



Position Paper of the LIFE FOOD & BIODIVERSITY project for a more sustainable Common Agricultural Policy (CAP)

How to reinforce biodiversity performance in the future Common Agricultural Policy

European Project Team



Supported by



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1 The current Common Agriculture Policy (CAP) and impacts on the environment and biodiversity

The EU's Common Agricultural Policy (CAP) is a dynamic policy which has been adapted through several reforms to new challenges. These challenges include more sustainable use of natural resources, climate change, increased competition from global markets and the need to maintain thriving rural areas across the EU. The CAP needs to continue to ensure viable food production and a stable food supply, while taking into account food safety, the rural economy, animal welfare, and social and environmental concerns.

Since the beginning of the EU the Common Agricultural Policy has always had a massive influence on how the sector has evolved. Accounting for close to 40% of the overall budget and with rules that are unintelligible for most people, the EU's agricultural policy has always been a source of controversy. Today, the CAP is essentially a subsidies mechanism handing over around 59 billion euros of European taxpayers' money to farmers every year.

To address this latter problem, the 2013 CAP reform introduced the greening payment for three practices beneficial for the environment and climate action. These are the requirement to maintain permanent grassland areas, and to have crop diversification and to establish ecological focus areas, or EFAs, on larger arable farms. The EFA measure, in particular, was focused on promoting biodiversity by leaving space for nature and habitats also in more intensively-farmed regions.

Among these environmental problems is the growing loss of farmland biodiversity. The recent mid-term review of the EU's 2020 Biodiversity Strategy concluded that the EU was making no progress towards its target to bring about a measurable improvement in the conservation status of species and habitats that depend on or are affected by agriculture.

Farming has a dual relationship with biodiversity. On the one hand, much of the biodiversity across Europe has been created by farming and its survival is dependent on continued active management of farmland with traditional low-intensity systems. The unique flora of the Burren (Ireland) is a good example.

On the other hand, agricultural intensification often leads to a loss of biodiversity, as wetlands are drained, hedges are removed, fertilizer and pesticide use is increased and monocultures replace diversified crop rotations.

Evaluation of the CAP

The 2013 CAP reform introduced a payment for a compulsory set of 'greening measures', accounting for 30 % of the direct payments budget. These measures are intended to enable the CAP to be more effective in delivering its environmental and climate objectives and to ensure the long-term sustainability of EU agriculture.

The greening measures comprise:

- Crop diversification – the cultivation of a minimum of two or three crops on arable land above certain size limits (to improve soil quality primarily);
- Maintenance of permanent grassland – to limit declines in the ratio of permanent grassland to total agricultural area to less than 5%, as well as to designate the most environmentally sensitive

permanent grasslands (ESPG) and protect them from ploughing (to support carbon sequestration, support species and habitats of biodiversity value, protect against soil erosion and protect soil quality);

- Ecological Focus Areas (EFA) – to manage at least 5 %¹ of the arable land of farms with more than 15 hectares of arable land as an EFA, comprising a combination of management practices or landscape features as set out in the regulation and applied by Member States (to safeguard and improve biodiversity on farms primarily).

A lot has changed since 1962, the year that the Common Agricultural Policy (CAP) was first introduced. While the CAP has tried to catch up with continuous changes in European food and farming through several rounds of reform, it has resoundingly failed to respond to the many challenges addressed by the Sustainable Development Goals (SDGs) - several of them also visible in Europe:

EU child obesity figures are shocking, crises are hitting the farming sector every few months, population decline in rural areas continues unabated, the effects of climate change are becoming increasingly dramatic and biodiversity is disappearing at high velocity with the negative consequences regarding ecosystem services.

At the same time, the European Commission has committed itself to a “Better Regulation” agenda and carried out “Fitness Checks” on many pieces of EU law. It would not be credible if a policy accounting for almost 40% of the EU budget were exempted from this exercise. Even if the Commission has just started a process to modernize and simplify the CAP, the current reform process falls short of a proper Fitness Check. Therefore, BirdLife Europe & Central Asia and the European Environmental Bureau commissioned a study closely following the Commission’s own Fitness Check methodology: “Is the CAP fit for purpose: A rapid assessment of the evidence²”.

A detailed analysis of more than 450 publications has shown that the CAP is not fit for purpose from both an environmental and a socio-economic perspective. The five “fitness check” questions show poor results on efficiency and internal coherence and mixed results for effectiveness, relevance and EU added value. This is just not good enough to keep justifying the billions of Euros spent on the CAP each year. Therefore many environmental organizations and other stakeholder groups ask for a fundamental reform of the CAP in order to deliver on the Sustainable Development Goals.

