial agriculture**, which in the EU absorb **80% of farm subsidies** and **90% of the research funds available**²⁶.

However, the assumption that a strong leading EU agriculture sector will address world food security concerns has some basic flaws and is increasingly questioned by experts and international institutions²⁷. Instead, the role of small farmers and a new direction towards 'agroecology' are considered to offer a more just and sustainable answer, according to increasing empirical and scientific evidence²⁸.

Firstly, the automatic connection of increased population and the need for increased production is not supported by serious analysis and the food security concern seems to be conveniently constructed to accommodate the big agriculture industry protectionist interests²⁹. On the other hand, an increase in production does not address the root causes of food insecurity, which are mainly related to limited access to food for political and economic reasons.

This 'CAP feeds the world' perspective also seems to ignore the consequences of recent economic trends of rising food prices whilst the number of EU households unable to afford enough food also grows. An increase in production will do little to resolve this priority question regarding EU food security, especially against a background of huge food

wastage in the EU³⁰. The concentration of production in fewer, larger agro-industries could aggravate uncertainty and the volatility of agricultural markets, making society more vulnerable and less resilient by increasing dependence on imports and losing the skills and resources for local food production, processing and trade.

In this sense, the recommendation of the UN Special Rapporteur is to "*limit excessive reliance on international trade and build capacity to produce food needed to meet consumption needs, with emphasis on small-scale farmers*"³¹.

The present CAP, however, is moving the EU in the opposite direction. It is worth noting that some UN reports conclude that modern industrial agricultural methods can no longer feed the world, due to the impacts of overlapping environmental and ecological crises linked to land, water and resource availability. Instead agroecology seems to be the pathway to a global sustainable food production.

*"Agroecology is a traditional way of using farming methods that are less resource oriented, and which work in harmony with society. New research in agroecology allows us to explore more effectively how we can use traditional knowledge to protect people and their environment at the same time."*³²

Also commons systems already have some key elements in place, as "responsible governance" is one of the 10 elements of agroecology. This requires establishing transparent, accountable and inclusive governance

26 See <http://www.fao.org/fsnforum/forum/contributions/re-future-family-farming-providing-resources-women-and-young-farmers-30>

27 The EU's "large farms", which according to EUROSTAT (2011) account for 20 per cent of all UAA, are generating only 11 per cent of Europe's total agricultural production

28 Ahmed, 2014

29 Buckwell, 2014

30 See <http://www.europarl.europa.eu/news/en/news-room/content/20120118IPR35648/html/Parliament-calls-for-urgent-measures-to-halve-food-wastage-in-the-EU>

31 De Schutter, 2014

32 Ibid 27

mechanisms at different scales, to create an enabling environment that supports producers to transform their systems. For this “equitable access to land and natural resources is not only key to social justice, but also essential to providing incentives for long-term investments in sustainability”³³.

5. The CAP reform for (2021-2027)

Now a new CAP for the programming period **2021-2027** is under negotiation. The process started with the publication on June 2018 of a CAP Regulation proposal³⁴ to be discussed with the EU Parliament and Council. In its wording it shows **great ambition in terms of environmental objectives and proposes a broad set of objectives** to be included in the Strategic Plans of Member States (articles 5 and 6 in Title II).

Given the serious challenges facing the EU agriculture and food sectors (environmental degradation, loss of soil fertility, climate change risks, desertification, land concentration, unhealthy diets, food waste, decline of rural areas, etc.) the design of the new CAP should aim to halt and revert as many of these damaging trends as possible, and respond to the increasingly urgent need for deep and lasting reform. With its original food production objectives achieved and exceeded at the cost of serious social and environmental damage, a new CAP is needed to tackle the 21st Century problems created by the CAP designed in the 20th Century. A new policy must be able to show to EU tax-payers that public money is targeted towards those farming systems that can provide the best environmental (and so productive) services

and conditions³⁵.

5.1. Key aspects of the new CAP proposal³⁶

The new CAP proposal³⁷ does not change the policy’s general principles and the main payments remain related to the surface of farmland that is owned or managed, so the more hectares one owns or controls, the higher the payments one receives. Although a mechanism is proposed for capping payment to larger holdings it seems insufficient to stop the process of land concentration already well advanced in Europe.

