

SUSTAINABILITY INDICATORS as CORE of GREENING in the CAP

Policy proposal: Pillar 1 greening based on Sustainability Indicators

CONCEPT: replace the existing greening measures in Pillar 1 with a set of sustainability indicators to ensure real greening and improved performance.

The sustainability indicators are linked to the core CAP objectives (“...*viable food production, sustainable management of natural resources and climate action, and balanced territorial development...*” and to the main policy areas of the EU concerning **Resource Efficiency, Environment and Climate**. By assuring the alignment of policy objectives, Pillar 1 greening will make a significant contribution to the environmental, economic and business performance of European agriculture and ensure efficiency, clarity and speed of implementation.

Each Sustainability Indicator shall have a target and a defined % (30 %) of the direct payments to farmers are linked to achieving these targets over time. The targets are set based on scientific evidence, or could be taken from existing legislation. All farmers qualify for payment at the beginning, but farmers not achieving their targets on time, will after a reasonable time period (for example half way through the budget period) lose the “green” proportion of the direct payment.

Member States could choose all indicators, but should as a minimum requirement choose at least two indicators on the basis of national/regional environmental concerns. The selection should be valid for the CAP budget period to ensure predictability for the farmers and for the effect of the measures to show results

Potential Sustainability Indicators (see Annex 1 for more details):

- a) Bio-diversity
- b) Energy use
- c) Soil fertility
- d) Water use
- e) Mineral nutrient use
- f) Emissions
- g) Waste management

The EU should develop a list of measures/actions that farmers can undertake to reach the defined target. This list can include the measures that have been proposed for Pillar 1, but also measures found in the existing agri-environmental schemes in Pillar 2. New measures should also be contemplated to ensure that each Sustainability Indicator is matched by an effective toolbox.

Greening and sustainable intensive agriculture

Sustainable agriculture is one that is able to meet the population's need for quality food supply without compromising the environment, neither today nor for future generations. Considering the expected increase in population and need for food supplies, the only viable option is a **sustainable intensive agriculture**. The CAP must be a future-oriented policy that enables European agriculture to fill the gap between population growth and quality food production while remaining competitive and productive.

Sustainable intensification can go hand in hand with the greening of the CAP if the guiding principle is that we have to produce *more with less input*: of energy, land, fertile soil, water, and nutrients.

Greening has been introduced by the European Commission to have the CAP deliver more public goods, strengthening the rationale for supporting farmers with taxpayer money and providing a legitimate basis for the direct payments spending in Pillar 1. However, considering the controversy surrounding the proposed three greening measures, about their effectiveness, results and lack of flexibility, there is a real danger that the measures will be significantly reduced, thus weakening the legitimacy and that an opportunity is lost by not improving the concept. Introducing sustainability indicators would:

- **Strengthen the greening concept**
- **Aim at improving efficiency in farm operations, while improving their environmental performance**
- **Integrate existing EU policies to ensure efficient implementation**
- **Meet the concerns about the lack of flexibility and complexity**

Monitoring & Reporting

The Commission should develop a harmonized and equitable accounting and reporting model for the proposed sustainability indicators. The Member States will need to support the implementation, monitoring and reporting of the system.

For this to be a real results oriented system, proper monitoring and reporting of the targets is crucial and payments are only prompted when targets are achieved, not when measures are implemented.

The monitoring systems already in place in several member states should be evaluated and could form the basis for such an EU-wide reporting system. There exists already a vast amount of harmonized data on EU-level, available through studies, benchmarking and voluntary actions. This is a resource that should be used when setting targets and developing monitoring routines.