The associations demand that the CAP and its implementation should be used to implement a sound quality strategy. At the same time, the CAP must be consistent in support policy after 2020 obey the principle that public money should be exclusively used to reward services with social benefits. The associations demand rules to avoid devastating and expensive crises like those of the years 2014-2016 in the dairy and Pig market or to significantly reduce their extent. A quality strategy also requires EU rules for mandatory, clear and meaningful labeling of food in order to allow consumers to assume their share

¹ The 5% are not real surfaces. See chapter 2.1

² http://eeb.org/wp-admin/admin-ajax.php?juwpfisadmin=false&action=wpfd&task=file.download&wpfd_category_id=53&wpfd_file_id=67924&token=fbf740e3fc00751c440bf5863af5ac97&preview=1

of responsibility. At the same time, the level of European technical law on environmental and nature protection, consumer and animal welfare needs to be raised and a consistent EU-wide implementation needs to be guaranteed.

In its communication, the EU Commission announces to connect EU agricultural payments with more ambitious targets and measurable outcomes of environmental and climate change and meet expectations citizens in terms of environmental and animal welfare standards.

The NGOs in Europe – including the authors of this paper - see this as an opportunity to establish an EU-wide framework with appropriate meaningful goals and indicators and to apply this framework consistently throughout the funding period. The CAP should deliver a frame with concrete objectives, indicators, monitoring and sanctioning systems as a strict orientation for the Member States for the concrete arrangement of measures and the control of the agricultural enterprises on national and regional level. Subsidiarity should not contribute only to simplification, but to increase the EU added value in the necessary effects. Subsidiarity should not lead to arbitrariness and nationalization of the CAP.

The NGOs are calling on the EU Commission to be convincing in the draft regulations and to present ambitious goals for the way land is used, animals are kept and food is produced. The quality of production and the agriculture work must be integrated into an agricultural and market policy quality strategy as the center of a real reform and thus contribute to the improvement of the situation of rural areas.

2 Recommendations to improve the biodiversity performance of the CAP

Loss of biodiversity and degradation of ecosystems exacerbates many of the key challenges to be faced by the EU in the 21st century, from freshwater provision and sustainable agricultural production for 9 billion people, to catastrophic climate change, regional conflicts and migration due to resource shortages. The rich biodiversity of the EU has been rapidly deteriorated over the last centuries. About 60 % of EU-level species assessments indicate an unfavorable status of which 18 % are unfavorable-bad. More than $\frac{3}{4}$ of habitats are unfavorable, of which 30 % are unfavorable-bad (EU Commission Report 2015, State of Nature in Europe). Degradation and loss of natural capital is jeopardizing efforts to achieve the EU biodiversity and climate change objectives.

Unsustainable land use is consuming fertile soils and soil degradation continues beyond the EU boundaries resulting in impacts on global food security and the achievement of biodiversity targets. Nearly two-thirds of the world's ecosystems are in decline and there is evidence that planetary boundaries for biodiversity, climate change and the nitrogen cycle have already been transgressed. The study "International trade drives biodiversity threats in developing nations" (2012) underlines that 30% of global species threats are due to international trade.

In the 7th Environmental Action Programme, EU has agreed to halt the loss of biodiversity and the degradation of ecosystem services in the Union by 2020, and restore them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss. Furthermore, EU will stimulate the transition to a green economy and to strive towards an absolute decoupling of economic growth and environmental degradation. Biodiversity plays a major role in the Post-2015 UN Development Agenda and Sustainable Development Goals.

In 2001, the Governments of the EU member states committed to stop and reverse the dramatic decline of biodiversity – mainly caused by intensive agriculture – by 2010. This target was missed and its realization postponed to 2020. Recent analyzes of the European Commission come to the result, that the objectives will also not be achieved by 2020 due to detrimental farming practices. The new CAP must commit all Member States to achieve the objectives related to agricultural landscapes (eg. in the Habitats Directive or the Birds Directive) with clear sub-steps and dates.

The future CAP needs to be based on a new contract between farmers and society, one which pays for farming practices that work in harmony with nature and that secure the good state of our natural resources such as water, soil and biodiversity. The new CAP policy must be based on a solid polluter pays principle and a new governance structure that allows all the societal interests which are affected to be properly involved in the decision making process. An important benchmark will be the strict application of the principle "public funding for public goods".

2.1 Recommendations to improve the current Greening

In order to contribute effectively to the protection of biodiversity, Greening of the CAP needs to be improved. The following recommendations should be taken in consideration:

Ecological Focus Areas

- Consider the Ecological Focus Area (EFA) in real surface area and not in weighted surface area
- Be more ambitious on the minimal surface area of EFA : 10% of total UAA³ (by considering real surface area of EFA) instead of 5% of arable crop area (by considering weighted surface area of EFA) right now
- Every EU country should include landscape elements in the EFA list
- Guarantee a diversity of EFA: introducing a maximal threshold for legumes and cover crops (1% of the required % of EFA) and a minimal threshold for perennial features (at least 2,5% of required % of EFA).
- No pesticides (already integrated since January 2018) and no use of fertilizers on EFA
- Ensure that landscape features are not polluted by agrochemicals (e.g. guarantee a minimum of buffer zones in the surrounding)

Particularly sensitive and extensively used agricultural land such as orchards, dehesas or species-rich grassland must be strictly protected in stock and functionality. Violations should be sanctioned more strongly than now. Agricultural farms supporting the conservation of these hotspots of biodiversity need better financial support, e.g. through the introduction of a grazing animal premium for sheep farmers.