The main novelty in the new proposed delivery model is the increasing of Member States’ decision-making powers and subsidiarity, a move interpreted by some as “renationalization of the CAP”³⁸

It also proposes an evidence-based policy-making (EBPM) approach, based on SWOT analysis and elaboration of needs and a determination of intervention logic, follow by the indicators and monitoring system.

35 As the IPBES pointed out “*Higher biodiversity therefore increases the capacity of terrestrial, freshwater and marine ecosystems to provide nature’s contributions to people, such as soil formation, pollination, regulation of hazards, regulation of air and water quality*”. See at https://www.ipbes.net/system/tdf/spm_2b_eca_digital_0.pdf?file=1&type=node&id=28318

36 Given that the proposal is in the process of approval between EU institutions (Commission, Parliament and Council), we will comment only on some of the main elements that will probably remain in the final text

37 The current proposal consist of four legal texts: COM (2018) 392 on CAP strategic plans; COM (2018) 393 on financing, managing and monitoring; COM (2018) 394 on Common market Organisation; SWD (2018) 301 on impact assessment

38 See for example <https://www.euractiv.com/section/agriculture-food/news/calls-growing-to-stop-nationalisation-of-cap/>

33 FAO, 2018. p 11

34 COM (2018) 392 final

Basically the proposed delivery model would work as follow:

- ❖ The European Commission proposes 3 General Objectives and 9 specific Objectives (**articles 5 and 6** of the proposal COM (2018) 392) as shown in **table 2**. There will be also indicators and eligible types of “interventions” (previously called measures) and some other elements.
- ❖ Member States will identify their needs and prepare a CAP Strategic Plan based on the specific objectives (based on a SWOT analysis) and according to the results they want to achieve. The strategic plans should be approved by the European Commission and aim to be a step forward in evidence-based policy-making, but the development and implementation of the measures will be mainly left to the free choices of the Member States.

5.1.1. CAP National Strategic Plan

A single Strategic Plan for both the First and Second Pillars of the CAP, should be established at national level and with the possibility of including regional elements.

- ❖ The mandatory elements of CAP Strategic Plans are listed in Article 95 and further detailed in Articles 96-103 of the proposal. They will contain overview tables with goals, measures and funding, a chapter on governance and coordination, digitalisation strategy, and enclosed will be the entire SWOT analysis, ex-ante evaluation and description of the process and results of public stakeholder consultations (See **table 3**).

5.1.2. Green architecture: reinforced conditionality and eco-schemes

The proposal purports to tackle environmental and climate objectives through the following elements:

- ❖ The **eco-scheme(s)** under the EAGF – mandatory for Member States to put in place, but with no ring-fenced funding (article 28 of proposal);
- ❖ **Agri- environment- climate commitments**, mandatory for Member States under the EAFRD (article 65 of proposal)
- ❖ **Compensatory Payments for Areas with Natural Constraints**, facing natural or other specific constraints (the former “Less Favoured Areas”)
- ❖ Mandatory requirements for farmers (in order to reinforce conditionality) included in the proposal are:
- ❖ **Preserving carbon-rich soils** through protection of wetlands and peatlands
- ❖ Obligatory nutrient management tool to improve **water quality**, reduce ammonia and nitrous oxide levels
- ❖ **Crop rotation** instead of crop diversification, and based on identified farm needs. It is up to the Member State to set the specific criteria to meet the objective of crop rotation taking into account local conditions.

If farmers want to contribute further and be rewarded for going beyond mandatory requirements, **they can join one of the voluntary eco-schemes set by Member States at national level**. Again the content and implementation of these eco-schemes would be left in the hands of Member States.

Other types of support already existing in the

3 General objectives (article 5 in Title II)	(a) to foster a smart, resilient and diversified agricultural sector ensuring food security	(b) to bolster environmental care and climate action and to contribute to the environmental- and climate-related objectives of the Union	(c) to strengthen the socio-economic fabric of rural areas
9 Specific objectives (article 6 in Title II)	(1) support viable farm income and resilience across the Union to enhance food security	(4) contribute to climate change mitigation and adaptation, as well as sustainable energy	(7) attract young farmers and facilitate business development in rural areas
	(2) enhance market orientation and increase competitiveness, including greater focus on research, technology and digitalisation	(5) foster sustainable development and efficient management of natural resources such as water, soil and air	(8) promote employment, growth, social inclusion and local development in rural areas, including bio-economy and sustainable forestry
	(3) improve the farmers' position in the value chain	(6) contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes	(9) improve the response of EU agriculture to societal demands on food and health, including safe, nutritious and sustainable food, food waste, as well as animal welfare
1 Cross-cutting objective (article 5 in Title II)	General objectives shall be complemented by the cross-cutting objective of modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake		

Table 2: The proposed general and specific goals of the CAP in the period 2021-2027. Source: European Commission, 2018.

current CAP are maintained (such as coupled and decoupled payments).

