

Proposals for "greening" Pillar 1 Permanent Pasture Premium

1. Simplified definition of Permanent Pasture (PP):

"Land used to grow natural (unseeded) vegetation under farming use and not included in a crop rotation" [For current definition see ¹]

This definition aims to ensure that:

- all types of permanent vegetation used in farming are covered, including pasture with a high density of shrubs and/or trees, that can be excluded by current rules and should not be
- that PP is genuinely permanent, and not reseeded every five years, as the current definition and rules allow to occur
- 2. A "green" Pillar 1 premium should be introduced for Permanent Pasture under our proposed definition (above), with the following conditions:
 - No reseeding or over-seeding after 2010 (occasional tillage may be allowed in some situations)
 - No inorganic fertiliser application (possible derogations e.g. up to 50kg N/ha for meadows)
 - Minimum management requirement to maintain environmental value to be defined by Member State (minimum grazing/cutting, may vary according to type of vegetation)
 - All permanent vegetation used as pasture or/and meadow is eligible (no EU rules about number of shrubs or trees), including orchards with a permanent grass under-storey.

If the claimant of the PP Premium reseeds the land or applies inorganic fertiliser, all PP Premia received on that land over previous 5 years (for example) must be repaid, as an incentive to stay in the scheme year after year.

Farmers choosing to participate in the scheme should register appropriate permanent pasture on LPIS. The area of this Premium PP should be monitored alongside the semi-permanent pasture. This will provide an extremely valuable biodiversity indicator at EU level.

Because we propose a 2010 baseline, there should be provision for farmers to apply to have currently excluded pastures (e.g. with trees and shrubs, or wrongly classified on LPIS) correctly registered on LPIS as permanent pasture, if they comply with minimum management conditions.

The premium should be at least 50 euros/ha to achieve objectives. A degressive payment will ensure far great efficiency: sufficient incentive for smaller farms, avoiding over-compensation of very large farms.

The current definition of PP should be renamed "semi-permanent pasture" (SPP). Rules to control the decline of extent of this grassland should be applied at farm level. The minimum age for this category should increase from 5 years to increase its environmental relevance. A smaller premium should be payable on semi-permanent pasture.

¹ 'Permanent pasture': shall mean 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. Reg 796/2004



Rationale

Permanent pastures (including permanent meadows) under extensive use are of exceptional biodiversity importance compared with other farmland. For example, the farmland habitats on Annex 1 of the Habitats Directive consist entirely of various types of permanent pasture/meadow that require continued farming use for their conservation (some 40 of the approximately 200 habitats on Annex 1).

These habitats are in worse condition than most other habitats types (e.g. forests) and are highly threatened by intensification and increasingly by abandonment. Although decoupling has had some environmental benefits in some types of agriculture, it has also increased the abandonment threat for economically marginal farming types that have less opportunity to be viable from the market. Extensive livestock systems have gone into severe decline in some areas as shown by recent studies such as Farming's Retreat from the Hills (SAC, Scotland).

Permanent pastures/meadows that are not reseeded or artificially fertilised are an extremely important carbon store. If they are reseeded and artificially fertilised, biodiversity is greatly reduced and carbon storage is reversed.

A CAP that is concerned with public goods and integration of environmental concerns should ensure effective protection AND economic support for the farmland types of exceptional biodiversity and carbon-storage value.

In some countries, policies are quite well adapted already. But across the EU, we see great inconsistencies. In some cases, scarce Pillar 2 resources are being used to correct incoherencies in Pillar 1. These situations need correcting to ensure that EU policy favours public goods on farmland in a consistent and cohesive manner.

A number of elements in the current Pillar 1 need correction. The changes needed are relatively simple and would make the CAP far better adapted to the maintenance of permanent pastures/meadows of high biodiversity value across the EU. The changes we propose would make policy simpler and more coherent. They concern:

- Permanent pasture definition
- Rules on Pillar 1 eligibility
- GAEC rules on minimum maintenance and encroachment of "unwanted vegetation"
- Rules for a new Pillar 1 "greening" options, including possible premium for permanent pasture

As a starting point, the current CAP definition and rules for "permanent pasture" (PP) do NOT define permanent pasture, but rather "semi-permanent pasture". They allow for reseeding every five years, and therefore are incompatible with high-biodiversity grasslands. The entire area of Habitats Directive grasslands could be destroyed by reseeding without the change being even registered (or prevented) by the existing permanent pasture controls under the CAP.

At the same time, the current definition of PP focuses on "herbaceous" pastures, and EU guidance rules on Pillar 1 eligibility, discourage the payment of CAP support on pastures that include shrubs and trees. There is absolutely no agronomic justification for this, as pastures with a high density of shrubs and trees have been in active use by farmers for thousands of years. Light grazing and browsing of these pastures continues to generate valuable public goods (biodiversity and landscapes, fire control) and should be encouraged by the CAP, not discouraged.



A key concern is the exclusion from Pillar 1 support of large areas of permanent pasture of exceptional public-goods value, due to currently confusing definitions and rules concerning scrub and tree cover, and the way these are applied by Member States and by over-zealous Commission auditors.