Permanent Pastures

- Should not be based on a national ratio, as this leads to non-active management. The abandonment of livestock farming in some countries will maintain this ratio but no active management will be done
- Conservation shall be focused on priority habitats included under „Permanent Pastures“, such as Habitat 6220
- Active management should be promoted (=specific measures), as some types of permanent pastures benefit from active (and sustainable) management
- Improved surface bonding of animal husbandry. For this purpose, the individual livestock density must be limited to a maximum of two livestock units (GV) per hectare.

³ This 10% of the UAA could include extensive permanent grasslands but exclude legume crops which should be part of the crop diversification

Crop Diversification

- Introduction of a sub-requirement on mandatory crop rotation at plot level:
 - » In temperate climatic regions, the farmer must follow a crop rotation of at least four years on the same plot. This includes the cultivation of four main crops as well as the cultivation of cover crops and a minimum of 10% of legume crops.
 - » In semi-arid regions, the farmer must follow a crop rotation of at least three years on the same plot. It includes the cultivation of three main crops as well as the cultivation of cover crops.
- Re-consider what is considered currently as a different crop in the Crop Diversification measure (currently plants from different genus are considered different crops, but this leads to i.e. winter cereal monoculture -most winter cereals are from different genus)

Pesticides and Herbicides

The authors of this paper underline the need of an agriculture, which largely manages in the medium term without the use of chemical-synthetic pesticides. This requires an integrated strategy considering for all arable farming, including specialized crops. In order to protect insects and other species from the demonstrable harmful impacts of pesticides, EU subsidies should depend on strict conditions for the use of pesticides and should include attractive incentives for farmers to reduce the use continuously and permanently.

For the current revision of the CAP, the following measures should be considered:

- Prohibition of the three neonicotinoids clothianidin, imidacloprid and thiametoxam which have proven to have very negative impacts on pollinators. Strict rules for application for other products of the entire active substance group. Exit scenario until 2021 for those substances which are considered harmful for pollinator insects by scientists.
- Concrete glyphosate exit scenario until 2021 (as it has been approved by the European Parliament)
- The use of pesticides in environmentally sensitive areas such as nature conservation and water conservation areas and in the settlement area must be completely prohibited
- Puffer strips along water ecosystems need to be twice the width of the water course and must be kept free of pesticides and fertilizers
- The proportion of agricultural land without any use of chemical synthesis pesticides needs to be increased considerably. Priority needs to be given to the expansion of organic farming.
- In order to increase the proportion of pesticides free agricultural land, rules to compensate the use of pesticides (e.g. by additional creation of semi-natural habitats) should be established.

The authorization process for pesticides is in urgent need of reform. Long-term risks, the complexity of organisms and ecosystems and the combination effect of agents used in practice and their metabolites

need to be analyzed more thoroughly as well as independently and transparently. In particular, the effects on wild pollinators and other insects as well as amphibians are so far only inadequately checked. In addition to direct impacts, also indirect effects need to be taken into consideration, e.g. the use of (total) herbicides on the food supply of insects and in consequences on the entire food chain. But no further animal experiments should be realized, but other effective test methods should be applied. In order to fund independent studies, a fund, financed by the fees from applicants should be created.

Permanent support of Organic Farming

The CAP should include strategies to promote and further develop organic farming. This would contribute to re-establish heterogeneity of farmland habitats, thereby enhancing farmland beneficial diversity (QUESSA). Because of respecting the natural equilibrium and emphasizing in ecosystem services, organic farming should receive a permanent support for that reason.

2.2 Recommendations to improve the Rural Development Policy (second pillar of the CAP)

The authors of this position paper support the idea of a profound change of the CAP principles in order to align the CAP with societal goals and the protection of public goods and pursue a quality strategy. One of the proposals focusing on public money for public goods is the PUBLIC GOODS BONUS for farmers, developed by Landcare Germany⁴. Similar concepts have been elaborated by NGOs and other stakeholders in the EU like the French approach “Contrat Territorial/Contrat d’Agriculture Durable” and similar programs in other countries.

2.2.1 How the public goods bonus works

The core of the public goods bonus is intended to protect the most important land-related public goods as equal to hitherto traditional agricultural production and to devise efficient income subsidies. In future, farmers will not only be able to produce market products such as corn, potatoes or milk on their fields, but also ecological goods such as diversity of species, intact bodies of water and climate protection that will also contribute to their income from the farm. Farmers will be able to make their own decisions voluntarily and from an entrepreneurial perspective.

