

Joint Links briefing on the future requirements of the Common Agricultural Policy and the EU Budget

1. What is 'Joint Links', and why do our views matter?

The 'Joint Links' (representing Wildlife and Countryside Link¹, Scottish Environment LINK², Wales Environment Link³ and Northern Ireland Environment Link⁴) work together to achieve better protection for wildlife and the countryside across the UK. Each one is a coalition of environmental voluntary organisations, united by their common interest in the conservation and enjoyment of the natural and historic environment. Taken together, we have the support of over 8 million people in the UK, and collectively manage 690,000 hectares of land.

This briefing outlines the importance of the new EU Budget (Multi-annual Financial Framework (MFF) 2014-2020) and upcoming Common Agricultural Policy (CAP) reforms for the UK's environment and sets out Joint Links' priorities and why we need your help.

2. Why are we interested in the future of the CAP and the European Budget?

The outcomes agreed as part of the MFF and the current reform of the CAP will have a huge influence on how farmland across the UK is managed from 2014-2020, as well as setting the direction for agricultural policy into the future. It is therefore vital that final decisions on allocation of resources to rural development funds and the shape of CAP reform, deliver positive environmental outcomes. We must continue the shift away from a CAP which has driven damage to the character of our farmed landscapes, environmental degradation and biodiversity loss, to one that supports an environmentally sustainable and prosperous farming and land management sector across the EU.

3. What's the problem with the current CAP and EU Budget proposals?

The CAP is currently split into two 'Pillars'. The majority of the funds are channelled through Pillar 1 via the Single Farm Payment. This is direct, untargeted income support which delivers little for the environment. Pillar 2 delivers wider rural development and agri-environment schemes which support the environment. In the current period (2007-2013) Pillar 2, accounts for less than 25 per cent of the total EU CAP budget although this has been augmented in the UK through 'modulation' of funds from Pillar 1 to Pillar 2.

While the last 20 years have seen considerable progress, notably through the introduction of agri-environment schemes, **the CAP is still failing to address the urgent environmental challenges we are facing**. These include the loss and damage of landscape and historic

¹ WCL - <http://www.wcl.org.uk/>

² SEL - <http://www.scotlink.org/> and CAP document <http://www.scotlink.org/pdf/LINKBeyond-the-CAPReportSept08.pdf>

³ WEL - <http://www.waleslink.org/>

⁴ NIEL - <http://www.nienvironmentlink.org/> and CAP briefing <http://www.nienvironmentlink.org/cmsfiles/files/Publications/CAP-Reform-BN-FINAL.pdf>

environment features, continued biodiversity decline, water pollution and degraded soils. This is because the bulk of CAP funds, those in Pillar 1, are not contingent upon real and meaningful public goods delivery.

The proposals from the European Commission on funding for the next CAP programming period (2013-2020) announced in June, fail to address this fundamental problem. In fact they propose cuts in real terms to rural development funding of at least 8.2 per cent on the current period. In addition they suggest flexibility to move money between the two pillars of the CAP which could permit Member States to effectively reverse previous CAP reforms which have steadily increased the transfer of money from Pillar 1 into Pillar 2. **These cuts would be devastating for nature conservation and the long-term future of farming, as well as severely impacting on the UK's ability to meet its legal obligations including those under the Birds and Habitats Directives and the Water Framework Directive.**

4. Why do we need your help?

We ask you to urge Government to place environmental protection and enhancement at the heart of CAP reform negotiations and to ensure taxpayers' money is used to support those farmers who farm with the environment in mind.

The UK Government has a vital role in a number of key processes and decisions over the next 18 months and the part it plays in shaping the EU Budget and on CAP reform will be critical if it is to deliver on their commitments set out in the Natural Environment White Paper, the Convention on Biological Diversity at Nagoya, the Birds and Habitats Directives, the National Ecosystem Assessment, and the European Nitrogen Assessment.

It is extremely important that the UK Government presents a robust vision for CAP reform (now and beyond 2020), including how funding will be delivered to help meet the pressing environmental challenges within the UK countryside. Government needs to be a strong advocate for the use of taxpayers' money for the delivery of improved sustainable land management, including thriving wildlife. This will not only be in line with societal expectations from farming, it will protect the natural resource base upon which long-term food production, and the farming industry, ultimately depends.

