

# CAP Reform – Achieving GHG Reductions

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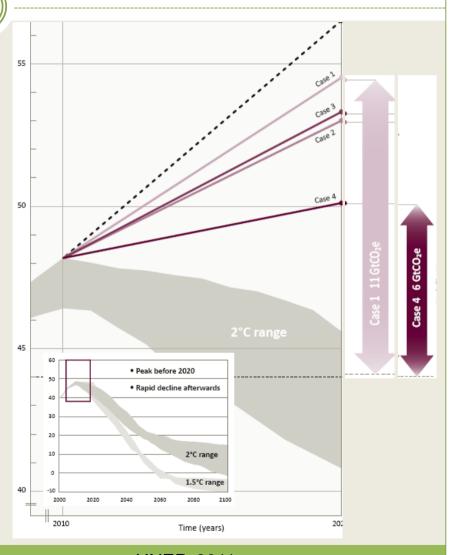
# Overview

- Challenges
- CAP Reform
- Pillar 1
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- EU Council conclusions
- Summary

# Challenges

#### **Global Climate issues:**

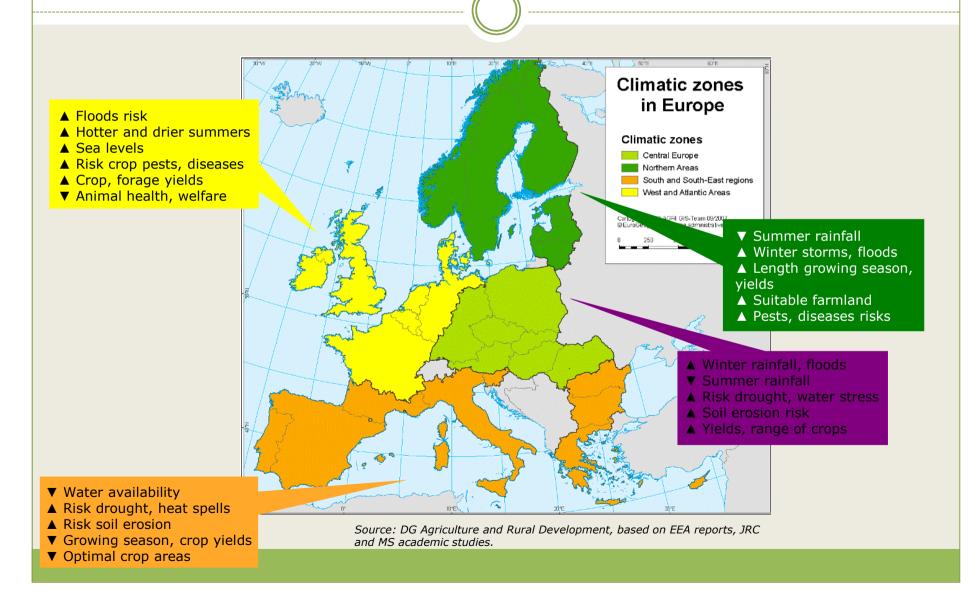
- >Limit temperature increase to 2°C
- > Note the ambition gap
- **>**2020 levels consistent with 2°C : ~44 **GtCO2e**
- ➤ Ambition gap: **6-11 GtCO2e** To stay below 2°C:



# Challenges

- Ensure food security for 9 billion people
- EU has the objective of eliminating net deforestation
- Efforts to reduce agricultural emissions and increase sink function of agriculture and forestry
  - Methane
  - Nitrous Oxide
  - Carbon
- Increased biomass use for energy as a result of global action on climate change
- Adapting to Climate Change and Building resilience

# Climate change – Possible impacts on EU agriculture

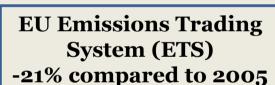


# Emission reduction target: key policy instruments

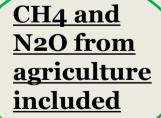
GHG Target in 2020: -20% compared to 1990