In contrast to typical agricultural products such as wheat, environmental services as part of agricultural production do not have a direct market value. However, it is possible to put a price on these public resources when the public goods provided by specific farms are included. In an initial stage these will be quantified as accurately and transparently as possible. Based on the evaluations of farms, financial

⁴ Public goods bonus - putting a price on environmental services provided by agriculture. A concept for future-oriented payments for the effective provision of biodiversity, climate and water protection in the Common Agricultural Policy (CAP). Compiled by: Deutscher Verband für Landschaftspflege (DVL) e.V. (Landcare Germany) in December 2017.

compensation for the provision of public goods can be awarded by assigning monetary values or payments from public funds to the evaluation results for individual farms.

The basic idea is the rewarding farmers for the production of public goods like biodiversity, clean air or clean water. Farms providing more environmental services will receive more public funding through the public goods bonus. The public goods bonus not only means that farmers' current environmental services will be assessed and rewarded, but it will also offer farmers incentives to extend their environmental services to new areas of their farms. Above all, the extensive farming of unproductive areas with a high nature value will become attractive for farmers.

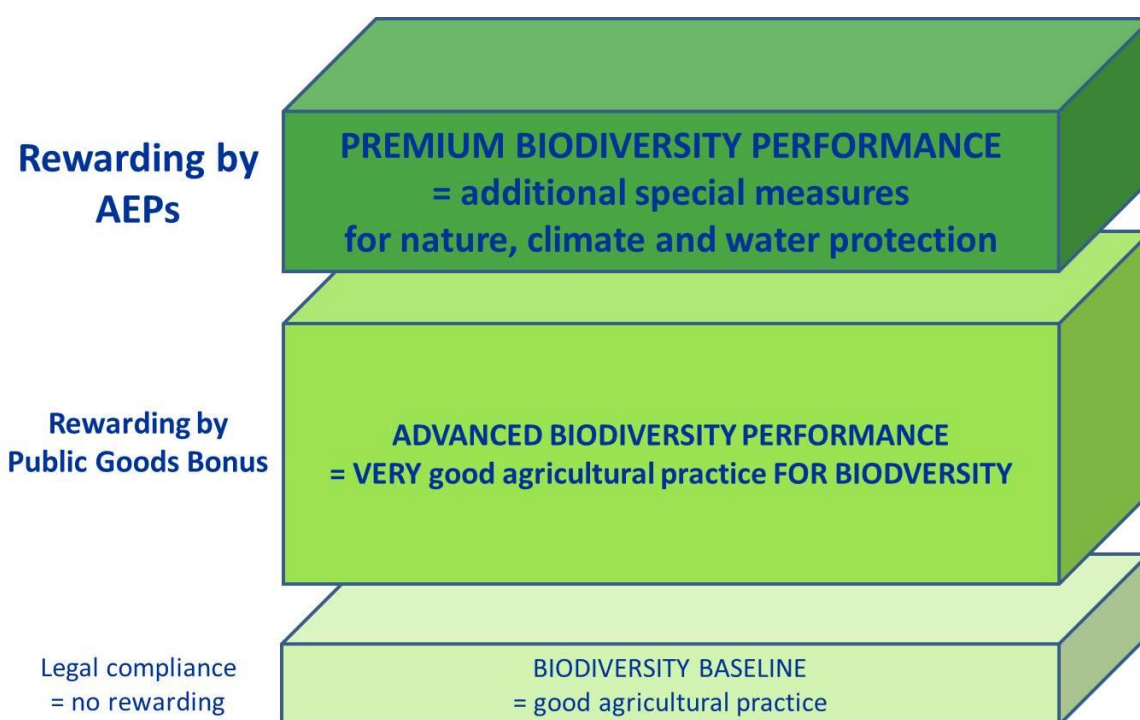
The public goods bonus should be a key part of the EU payments system after 2020. All types of land management aimed at preserving general biodiversity and climate and water protection would be included. The current basic and greening bonus for direct payments, any content of eco-agrarian and climate measures not directed at specific objectives and subsidies for the corresponding environmental services of organic farming could be covered.

Further areas for subsidy that are not part of the concept of the DVL, such as rural development (possibly including subsidies for young farmers and smallholders), investments, consultation, aspects of animal welfare, possible further basic subsidies for organic farming and special measures for wildlife conservation over and above general protection of biodiversity should be financed using other means.

2.2.2 Public Goods Bonus and Biodiversity Protection

The concept of the Public Goods Bonus would enhance the urgently needed increase of biodiversity protection and the creation of potential for biodiversity on agricultural land.

In order to integrate biodiversity effectively into the principle of the public goods bonus, the authors suggest the following structure to reward farmer's biodiversity and ecosystem services performance:



1 Biodiversity Baseline

The Biodiversity Baseline should be defined by “good agricultural practice”. But the current version of “Good Agricultural Practice” is not in line with EU requirements for the implementation of the principles of integrated pest management with the clear prioritization of preventive and non-chemical measures. It is therefore necessary to revise and update “good agricultural practice” fundamentally. The review will need to fully involve relevant stakeholders, especially those from the environment.