5.1.3. Performance, monitoring and evaluation system for the two pillars

The proposal takes a more result-oriented monitoring and evaluation approach (articles 115 to 129). Accordingly, the quality of data sources will supposedly be significantly increased in the programming period 2021-2027, with systematic monitoring of the interventions and their effects.

In order to achieve this, Member States have to:

- ❖ Establish a performance framework for reporting, monitoring and evaluating the performance of the CAP Strategic Plan during its implementation.

- ❖ Carry out ex-ante evaluations (to improve the Plan design).
- ❖ Carry out evaluations of the CAP Strategic Plans and annual performance reports.

The Commission shall:

- ❖ Establish a multiannual evaluation plan of the CAP to be carried out under its responsibility.
- ❖ Carry out an ex post evaluation to examine the effectiveness, efficiency, relevance, coherence and Union added value of the EAGF and the EAFRD.

5.2. Criticism

The main mechanism of distributing payments, based simply on the farmland surface

owned or managed, remains unchanged. This offers little incentive for shifting to more sustainable production systems to improve environmental performance of agriculture (see [table 5](#) for the total CAP payments by country)³⁹.

On the other hand, this is also a sign for the market that farmland will continue to be a source of income and annuity and so a profitable commercial asset for non-agricultural investors. This concentration of ownership of farmland implies the transfer of profits and tax

payments from rural areas to the headquarters of large businesses⁴⁰. Also the increase in land prices creates a barrier to entry for young farmers, deepening outmigrating processes in rural areas.

Furthermore, the social costs of the “silent restructuring” of European agriculture land will continue to be felt in rural communities, in addition to the several million small farms lost in the last decades⁴¹. Even within this unsupportive context, it is worth noting that the

39 Commission proposal for the CAP Budget within the multiannual financial framework (MFF) 2021-2027. Out of this amount for the CAP, €265.2 billion is for direct payments, €20 billion for market support measures (EAGF) and €78.8 billion is for rural development (EAFRD). http://europa.eu/rapid/press-release_MEMO-18-3974_en.htm

40 See note 5

41 In the 2003-2010 period, three million farms disappeared in the EU, of which nearly 80% were smaller than 5 ha. In contrast, the number of farms over 50 ha increased by nearly 30,000 in the same period. See: http://ec.europa.eu/agriculture/statistics/agricultural/2013/pdf/c5-5-354_en.pdf

(a) Assessment of needs	<ul style="list-style-type: none"> • Summary of the SWOT • Identification of needs for each specific objective (specifically for risk management and vulnerable geographical areas) • National environmental and climate plans • Sound justification of choices
(b) Intervention strategy	<ul style="list-style-type: none"> • Targets and milestones based on a common set of result indicators for each specific objective • Overview of planned interventions contributing to results, incl. financial allocations and explanations of how the intervention contributes to targets based on a sound intervention logic, coherence and compatibility • Consistency and complementarity in climate and environment (‘no backsliding’), generational renewal, sectoral overview, risk management, interplay between national and regional interventions
(c) Common elements	<ul style="list-style-type: none"> • Definitions such as Agricultural Area, Agricultural Activity, • Genuine and Young farmer • Minimum requirements for decoupled aids • Conditionality: description of GAECs and their contribution to objectives • Technical Assistance and CAP network • Other implementation information: entitlements, product of reductions, coordination and demarcation between the EAFRD and other Union funds
(d) Interventions	<ul style="list-style-type: none"> • Territorial scope • Requirements • Eligibility conditions • WTO green box compliance (where relevant) • Planned outputs, financial allocations (annual breakdown) • Variation of unit amount (area and animal payments) and method • State Aid considerations (where relevant)
(e) Target and financial plans	<ul style="list-style-type: none"> • Overview tables
(f) Governance and coordination systems	<ul style="list-style-type: none"> • Governance bodies • Control system and penalties including IACS, conditionality, bodies responsible for checks, monitoring and reporting structure
(g) Modernisation	<ul style="list-style-type: none"> • Description of the organisational set-up of the AKIS and provision of advice and innovation support services • Strategy for the development and use of digital technologies
(h) Simplification	<ul style="list-style-type: none"> • A description of the elements related to simplification and reduced administrative burden for final beneficiaries

Table 3: Elements of the Strategic Plans. Source: European Parliament, 2018.