-14% compared to 2005



Non ETS sectors (transport, buildings, waste, agriculture)
-10% compared to 2005

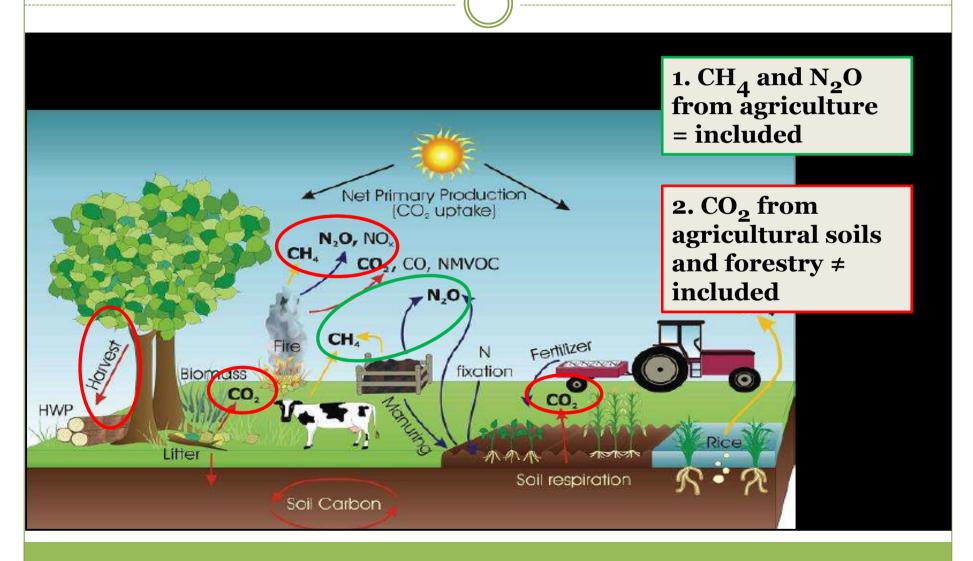


CO2 from LULUCF NOT included



27 Member State targets stretching from -20% to +20%

# Agriculture and Forestry in EU Climate Policy



# CAP is a driver of Agriculture and Land Management

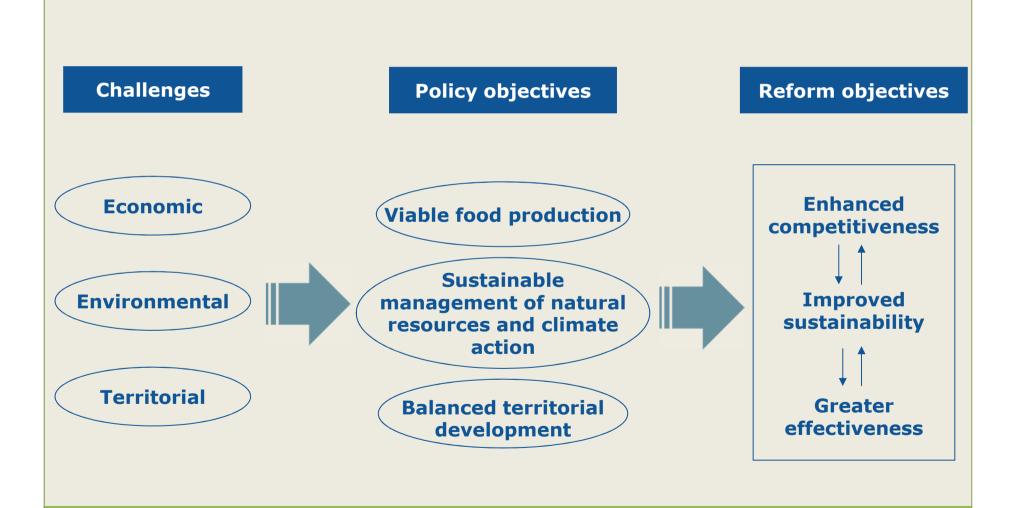


### Climate Mainstreaming into CAP

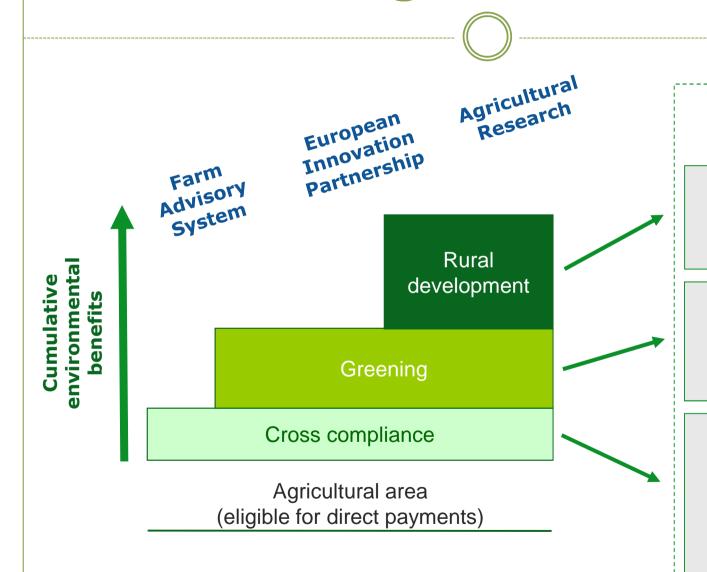
# Greening of the CAP direct payments, in particular... ...Rural Development!