In order to protect biodiversity more effectively and to create potential for biodiversity, the „good agricultural practise“ needs to be revised – see 2.1. Recommendations to improve the Greening.

Compliance with the updated good agricultural practice should be a compulsory requirement. Avoiding /reducing negative impacts on biodiversity is the minimum contribution and should not result in any rewarding for the farmer by the CAP.

2 Advanced Biodiversity Performance

The Advanced Biodiversity Performance is defined by a set of criteria for biodiversity and ecosystem services and VERY good agricultural practice. All measures proposed have been tested in multiple pilot projects and agri-environmental programs. The positive impacts for biodiversity have been proofed by long term monitoring and many scientific studies. Compliance with these criteria should be rewarded by the CAP.

The following set of biodiversity criteria including biodiversity management and VERY good agricultural practice is an important output of the European Initiative “Biodiversity in Standards and Labels for the Food Sector”. Compliance with these criteria would lead to an advanced biodiversity performance:

Semi-natural habitats

- Diversity of SNH : a minimum of 3 types of landscape features
- Promote the collective implementation of SNH (at landscape level): biological corridor, green and blue infrastructures

Biodiversity Action Plan at farm level

- The plan includes baseline data (must at least include information on the presence of primary (natural) ecosystems and semi-natural habitats), measurable goals and meaningful key figures or indicators. The plan is reviewed and updated every three years.
- The plan provides quantitative, qualitative and operationalized specifications on the content of the Biodiversity Action Plan (e.g. percent of semi-natural habitats, size of biotope corridors, minimum number of indicator species for monitoring).
- The Biodiversity Action Plan must include the measures that farmers implement to protect biodiversity and to create potential for biodiversity. The measures are based on the baseline,

cover all major opportunities to protect and promote biodiversity and are at the same time adapted to the possibilities of the farm.

- The plan requires continuous improvement of biodiversity or the creation of potential for biodiversity. The more positive effects, the higher the premium payments.
- At a defined maximum level (e.g. through a points system) the farmer does not necessarily have to improve. Consequently, the focus will then be on maintaining a good biodiversity performance.

There exist very positive examples in the EU regarding Biodiversity Action Plans on regional level, developed and coordinated by farmers cooperatives (e.g. Agrarische Natuurvereniging Oost Groningen in The Netherlands) and financed by the CAP. This option allows the implementation of tailor made measures for the protection of key habitats and species, the selection of suitable land for the implementation and a certain flexibility for the participating farmers regarding the measures to implement. The Cooperative delivers the proof of the effectivity of the measures and the achievement of the objectives by a sound monitoring realized by external experts.

Regional Biodiversity Action Plans coordinated by farmers cooperatives should be tested more during the upcoming CAP period.

VERY Good Practices for More Biodiversity

Maintain and Improve Soil Fertility

- All fertilizer applications and nutrient values of the fertilizers (at least N and P) are documented in detail.
- On agricultural land an annual humus balance is performed and backed up with a humus inspection every six years. The humus balance must never be negative and must follow a conventional approach.
- Prior to the application of essential amounts of nutrients (N=50kg/ha, P=30kg/ha), the exact nutrient requirement of a crop must be assessed by a nutrient demand determination.

Crop rotation (excluding permanent crops)

- On the total utilized agricultural area (UAA) of the farm, a minimum of three different crops will be grown. The main crop is grown at a maximum of 75% of the total UAA of the farm. The first two main crops make up a maximum amount of 90% of the total UAA. Legumes and mixtures with legumes are grown on at least 10% of the farm's UAA.
- In temperate climatic regions, the farmer must follow a crop rotation of at least four years on the same plot. This includes the cultivation of four main crops as well as the cultivation of cover crops.

- In semi-arid regions, the farmer must follow a crop rotation of at least three years on the same plot. It includes the cultivation of three main crops as well as the cultivation of cover crops.
- Farm operations must integrate catch crops or intertillages such as grasses, oilseeds, or legumes in their crop rotation.

Recognition and prevention of soil damage, i.e. erosion and compaction

- Soils must be covered as long as possible, at the least during the periods prone to nutrient leaching
- Where risk of erosion is high, soil protection measures must be implemented, i.e. reduced tillage, terracing, slope parallel crop cultivation, perennial vegetation.

Improve Fertilizer Management

- The farm operator must demonstrate a continuous improvement in the efficient use of organic and mineral fertilizers to achieve an optimum level.

Livestock

- The use of genetically modified feedstuff is prohibited.
- The maximum livestock density is 1.4 LU/ha fodder area. Farms with higher stocking densities must reduce the livestock units to reach the maximum level of 1.4 LU within a given period. Farms with lower stocking densities should keep these lower densities. The LU/ha is subject to a continuous reduction over time, in order to reach an optimum level.
- Production units have to be self-sufficient regarding animal forage feed, with at least 30% of this feed coming from dry mater produced in the unit (calculated on an annual basis). This feed must come mainly from direct grazing.