Measure	Strengths, Positive aspects	Weaknesses, Negative aspects
Enhanced conditionality	Establishes a clearly defined baseline of obligatory minimum conditions with respect to agricultural production practices, consolidating the past greening measures.	Member States have to define certain criteria, which can lead to divergence between Member States and negatively affect the level playing field.
Eco-schemes	Member States are obliged to offer farmers possibilities to move beyond flat rate payments and to reward farmers for efforts made for climate and the environment which go beyond the obligatory requirements as specified by the enhanced conditionality	As now proposed, eco-schemes lack the flexibility to reward action-based targeted payments financed on the basis of other outputs than simply the hectares included in the scheme, and they seem to exclude animal welfare and societal concerns
Compulsory Capping	Capping is made compulsory, which is well justified given the already long-criticized very unequal distribution of CAP support	In its currently proposed form (with a generous (imputed) labour cost deduction) capping is not likely to be very effective as it will only affect a very limited number of farms.
Redistributive income support	Redistributive payments are made Compulsory	Member States have a lot of freedom, which creates the risk that only very limited redistribution will take place to farms receiving a relatively low amount of support
Coupled income support	Coupled income support can contribute to maintain selected, (for social, economic or environmental reasons) important agricultural activities in designated regions, where the sector otherwise would have continued to decline	From the application of voluntary coupled support under the current CAP, there are some signals that the instrument is applied in a generic way rather than targeted to 'problem areas'. The proposed criteria are too general to have sufficient discriminatory power.
Young farmers Support	Young farmers' support can be arranged via the first pillar as well as via start-up support in the second pillar	The instrument has been made optional while in the current CAP it is obligatory for a Member State to support young farmers via the first pillar of the CAP
Small farmers	A simplified allowance for small farmers reduces administrative burden (both public and private transaction costs)	Supporting small farmers may contribute to a slowdown of structural change and thereby have a negative impact on farm availability from a longer term perspective
Sectoral interventions	Sectoral intervention measures are now integrated in the CAP strategic plans and linked to CAP specific objectives set by Member States, which contributes to an integrated policy approach	There are aspects left at the discretion of Member States that could distort level playing field conditions

Table 4: Summary of direct payment measures. Source: European Parliament, 2018

farming model in Europe still relies mainly on small and family farms⁴².

Despite the huge challenges facing European agriculture, such as environmental degradation and climate change, food security and sovereignty, etc., the Commission's proposal is still mainly market-oriented. **The CAP's reorientation from a chemically intensive agriculture to the agroecology identified by the UN as the best option for the future is not an objective, and social and**

environmental problems are addressed in an anecdotic and patchy fashion through limited, voluntary and/or small budgeted mechanisms, mainly in Pillar 2 (such as agri-environmental measures and areas with constraints). In Pillar 1 the so-called "eco-schemes" are introduced as a substitution of the current "greening" approach, but they could end up being only a voluntary scheme at national level.

There is also a drastic reduction in the EAFRD Budget, no ring-fencing for environmental spend in Pillar 1 and Member States can choose to transfer 15% of the Rural Development Budget to Direct Payments Budget. This sends a negative political signal and perpetuates the problems which have been widely-criticized in the current and

⁴² Two-thirds of the EU's farms are less than 5 hectares. At the other extreme, 6.9 % of the EU's farms are of 50 ha or more in size and occupy two thirds (68.2 %) of the EU's utilised agricultural area. Agriculture, Forestry and Fishery statistics. 2018 Edition. Statistical Books. Eurostat

previous periods⁴³.

Some other procedural shortfalls are identified regarding CAP architecture and governance issues, for example in the case of environmental protection, where three objectives relevant to the environment and their accompanying indicators are not directly linked to existing environmental legislation, while such an alignment could have ensured better policy integration⁴⁴.

