Policy mechanisms affecting permanent pastures – issues and instruments

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CAP has specific aims for permanent pasture since 2003, because of its positive environmental effects

- to maintain the existing area of permanent pasture
- to maintain it under minimum maintenance
- to avoid habitat deterioration
New biodiversity targets proposed by EC – integral part of Europe 2020 Strategy

- Aim is to maintain all habitats covered by EU legislation
- 20% of these habitats are farmland habitats
- These are ALL semi-natural permanent pastures
- They are the EU habitat group in worst condition and most threatened by agricultural intensification on better land and abandonment on poorer land
active management by farming is one important tool to maintain the rural landscape, to combat biodiversity loss...

adaptations of the direct payment system relate to the redistribution, redesign and better targeting of support, to add value and quality in spending.

criteria should be both economic, in order to fulfil the basic income function of direct payments, and environmental, so as to support for the provision of public goods
Joint Commissioners’ letter on CAP reform summarises nicely how Pillar 1 should work

- The CAP today makes a crucial contribution to the sustainable management of natural resources by ensuring through direct payments an active presence across the EU of farmers managing land...

   BUT this is NOT the reality for large areas of semi-natural permanent pasture

   Pillar 2 IS doing this in some areas but not consistently “across the EU”
To make these aspirations a reality, policy makers need to be clear about:

- What is permanent pasture, and what is its true extent?
- What are the public goods of the different types of permanent pasture?
- What is « active farming » of permanent pasture, especially for delivery of public goods?
- What are the threats to this activity and to these goods?
- What is best policy response to these threats?
Policy mechanisms we are considering

- Permanent pasture definition under the CAP
- Eligibility criteria for direct payments
- Control of permanent pasture area (ratio to UAA)
- Cross-compliance:
  - GAEC minimum maintenance, avoiding deterioration of habitats, landscape features, unwanted vegetation
  - SMRs – EIA Directive
- Pillar 1 « greening » options for permanent pasture
Permanent pasture (PP) definition for CAP

- Land used to grow grasses or other herbaceous forage naturally (self-seeded) or through cultivation (sown) and that has not been included in the crop rotation of the holding for five years or longer

- Under this definition we include PP that is ploughed and reseeded as grassland every 2-3 years – in what sense is this permanent? Should it be in PP?
Eligibility criteria for CAP direct payments are necessary, and seem reasonable:

- Total parcel area is eligible according to « customary standards of the Member State... »

- Landscape features may be included according to « good agricultural cropping or utilisation practices... »

- “an agricultural parcel that contains trees shall be considered as eligible provided that agricultural activities or, where applicable, the production envisaged can be carried out in a similar way as on parcels without trees in the same area”
But does EC guidance then get too specific?

- >50 trees / ha ineligible as a general rule
- Hedges max width 2+2 metres
- Member States are not OBLIGED to apply these quantified criteria
- So should they be defined at EU level at all?
Control of permanent pasture area - ratio to UAA

- Baseline is « area under permanent pasture » in reference years 2003, 2004 and 2007.

- How is this area determined? What data are used? Only « herbaceous » pasture?

- If Member States count only the area claimed by farmers for direct payments, then clearly the figure will not be correct.

- Yet the farmer is obliged to comply with GAEC on the unclaimed area...
GAEC minimum maintenance and avoiding deterioration of habitats

- Rules on « unwanted vegetation » can have perverse effects:
  - Removal of semi-natural habitats and thus *deterioration*
  - Abandonment, if complying with rules costs more than the value of the direct payment

- But vegetation and conditions are useful indicators, so what rules to have and how to apply?

- How to define minimum maintenance and habitat quality – in LU/ha, mowing, ...?
If a parcel has shrubs and trees that raise questions for authorities, should they:

- Exclude this land from payments and penalise farmer’s application under eligibility rules?
- Or allow time for farmer to correct the condition of the land, under GAEC?
Pillar 1 « greening » options for permanent pasture

- Part of the « agronomic package » for all farmers, alongside crop rotation, soil cover etc.?
- New restrictions, e.g. on ploughing, reseeding?
- New obligations to maintain ratios at farm level?
- A separate mechanism for maintaining permanent pastures delivering greater environmental benefits?
- Top-up payment for these permanent pastures?
Focus on EU coherence, problem solving, good practice

- There are plenty of examples of sensible rules and application, well adapted to environmental and farming conditions.

- But also too many examples of poorly conceived rules, inflexible application, failure to resolve problems in a way that avoids negative impacts.

- We should focus on practical solutions to issues, on extending good practice and achieving a coherent approach across the EU that fits with policy aims.