Pest management

- Consequent implementation of all principles of the integrated pest management (IPM):
- The application of pesticides is only permitted if all preventative measures have been implemented and defined thresholds have been exceeded.
- The farmer excludes pesticides proven to have damaging effects on bees, pollinating insects, beneficial organisms, amphibians or fish.
- The farmer excludes the use of chemical herbicides.
- The farmer uses the “Treatment Index” as a quantitative measure to describe the intensity of his chemical pest management.
- The farmer should reduce by 2 the treatment index compared to the regional reference

3 Premium Biodiversity Performance

Special measures for the protection of key species and habitats, climate and water protection should be financed by separate aid programmes:

- Creating and upgrading biotopes (arable land/grassland): e.g. creation/upgrading of bodies of water/swales, creation/upgrading of hedges and copses, temporary damming of ditches, rewetting marshes
- Arable land: e.g. multi-year fallow land (self-greening, wild flower mixes, alternative cultivation methods), toleration of geese/swans/ducks, threatened arable plants, nesting/laying protection
- Grassland: e.g. requirements for numbers of animals and grazing periods, special mowing regimes, toleration of geese/swans/ducks, upgrading (regional seeds, transfer of grain), preservation of taxonomic characters, nesting/laying protection
- Nutrient balance: e.g. slurry/digestate application method, multi-year margins of bodies of water

More and specific support for biodiversity friendly agriculture in Natura 2000 sites:

- All Member States should develop their Natura2000 management plans as soon as possible. These management plans should consider measures on farmland management and biodiversity - as a lot of them overlap with farmland.
- Natura 2000 sites are very specific in terms of priority habitats and key species and impact of agricultural activities. Therefore general requirements should be replaced by tailored-made measures, because they are much more effective. Suitable voluntary additional management measures should be promoted by very attractive financial incentives from the CAP. Successful examples such as the Great Bustard Scheme in Tembleque⁵ (Toledo, Spain) should be extended.

Support of the protection and promotion of Agro-Biodiversity

Traditional varieties and breeds represent a very important element of agro-biodiversity. They have the potential to thrive in the original territories and are key to food sovereignty and local development. It is thereby fundamental to widely and clearly acknowledge the role of agro-ecological farmers as guardians of biodiversity and landscapes.

- Farmers who cultivate traditional varieties and/or keep traditional breeds should be rewarded.
- Farmers that offers educational, cultural, social and tourist activities which are aiming at promoting knowledge of agro-biodiversity (e.g. through a bonus point system or other incentives), should be rewarded.

⁵ Great Bustard Scheme for Tembleque (Toledo, Spain): A small village with 1,900 inhabitants and 16,000 hectares in Natura 2000 site. Farmers receive 208 €/ha for Great Bustard protection measures in 14,000 ha agricultural land (= 3 million €/year in a 1,900 inhabitants village). Farmers are delighted and even created the Natura 2000 Farmers Association. Most of them are reconverting into organic farming besides specific rotations, legumes, etc.

3 Potential role of food standards with ambitious requirements for biodiversity in the revised CAP

Currently, national authorities operate an Integrated Administration and Control System (IACS) in order to ensure that payments are made correctly, irregularities are prevented, revealed by controls, followed up and amounts unduly paid are recovered. IACS is operated in the Member States by accredited paying agencies and applies to all direct payment schemes as well as certain rural development support measures, which are granted based on the number of hectares or animals held by the farmer. Furthermore, it is also used to manage the controls put in place to ensure that the requirements and standards under the provisions are respected.

Potential role of food standards with ambitious biodiversity criteria

In the case of biodiversity, measures to create more potential for biodiversity need to be adapted to the regional or even local situation. Furthermore, the quality of implementation is key to achieve the expected positive impact.

There is an increasing number of quality standards and/or sustainability standards for agricultural products or production with criteria on biodiversity management. Often these criteria have room for improvement in order to increase effectivity; initiatives like the EU LIFE Project “Biodiversity in standards and labels for the food sector” are working on this.

Food standards with ambitious biodiversity requirements could and should play a role in the revised CAP. By involving them, a win-win situation would be created.

Advantages for food standards and certified farms:

Ambitious requirements on biodiversity protection (increasing the potential for biodiversity and reducing negative impacts) would be rewarded by the CAP (see Chapter 3 and Public Goods Bonus). This would make it more attractive for standards to include ambitious requirements beyond legal compliance into their schemes.

Furthermore it would be attractive for farmers to obtain the certification of an ambitious standard. The certified products would be more attractive for the increasing number of companies focusing on more sustainability /more biodiversity performance in their supply chain. The farmer would receive a bonus for the implementation of measures which contribute to the protection of biodiversity and therefore to the enhancement of ecosystem services.

Advantages for the CAP and biodiversity performance:

- CAP requirements on biodiversity and food standard criteria would be harmonized = Compliance with the Basic Set of Biodiversity Criteria would be the minimum (= Baseline) and compliance with a Premium Set of Biodiversity Criteria would be recognized with a bonus.