However the overall question is, given the flexibility and discretion for MSs in the new CAP proposal, how Member States can be incentivised and encouraged to be ambitious in setting national targets. Some experienced observers think that an important motivation for many agricultural ministries is to get the money to the farmers with minimum administrative effort and minimum requirements to be observed⁴⁵, water down CAP rhetoric

even further.

In order to improve the current proposal the involvement of civil society in the process is crucial. This also will help to address the lack of transparency⁴⁶ surrounding CAP decision-making which is part of the vicious circle of its poor governance and social and environmental results.

5.3. What can the commons do for the CAP?

Commons originated to serve local communities through an integrated and collective approach to the natural resources they managed. This approach has much to offer for the rest of EU society, as it is increasingly recognised as more effective than focusing on individual measures implemented separately in isolated plots. Actually in 2011, the European Court of Auditors encouraged collaborative approaches for environmental land

43 Kaley, 2018

44 Eriavec, 2018

45 Ibid

46 See <http://capreform.eu/comagri-lacks-full-transparency-in-crucial-votes/>



Allocations per Member States in constant 2018 prices – in million €				
	Direct payments	Markets	Rural development	TOTAL
BE	3 020.8	2.6	417.9	3 441.3
BG	4 930.2	172.8	1 752.4	6 855.4
CZ	5 218.2	44.0	1 609.7	6 871.9
DK	5 263.5	1.8	471.6	5 736.9
DE	30 003.0	263.5	6 158.0	36 424.5
EE	1 102.4	0.9	546.6	1 650.0
IE	7 240.5	0.4	1 646.4	8 887.3
EL	12 668.8	391.0	3 170.0	16 229.8
ES	29 750.3	2 921.7	6 228.2	38 900.2
FR	44 464.1	3 385.1	7 522.4	55 371.6
HR	2 207.7	76.7	1 750.1	4 034.5
IT	22 146.8	2 262.1	7 902.2	32 311.0
CY	290.8	28.8	99.5	419.1
LV	1 967.4	2.0	729.7	2 699.2
LT	3 343.9	3.7	1 214.2	4 561.7
LU	199.9	0.2	76.5	276.5
HU	7 587.8	200.6	2 589.1	10 377.4
MT	28.0	0.1	75.9	104.1
NL	4 378.5	1.8	455.0	4 835.4
AT	4 135.6	91.0	2 988.8	7 215.5
PL	18 859.5	31.3	8 198.2	27 088.9
PT	3 741.0	1 038.6	3 068.1	7 847.7
RO	11 869.7	323.0	6 006.1	18 198.8
SI	802.8	34.2	636.1	1 473.1
SK	2 444.5	36.6	1 416.3	3 897.5
FIN	3 169.0	1.2	1 816.6	4 986.8
SE	4 187.7	3.7	1 316.0	5 507.4

Table 5: EU Commission budget proposal for the CAP within the Multiannual Financial Framework (MFF) 2021-2027. Source: European Commission, 2018.

management stating that *“one way to ensure that a sufficiently large group of farmers delivers the necessary environmental benefits is through collective approaches”*⁴⁷.

On the other hand, the commons are in a perfect position to address the three main objectives of the current CAP proposal (see [table 2](#)) which aim at:

- ❖ Fostering a resilient and diversified agriculture and food security.
- ❖ Contributing to environmental and climate-related objectives of the EU.
- ❖ Strengthening the socio-economic fabric of rural economies.

The products and public services that

commons systems may provide in the form of environmental and socio-economic terms are many, among them:

- ❖ Provision of diverse, local and healthy food.
- ❖ Maintenance of high environmental values, biodiversity, multifunctional territories and cultural landscapes.
- ❖ Maintenance of local breeds and varieties.
- ❖ Protecting peatlands and grazing areas that serve as carbon stores and offering other services that help to combat and mitigate climate change⁴⁸.
- ❖ Preservation of and transmission of

47 European Court of Auditors, 2011

48 Manzano y Salguero, 2018



culture, including key services as traditional knowledge related to food production, local environment, resilience strategies and adaptation to changes.

- ❖ Efficiency in the use and recycling of natural resources and sustainable management of natural cycles.
- ❖ Creation and maintenance of local jobs and the foundation for a rural economic network.
- ❖ Maintain communities in rural areas, especially important in fragile areas affected by depopulation.
- ❖ Provide leisure and recreational activities for the whole of society.
- ❖ Offer reservoirs of different governance systems and provide good examples of participative land management.
- ❖ Maintain traditional agricultural and irrigation systems.
- ❖ Support a wide variety of public services in rural areas.