- Mainstreaming the climate-related share of the EU budget will be raised significantly to 20% of the whole EU budget (at least €200bn for climate-related expenditures)
- Horizon 2020: around 35% of the Horizon 2020 budget should be climate-related expenditure.
- **Cohesion policy:** more developed and transition regions should allocate at least 20% of their ERDF resources to investment in efficiency and renewables.

#### **CAP Reform**



### **New Greening Architecture of CAP**



#### Implementation mechanism

Voluntary
with compensation
for cost incurred
and income forgone

Mandatory
with financial
support
(decoupled "green"
payment per hectare)

Regulatory
(Statutory
Management
Requirements and
Good Agricultural
Environmental
Conditions)

### Pillar 1 - Cross Compliance

- 18 SMRs
  - o 5 of which relate to the environment
  - SMR4 Nitrates Climate benefits to improve N use efficiency
- Good Agricultural and Environmental Condition
  - Landscape features
  - Soil protection
  - Ban on Burning
- So EU CAP hasn't been complacent in relation climate action

### Pillar 1 - The Green Direct Payment

30% of the direct payment to apply three basic practices:

- Maintaining permanent grassland
- Crop diversification
- Maintaining "ecological focus area"
  - EFAs may include: field margins, buffer strips, fallow land, landscape features, afforested area, terraces, areas with catch crops, green cover and nitrogen fixing crops, short rotation coppices, agro-forestry, strips of land along forest edges

Equivalence: e.g. crop rotation instead of crop diversification

# Pillar 2 – 6 EU priorities for Rural Development

- 1. Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas
- 2. Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and sustainable management of forests
  - 3. Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture
  - 4. Restoring, preserving and enhancing ecosystems related to agriculture and forestry

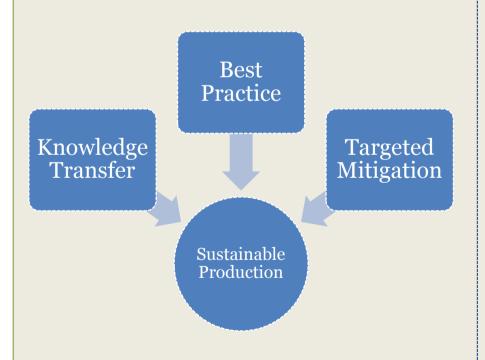
30%

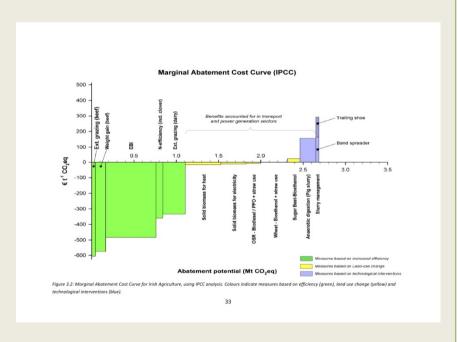
- 5. Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors
- 6. Promoting social inclusion, poverty reduction and economic development in rural areas

## **Analysis**

# FH 2020 Environmental Assessment

#### **Teagasc MACC**





### Rural Development Programme

- Knowledge Transfer schemes
  - Grassland and fertiliser management, best husbandry practice
- Beef Genomics and data collection
  - Improved rate of genetic gain to reduce emissions intensity
- GLAS
  - Hedgerows
  - Small woodlands
  - Sown green cover
- Organics
- Farm investment
  - Trailing shoe slurry tankers
  - Biomass scheme

#### Carbon benefits of selected GLAS actions

Action	Target	Est. Sequestration t carbon/year	Potential tonnes/year
New hedgerow	1.4 million metres	0.1	1400
Cover crops	90,000ha	0.16	14,400
Min till	30,000ha	0.1	3,000

Aertsens, Nocker & Gobin 2013, Valuing the C sequestration potential for European Agriculture

#### **EU Council Conclusions**

#### Paragraph 2.14

- the multiple objectives of the agriculture and land use sector, with their lower mitigation potential....
- .....to ensure coherence between the EU's food security and climate change objectives.
- .....to examine the best means of encouraging the sustainable intensification of food production, while optimising the sector's contribution to greenhouse gas mitigation and sequestration, including through afforestation.
- Policy on how to include.....

### Summary

- Emitter source of GHG
- Sink soils and forestry can sequester carbon
- Adaptation Agriculture needs to adapt
- Climate change requires coordinated mitigation and adaptation efforts
- Mainstreaming of climate action into EU policies:
  - o EU 20-20-20 climate strategy
  - Land Use, Land Use Change and Forestry Decision (2013)
  - o 20% of EU budget for climate action
  - Greening of the Common Agricultural Policy as a baseline
  - More targeted action in post 2013 Rural Development Programmes



# THANK YOU