- Advisors of certified farms would support farmers in the elaboration of sound biodiversity action plans and would indicate characteristics of good quality regarding the implementation of measures.
- Independent auditors would certify the compliance with ambitious biodiversity criteria requested by the standard and rewarded by the CAP.
- Food producing companies and retailers would request ambitious food standards and with this more biodiversity performance
- With available standards and the corresponding certificates as a proof, public purchasers could include biodiversity criteria into public tenders for food and catering (Green Public Procurement)
- Final consumers would have an orientation (= label) for their decision making and could chose agricultural products with higher biodiversity performance.
- Standards communicating with final consumers as a target group could contribute to the sensitisation of costumers by focussing on the relevance of biodiversity protection in their communication campaigns.

4 Contributions of the EU LIFE Project “Food and Biodiversity” to the CAP Revision

Recommendations for effective biodiversity criteria

These recommendations have been elaborated together with more than 80 representatives of standard organisations, food companies, certifying entities, scientific institutions, administrations and NGOs in Europe and on international level.

They address the main drivers of loss of biodiversity: Degradation and destruction of ecosystems, overexploitation of natural resources, invasive alien species and – indirectly – climate change.

The recommendations show the full range of measures needed to avoid or reduce negative impacts on biodiversity and to improve the protection of and the potential for biodiversity. The criteria and measures are a good “compromise” between nature conservation needs and feasibility from standards and companies point of view.

Even if they are directed primarily at standard organisations as well as companies of the food sector with own sourcing requirements, they are also a sound orientation for agricultural cooperatives and associations as well as political decision makers at all levels.

Political decision makers should take the recommendations and related measures in consideration in funding programs and as requirements for subventions for the agricultural sector. As the CAP is the most important agricultural policy for Europe, the measures proposed should be promoted and supported with incentives in the Greening and the second pillar of the CAP (see our proposal). This would be an important step towards a more biodiversity friendly agricultural framework and would support farmers applying biodiversity compatible practices.

Available in English, German, Spanish, French and Portuguese:

<http://www.business-biodiversity.eu/en/recommendations-biodiversity-in-standards>

Biodiversity Performance Tool (BPT)

The Biodiversity Performance Tool aims to support advisors and farmers to elaborate a sound Biodiversity Action Plan, to monitor the implementation and to proof that a continuous improvement is achieved.

After an analysis of the 20 currently existing sustainability tools, the BPT methodology was developed. The key element is a so-called decision tree for each farm with three main branches “Characterization of semi-natural habitats (quality and quantity)”, “Characterization of farming practices” and “Insertion of the farm into its socio-economics system”. The decision tree includes 80 basic attributes with individual threshold values.

The threats on Biodiversity such as “habitat change”, “invasive species”, “over exploitation” and “pollution” are integrated into these branches. “Climate change” is also indirectly considered across some specific items (agrobiodiversity, preventive measures such as seed choice according to the local context) as well as through actions that should contribute to make the farm less vulnerable to Climate Change (exchange of information with LIFE project AgriAdapt LIFE15 CCA/DE/000072). Based on the evaluation of

the baseline of each farm, the BPT offers an individual list of measures to improve biodiversity management by creating new potential for biodiversity and by reducing negative impacts on ecosystems, species and soil biodiversity.

Currently the Biodiversity Performance Tool is being tested on 50 pilot farms of different production types in four EU countries. The final version will be available in five languages by the end of 2018.

In order to promote and to support an effective biodiversity management, the CAP could promote the Biodiversity Performance Tool, e.g. by rewarding farmers which apply the BPT. A wide use of the BPT would provide valuable data for monitoring of biodiversity performance on farm level, but also on regional level.

Biodiversity Monitoring System

Currently the impact of quality standards and company requirements upon nature (ecological status, enhancement, nature/biodiversity management, reduction of negative off-site impacts) is not monitored, despite a growing number of food companies and customers requesting environmental and social features. The robust and systematic monitoring concept to be developed and implemented should be used by all standards and labels certifying farms/companies in Europe. Within the LIFE project, a concept for a monitoring system is currently being developed:

Level 1: System wide monitoring: Data collected for every certified entity via applications (e.g. self-reported information by producers), audits and/or tools such as the Biodiversity Performance Tool. The focus is on the monitoring regarding the creation of potential for biodiversity (sound biodiversity management and reduction of negative impacts). The standard organisations have consultants and mandate independent auditors who know the farms and collect data anyway. They will be trained to also fill in the newly required biodiversity data.

Level 2: In-depth monitoring beyond level 1 by data sampled on selected farms in different geographical settings and cultivating different type of crops. The focus is on the real impact on biodiversity of the measures realized. To evaluate the real impact, monitoring will focus on key indicator species identified on regional level. As it is more time consuming and requires probably the involvement of an expert, in-depth monitoring will be realized only on representative farms and every 3 – 4 years.