A detailed report on the social, economic and environmental contribution of common governance systems, including its typology and history has been published by the ICCA Consortium and the Convention on Biological Diversity (CBD)⁴⁹, including detailed study cases for more than 20 countries worldwide, including six European: Spain, Portugal, Italy, England, Croatia and Romania⁵⁰.

5.4. Opportunities for common systems in the CAP post -2020

The collective approach to measure implementation already exists in the current CAP, although the use of funding for this purpose is still scattered across Europe⁵¹. Results vary, but show the potential of the role of collaborative and multi-actor approaches within the CAP post-2020.

49 Kothari *et al.*, 2012

50 <https://www.iccaconsortium.org/index.php/category/publications-en/cbd-ts-64-en/>

51 ENRD, 2018

The collaborative, multi-actor measures implemented in the current period are aimed at improving water and soil quality. The CAP measures used for funding these schemes come from **measure 16 on Cooperation** and **measure 10 on Agri-environment-climate schemes**, or a combination of the two with other Rural Development measures, including support to **Organic farming (M11)**, **knowledge transfer (M1)** and **training (M2)**.

The measures in the new CAP are renamed as “interventions” and reorganized in wider categories as shown in **table 6**:

However, some interesting lessons learned can be highlighted from the previous current period:

- ❖ The Agri-environment-climate measure (M10) permits payment rates to include a higher proportion of transaction costs for agreements covering multiple beneficiaries.
- ❖ These measures can be proposed from the bottom up (the initiative coming from farmers or other individual organisations and stakeholders), top-down (initiative coming from public authorities, as was the case in the Netherlands⁵²) or a

combination of both.

- ❖ In order to facilitate partnership working and avoid additional burden for farmers, it is advisable for the managing authorities to consider setting out selection criteria that are focused on results and outcomes, rather than on specific entry requirements.
- ❖ Member States have the possibility to allocate a higher proportion of transaction costs within the payment calculation to agreements involving groups of farmers/land managers. Also costs related to facilitation of the collaborative approach could be considered “eligible” within the RDP.
- ❖ Where funding is not sufficient to support actions within the scope of collaborative and multiactor approaches under certain RDP measures, other sources of funding could be explored, including InvestEU;

As well as the above considerations, other possibilities that exist for commons systems support within the CAP could include:

- ❖ Direct payments would offer better value for money if they were payable based on the environmental and socio-economic public goods a farm holding delivers, rather than solely on the land area it covers. In this case the public good delivered by farmers maintaining

52 It consists of AECM agreements to 40 certified collectives, which function as legal entities and are accepted as the beneficiaries of the support. Terwan, 2016

Before “ Measures ” (CAP 2014-2020)	Now “ Interventions ” (CAP post 2020)
M1 “Knowledge transfer”	Knowledge exchange and information
M2 “Training”	
M10 “Agri-environment-climate”	Environmental, climate and other management commitments
M11 “Organic farming”	
M16 “Cooperation”	Cooperation (including EIP, LEADER and others).

Table 6: The equivalents of the CAP 2014-2020 measures in the CAP 2021-2027 proposal.

common land in an environmentally sustainable way would be not only recognized but also rewarded. This would provide a more robust financing base, as direct payments are financed with the bigger CAP Budget (Pillar One, approximately 80% of total) and directly by the EU (without the need for Member State cofinancing).

- ❖ Propose a new mechanism of “Eco-scheme” for commons systems. This would help to ground-test this approach for ensuring that environmental goods are adequately rewarded and identify how commons systems could be better supported. The mechanism would also be financed through Pillar One and should be included in every National CAP Strategic Plan.
- ❖ Keep using the EIP mechanism
- ❖ Proposing well-funded and assessed agri-environmental schemes for common lands, tailored to local conditions, needs and objectives. For example, a “measures menu” aimed at public goods delivery. There are already successful experiences of collective organisation, implementation and monitoring of agri-environmental schemes in the current CAP in some Member States. Also results-based Agri-environment schemes

(European Innovation Partnership) on a pilot basis to look at various site-specific problems of commons systems as a base for making future proposals. It is important to bear in mind that “social innovation” is also including in the EIP concept, so new ways of governance should be encouraged including collaboration with the public administration as an active player.



have been already been developed and tested in pilot areas⁵³.