We are producing a new Joint Links manifesto this autumn which we will be sending to you to ask for your help in influencing Europe on vital changes required for the CAP to help deliver the public goods that are integral to our society, our economy and our environment. In the meantime, please find a link to Wildlife and Countryside Link's 2008 vision for the CAP, *Beyond the Pillars* http://www.wcl.org.uk/docs/Link_Beyond_the_Pillars_11Mar08.pdf.

5. What are Joint Links' priorities for a reformed CAP?

Our vision is based upon the principle that public money should deliver a wide range of public goods as part of the sustainable production of food and other commodities, ensuring viable farming and rural business. This would not only benefit the natural and historic environment, it would underpin the viability of the farming sector and rural communities, safeguard rural employment, and represent a sound investment of taxpayers' money.

Outlined below are our requirements from the next CAP to ensure land is managed to improve and sustain biodiversity, enhance landscape character and produce food to the highest environmental and animal welfare standards:

- Adequate funding for the CAP's Pillar 2, reflecting an objective assessment of needs with the continuation of voluntary modulation if required;
- More robust and effectively enforced cross compliance which protects and enhances our natural resources;
- Any 'greening' of Pillar 1 must be designed and implemented to deliver real environmental improvements on the ground. This should prioritise the requirement for a proportion of each farm to be managed for environmental enhancement;
- Targeted support for farming systems that benefits the environment, landscapes and wildlife such as High Nature Value farming systems;
- A coherent and well resourced Farm Advisory Service;
- Better recognition of, and support for sustainable management of habitats associated with farmland, including woodlands, scrub and grasslands;
- The ability for Member States to divert Pillar 1 money to particular problems (e.g. supporting improved water standards and High Nature Value farming).

Our forthcoming manifesto will contain more detailed requirements and case studies of where these would make a difference.

This briefing is supported by the following 20 Joint Links organisations;

- Archaeology Scotland
- Buglife – The Invertebrate Conservation Trust
- Bumblebee Conservation Trust
- Butterfly Conservation Wales
- Campaign for National Parks
- Campaign to Protect Rural England
- Council for British Archaeology Wales
- Friends of the Earth England
- The Grasslands Trust
- The Mammal Society
- National Trust
- Plantlife
- Royal Society for the Protection of Birds
- RSPB Cymru
- Royal Society for the Prevention of Cruelty to Animals
- Scottish Wildlife Trust
- The Wildlife Trusts
- Wildlife Trusts Wales
- Woodland Trust
- Wye and Usk Foundation

Glossary of terms – annex 1

Agri-Environment Schemes – provide funding to farmers and other land managers across Europe to deliver effective environmental management on their land. Examples include Environmental Stewardship in England, the Northern Ireland Countryside Management Scheme, Glastir in Wales and some aspects of Scotland's Rural Development Contracts.

Cross compliance - Cross compliance is the set of conditions which claimants of direct payments under the CAP have to meet. Such payments include those made under the Single Payment Scheme and certain Rural Development schemes. Cross compliance includes requirements covering public, plant and animal health, the environment, animal welfare and landscape features. These requirements reflect existing requirements in EU and UK law, or were existing good practice.

Single Payment Scheme – The 2003 reform of the CAP introduced a new system of decoupled direct payments, known as the Single Payment Scheme. To be eligible for the single payment, a farmer requires payment entitlements. These are calculated on the basis of the payments received by the farmer during a reference period (historical model) or the number of eligible hectares farmed during the first year of implementation of the scheme (regional model). Farmers must meet the requirements of Cross Compliance to receive their full payment.

High Nature Value farming – Farming systems that maintain some of Europe's most threatened habitats and species as well as producing a suite of other environmental benefits including landscapes well-suited for wildlife to adapt to climate change, carbon storage and clean water

Pillar 1 – The largest part of the CAP, accounting for around three-quarters of the EU CAP Budget. Made up primarily of direct payments under the Single Payment Scheme.

Pillar 2 – Pillar 2 accounts for about a quarter of the EU CAP budget, and funds the Rural Development Programmes. Money is spent under three broad categories: improving competitiveness, improving the environment and countryside and improving quality of life and economic diversification for rural communities.

Public goods – The economic term 'public goods' refers to goods and services that society values, but which are not bought and sold through conventional markets. Examples include biodiversity and cultural landscapes. Conversely, 'private goods' are things like food, drink or manufactured goods which have a price that an individual must pay to obtain them. Unlike private goods, a public good may be consumed without reducing the amount available for others, and cannot be withheld from those who do not pay for it e.g. clean air, water and healthy soil. No market exists for such goods, and so they tend to be under-supplied unless governments intervene to secure provision in line with society's demands.