Currently, the project team is working on the system-wide monitoring: A draft set of 36 key data and indicators has been developed based on the indicators of existing sustainability tools, research projects such as BioBio or LISA (now called EMBAL), indicators used in agri-environmental programmes etc. This draft set was intensely discussed and refined by the project partners, standard organisations, companies and scientific institutions. It was aligned with the Biodiversity Performance Tool, because monitoring indicators should be covered by the BPT as far as possible. The set of key data and indicators will be tested on 50 pilot farms.

By the end of 2018, a concept for an easy to manage data base will be developed as well as the indicators and procedure for the In-depth-monitoring. In 2019, the monitoring system will be tested on 100 certified farms in Europe. The final objective is to motivate standards and companies with own requirements for agricultural producers to use the monitoring system.

In order to promote effective biodiversity management and further develop effective measures based on monitoring results, the CAP could promote the participation of standards and food companies in the monitoring system, e.g. by incentivising the use of the Biodiversity Performance Tool or by incentivising the provision of data for monitoring via other tools.

For further information about the project see www.food-biodiversity.eu

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5 EU LIFE Project “Biodiversity in Standards and Labels for the Food Sector”

Standards and labels for the food industry help qualify certain attributes of a product and the process of production itself. They guide managers in companies responsible for purchasing and securing product quality. Additionally, B to C standards are an orientation for consumers about the quality of products, level of sustainability and impact on nature. Besides requiring certain certifications, many food companies have their own sourcing guidelines for suppliers and farmers and implement their own audits to control compliance.

Project objectives

This European wide initiative supported by the EU LIFE Program is directed at standard setting organizations and companies with individual sourcing requirements. The main objective is to improve the biodiversity performance of the food industry by

- supporting standard-setting organizations to include efficient biodiversity criteria into their schemes; and by motivating food processing companies and retailers to include biodiversity criteria into sourcing guidelines
- providing training for farm advisors and standard certifiers as well as persons in companies responsible for the purchase of commodities and quality standards
- implementing a monitoring system for biodiversity used by all standards and food companies
- communication and the dissemination of results to the food sector

The creation of a European initiative on "Biodiversity Performance in the Food Sector" will be supported to continue working on the described aspects after the project ends in 2020.

Actions and means involved

54 standards and requirements of companies have been screened regarding their relevance for biodiversity protection. The main results and conclusions are published in a Baseline Report (Chapter 3). The Baseline Report has been used as input for the elaboration of the present recommendations for effective criteria for the protection of biodiversity. Standard organisations, companies, certifiers, administrations, NGOs and scientific institutes were involved in developing the recommendations. They will be disseminated to the more than 400 standards with relevance to the European market. The project team is keen to assist interested standards organisations and companies during the revision of their criteria.

An „Easy Guide“ provides a quick overview on the most important biodiversity aspects recommended for consideration by standards and in requirements for suppliers (in Spanish, French, Portuguese, English and German). An updated version will be published in 2019.

The Biodiversity Performance Tool (BPT) will help to assess the current situation and the potential for biodiversity protection on farms and support monitoring. An important aspect for its development is compatibility, meaning it will be possible to integrate the BPT into existing sustainability tools. The BPT will be tested on 50 certified pilot farms in four EU countries. After the test phase, the BPT will be available free of charge to support farmers and advisors in the elaboration and implementation of Biodiversity Action Plans. Certifiers can use the tool to better evaluate the quality of a Biodiversity Action Plan and to confirm if the farmer is achieving continuous improvement. Furthermore, the tool delivers data for long term monitoring on standard level.

50 certified pilot farms including cereal cultivation (Germany), vegetable cultivation (Spain), olive production (Spain), in grasslands used for meat production (Portugal) and grasslands used for milk production and dairy products (France), are testing the BPT as well as the recommended measures and will document the results. Farmers are evaluating the measures according to the level of difficulty to implement them and additional resources needed. Certifiers are involved to verify the requirements behind the measures as well as the time and resources needed for the certification.

The best criteria have only limited impacts, if they are not appropriately implemented. This is especially true for biodiversity where the quality of implementation is key. Currently, training modules on biodiversity are being developed: for advisors of certified farms to support the farmers properly, for certifiers to know what to look at and how to evaluate the quality of implemented measures, for product managers and quality managers of food companies to assess the biodiversity performance of the supplier and related farms. The modules will be available to all standards and food companies to be integrated into their individual capacity building programmes.

A monitoring-system and database tracking the biodiversity performance at farm level is another important component of the project. Using a common two level monitoring system, standard-setting organizations and companies will be able to monitor the positive effects, identify challenges and the need for joint action and improve upon criteria and measures.

Results and lessons learned of the initiative are disseminated to all relevant parties of the food sector, environmental organizations and authorities at the national and European level. A sector specific initiative “Biodiversity Performance in the Food Sector” will be created by 2020 in order to further develop the initiated activities: Widely accepted priority criteria for biodiversity implemented by the whole food sector, extension of the monitoring system and publication of monitoring reports, regular exchange and joint projects at a regional level to overcome the challenge of stopping biodiversity loss, together.