- ❖ Participating in the Leader programme could be other means of support as commons principles fit well with Leader principles.
- ❖ Training and education for farmers on farming in harmony with the environment, especially for young farmers (or potential farmers) to help run their farms, including the specificity of the commons and traditional systems, tourist initiatives and how to improve environmental performance (e.g. Green certifications). Also some administrative matters (such as dealing with loans, etc.) should be included.
- ❖ Support common land products and producers in three ways: first, to develop markets for “common land products”, as a premium product with values obtained with minimal inputs according to *smart agriculture* concept. Second, to put fair trading practices in place to ensure that farmers have some influence in the supply chain and get a fair price for their produce. And third the promotion of new collaborative production schemes where consumers and producers work together such as the so-called Community Supported Agriculture (CSA)⁵⁴
- ❖ Support innovative ways to farm common land, diversify activity and promote participatory farming and innovative land-sharing measures that enable young farmers to access land and establish themselves. CAP funds could be allocated as a kind of solidarity fund

to assist young people to acquire land to start a farming career. This public fund could be complemented with some private “solidarity investment fund”, enabling savers to invest their funds in a socially-responsible manner to support these projects for young farmers, as proposed by the European Parliament⁵⁵.

- ❖ Land Management Contracts (LMC), as an instrument to involve farmers in territorial management through a contract between the farmer and the administration. This is a model for the payment for delivery of public services, moving away from the concept of subsidy and with flexibility to be adapted to the diversity of different farming contexts. The LMCs will be one of the key tools in the new British Agriculture policy if the UK finally leaves the EU⁵⁶. Countryside/Farming Stewardship Schemes could also be another model to reward the provision of public services using the CAP⁵⁷.
- ❖ Commons can also help the CAP to comply with other EU policies and strategies related to land and nature (such as Habitats, Birds, Water Framework and Floods Directives; Biodiversity and Green Infrastructure Strategies...) and also with international commitments such as the UN Biodiversity Convention Aichi Biodiversity Targets (e.g.: A1, B7, C11, C13, C14, D15 and of course E18 and E19⁵⁸), most of the Sustainable Development Goals and climate change commitments. For example, the ICCA

53 Berastegui, *et al.*, 2018

54 <https://www.ifoam.bio/en/community-supported-agriculture-csa>

55 European Parliament, 2017

56 CLA, 2018

57 See some examples in UK https://enrd.ec.europa.eu/sites/enrd/files/uploaded-files/s2_ws5_hart.pdf and Spain <https://www.gob-menorca.com/etiquetas/custodia>

58 See full list of Aichi Biodiversity targets at <https://www.cbd.int/sp/targets/>



Consortium has published a report on “The Contribution of Indigenous Peoples and Local Community Conserved Territories and Areas to the Aichi Targets”⁵⁹. Commons systems are also an opportunity to strengthen FAO’s commitment to agroecology.

6. RECOMMENDATIONS & CONCLUSIONS

Greater stakeholder participation is essential to ensure support for commons systems and the services they deliver through the CAP. The initiative and action of communities and the involvement of commoners will be crucial to influence the current and future CAP negotiations and the application of the new policy at national level. In fact, this is the way to build a proper bottom-up approach, so essential in policy making processes. In turn, it will also contribute to address the CAP’s

traditional lack of transparency, which allows powerful lobbies to influence and dominate the discourse and the results of our public policy.

In order to achieve this, some proposals for argumentation and strategic action plan are suggested.

- ❖ Promote the idea of “public money for public services” as central for the CAP, and that only the agriculture systems that provide them should be rewarded. Accordingly, advocate for the support of innovative solutions in the CAP: collective and multi-actor approaches, Land Management Contracts, solidarity investment funds, Countryside Stewardship, etc. A transition to results-based payments is necessary for rewarding public services provision, and, as mentioned previously, pilot results-based schemes are being already testing on the ground⁶⁰.
- ❖ Strengthen the principle of ‘no

59 Kothari & Neumann(coords.), 2014

60 See note 50

backsliding' on environmental quality with the requirement to maintain a share of support for climate and socio-environmental objectives coherent with CAP objectives and EU commitments.