For example, in Bulgaria it is estimated that 30% of all grasslands of high biodiversity value are excluded from CAP support. Some of the most valuable wooded meadows in Sweden are also excluded. France has recently been told by auditors that extensive shrub pastures in Corsica are not eligible for CAP support, in spite of being under active use as forage for goats, an activity that is of great value for fire prevention.

Since 2003, some protection for "permanent pasture" has been introduced through cross-compliance. This protection is potentially very valuable but there are known to be major weaknesses in the system which discredit the CAP and the EU's ability to design and implement effective policies. Specific changes are needed to make these policies work.

For example, the data on total area of permanent pasture are fundamentally flawed for many Member States, making the current "10% reduction" rules meaningless. Some of the most extensive and ecologically valuable permanent pastures are excluded from the data sent to the Commission from some countries (e.g. Spain, Greece) because they have shrub and tree cover, even though they are under active grazing use.

Other areas of permanent pasture have been recorded by farmers on LPIS as "temporary grassland", and thus are also excluded from the controls. Significant areas, some of high biodiversity value, are known to have been ploughed up since the controls were introduced, e.g. in Basse Normandie (France).

GAEC rules on "encroachment of unwanted vegetation" also create many problems in the case of HNV grasslands, including excessive clearance of shrubs resulting in biodiversity losses, and abandonment of land when the payments offered through the CAP are not sufficient for the farmer to justify clearance. Applying rules on unwanted vegetation should not be obligatory under GAEC as at present, it should be an option for Member States.

Explanation of our proposals

The priority is to separate permanent pasture/meadow that is currently under less intensive management (no or less frequent reseeding, no or less use of inorganic fertiliser), from the more intensively used semi-permanent grassland that is reseeded every five years and may be heavily fertilised.

The former type is of high biodiversity value and threatened with abandonment; the latter is of far less environment value (although it may be more beneficial than maize for example).

Permanent pasture/meadow under the current definition should be renamed "Semi-Permanent Pasture" (SPP). The current rules could continue for this type of pasture, with application at the farm level. Extending the 5-year age rule to 10 years would make the definition more environmentally relevant. But introducing a ban on all reseeding for the more productive semi-permanent pasture (e.g. under cross-compliance) would be of little environmental benefit, while constituting a major restriction for farmers.



For the more extensively used permanent pasture, there is an environmental benefit in preventing intensification, and also in providing an incentive for continued use. The premium we propose will provide an incentive to farmers to continue to manage the most extensive and marginal PP that is threatened with abandonment.

Between the more extensive and more intensive PP, there are grasslands that are reseeded only occasionally and that have not been heavily fertilised, and therefore have high potential to increase in environmental value through some "extensification" of use. The premium we propose would encourage farmers with grassland of limited production potential in this "public goods" direction.

The new Permanent Pasture Premium should be targeted on genuinely permanent pasture. The baseline year should be 2010, to prevent grassland from being reseeded immediately before entering the scheme. Reseeding is the principal indicator of intensification and consequent loss of environmental value, and is simple to verify by inspection and aerial photography.

Basic Pillar 1 eligibility rules must be revised, and crucially the governance at EU level improved, to ensure that permanent pastures of highest biodiversity and public-goods value are universally included in the basic Pillar 1 support scheme in all Member States, not only in some as at present.

All farmland with a minimum level of maintenance should be presumed eligible for Pillar 1, unless there are concrete reasons why it should not be. This is in line with the European Parliament's recommendation to maintain farming at its current extent across the EU.

The 50 tree guidance for Pillar 1 eligibility should be removed. Shrubs and trees (not only grass) are legitimate forage and have been used as such by active farmers for centuries, and continue to be used as such. There is no justification for excluding such land from CAP support.

Under GAEC, the mere presence of certain types of vegetation should not be counted as "unwanted vegetation" and therefore a breach of GAEC. EU regulations could give Member States the option to introduce rules on the spread or increase of unwanted vegetation, if such rules are necessary and appropriate for environmental reasons.

As already contemplated as an option under GAEC, there should be a minimum management requirement to be determined by Member States (minimum LU/ha, mowing etc.), as appropriate for different types of farmland. This should be the main approach to maintaining farmland in good condition.

In situations where removal of scrub/trees is desirable for environmental reasons, this should be managed through agri-environment schemes and non-productive investment grants. It should not be driven by blanket, untargeted mechanisms such as GAEC.

An important gap in cross-compliance SMRs is the EIA Directive. This Directive includes a mechanism for preventing the intensification and conversion of semi-natural farmland which is poorly implemented in most Member States. The Commission is currently reviewing the EIA Directive to improve its biodiversity proofing. The EIA Directive should be included in the legislation that farmers should comply with under cross-compliance.

Our proposals create a new category of PP that is genuinely permanent and inherently of higher environmental value. This greatly facilitates implementation of the EIA and Renewable Energy Directives, as the grasslands of biodiversity value that they aim to protect would all be within the newly



defined category of PP (with certain exceptions that are already on inventories, mainly intensive grassland used by birds). In future this new category of PP would be incorporated as a CORINE and FSS category, making these data bases much more useful for biodiversity monitoring.