- ❖ Gather information and mapping of current communal systems in the EU, as this information is now scattered, insufficient and not always well organized. This would be the basic information for then analysing the priority targets and actions for any 'Commons & CAP' strategy. The CBI Commons Strategy could be the proper framework for the ILC.
- ❖ Develop solid economic arguments to support communal systems and their role as providers of ecosystems services and public goods to help fight current socio-economic and environmental challenges. Arguments should also be developed which link the CAP with the health, well-being and quality of life of people living in both rural and urban communities. Priority issues to address include pollution of water bodies or soil degradation and the enhancement of rural community services in order to attract new population. The new CAP should also respect and promote economic, social and cultural diversity so that harmonization of European agriculture is not done at the expense of "simplification" (elimination) of social diversity and cultural heritage.
- ❖ Efforts should be made to broaden the CAP's "single farmer orientation" and promote the visibility of shared agriculture and land management systems, whether traditional or newly created. The recognition of community-based conservation and governance areas in the EU would be of great assistance and also the promotion of new approaches such as Community Supported Agriculture

(CSA)⁶¹.

- ❖ Develop a twofold communication strategy targeting: the general public, to stimulate a wide and open debate on what CAP we want; and public authorities, to demand a legitimate CAP that integrates environmental and climate policies and primarily addresses the economy for the common good. Messages should be scientifically and technically well founded but also they should appeal to people's emotions and values. It will be very important to "decode" the CAP and make it understandable. When faced with the complexity of the CAP the best strategy is to ask simple questions to expose its inefficiency and contradictions.

A robust and active civil society is the key for change. Forming and consolidating **alliances** with other civil society groups at all possible levels (national, European and international) would allow pressure to be put on policy makers to ensure that they offer effective engagement of civil society, both in contributing to the design and in monitoring the progress of CAP Strategic Plans. Also it would draw in a wider range of stakeholders to enrich the debate and push for a higher level of ambition.

An organised lobby, advocacy and action strategy in coordination with allies will be the way to drive forward changes. This is already under way, with the Living Land⁶² and Good Food/Good Farming⁶³ campaigns being two examples which could benefit from, and give support to, arguments in favour

61 CSAs are partnerships of mutual commitment between farmers and a community of supporters/consumers. See <https://www.ifoam.bio/en/community-supported-agriculture-csa>

62 <https://www.living-land.org/>

63 <https://www.goodfoodgoodfarming.eu/>

of commons-based production. One of the central proposals is that agroecology should become the central element in the Common Agricultural Policy, based on a payment system for environmental services which would compensate farmers for providing a service, rather than basing payments simply on the farmed surface area, as is the case at present. In this way, the Common Agricultural Policy would be transformed into a mechanism by which payments for environmental services could become an economic stimulus and would give rise to a transition that meets the expectations of Europe's citizens⁶⁴.

European civil society is already demanding change in our food production and governance of natural resources. The EU Commission public consultation in 2017 on the Future of the CAP⁶⁵ showed that European citizens consider that "helping farmers and protecting the environment should be the two main goals of the CAP", and from 322,000 submissions more than 250,000 participated through the Living Land Platform.

A recent opinion poll for the European Elections shows that for more than 80% of potential voters, producing food in a healthy and sustainable way, cutting the use of pesticides and antibiotics in food and stopping those who are destroying our wildlife are important reasons in their voting choices⁶⁶.

The market is also giving similar signs through the rise in world organic production and demand, with the organic farming area reaching an all-time high with nearly 70 mil-

lion hectares⁶⁷. In the EU, the area under organic production increased by 70% in the last decade and organic retail sales reached EUR 34 billion in 2017⁶⁸.

It seems that a paradigm change is on its way and the road is clear to drive change forward. Commons systems are already well-placed as they are already able to deliver what is increasingly demanded by society. Adjusting the CAP to this new reality and fine tuning its detailed measures is with no doubt a necessary next step in this collective construction process.

67 FiBI & INFOAM, 2019

68 https://ec.europa.eu/info/news/organics-sector-rise-both-domestic-production-and-imports-see-large-increases-2019-mar-07_en

64 Heinrich Böll Foundation, 2019. p. 56-57

65 See http://europa.eu/rapid/press-release_IP-17-1939_en.htm

66 https://www.seo.org/wp-content/uploads/2019/04/European-Parliament-Study_Media_SPAIN_SEOBirdLife_OK.pdf



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