

# Is the CAP Fit for Purpose?

## A rapid assessment of the evidence

**Guy Pe'er, Sebastian Lakner,** Gioele Passoni, Clémentine Azam, Jurij Berger, Lars Hartmann, Stefan Schüler, Robert Müller, Marie von Meyer-Höfer, Yves Zinngrebe

**Scoping committee:** Tim Benton, Peter Bezak, Aletta Bonn, Lynn Dicks, Neal Haddaway, Bernd Hansjürgens, Kaley Hart, Jennifer Hauck, Felix Herzog, Francisco Moreira, Amanda Sahrbacher, Christian Schleyer, Clélia Sirami, and William Sutherland



EUROPEAN  
ENVIRONMENTAL  
BUREAU



# Background

## The CAP's objectives (1957 → Treaty of Lisbon 2009):

1. Increase agricultural **productivity**
2. Thus ensure a fair **standard of living** for the agricultural community
3. **Stabilise markets**
4. Assure the **availability of supplies**
5. Ensure that supplies reach consumers at **reasonable prices**.

## New objectives 2010:

6. Viable food production
7. Sustainable management of natural resources and climate action
8. Balanced territorial development

**Does the CAP support these objectives?**



# Aims

1. To examine **the CAP's impacts on our society, economy and the environment**
2. To assess whether the CAP fulfils
  - its own objectives
  - the **UN's Sustainable Development Goals**
3. To offer a (contribution to) an **evidence-based Fitness Check**



Source: United Nations

# Fitness Check criteria

- **Effectiveness:** Have the objectives been achieved? Which significant factors contributed to or inhibited progress towards meeting the objectives?
- **Efficiency:** Are the costs reasonable and in proportion to the benefits achieved? Also considering other, comparable mechanisms?
- **Internal Coherence:** Do the CAP instruments complement or conflict with each other in terms of objectives, implementation and/or effects?
- **External Coherence:** Do other policies complement or conflict with the CAP in terms of objectives, implementation and/or effects?
- **Relevance:** Is the CAP relevant to the challenges as perceived by EU citizens, farmers and policy makers? Is it using (and supporting) the most updated criteria, tools and knowledge?
- **EU Added Value:** Does the CAP address challenges better than national-, regional- or local-level solutions?

# Methods: Rapid scoping and evidence assessment

## Desk study January-April 2017

- Scoping and study design: establish scoping committee, delineate methods & working protocol, construct database
- Literature included: peer-reviewed scientific literature, 2006-2017, only if directly relating to the CAP
- Evidence gathering into the database by our team + call for evidence among experts across Europe (online survey)
- Analysis of the outcomes

### Rapid assessment of the Common Agricultural Policy: Evidence gathering

2. Evidence provision (paper 1)

2 / 4  50%

In each of the coming pages you would be able to insert one publication. Please only insert papers which you are fully familiar with, as a reader, reviewer or (co-)author.

\* 1 Paper 1 details:

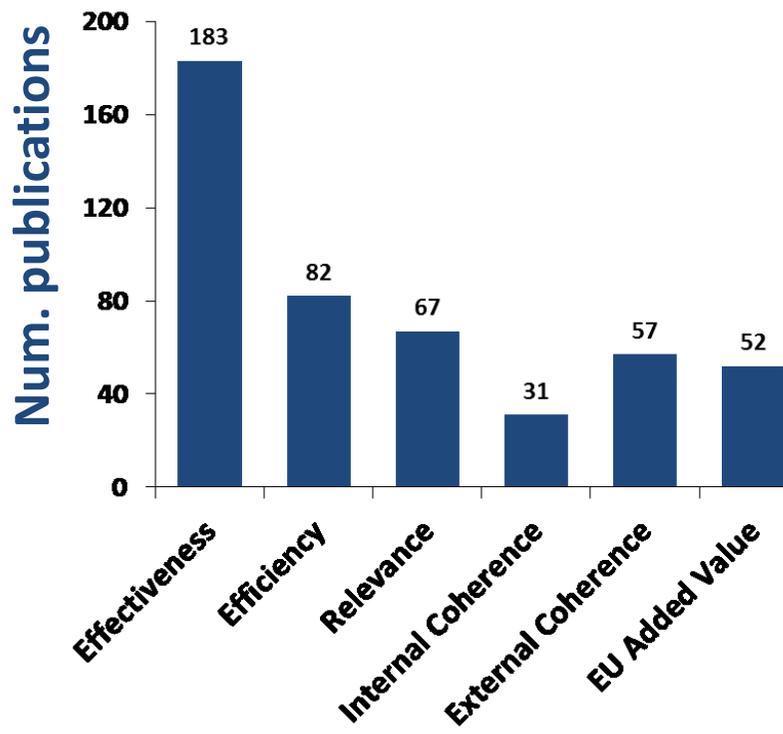
First author

Year

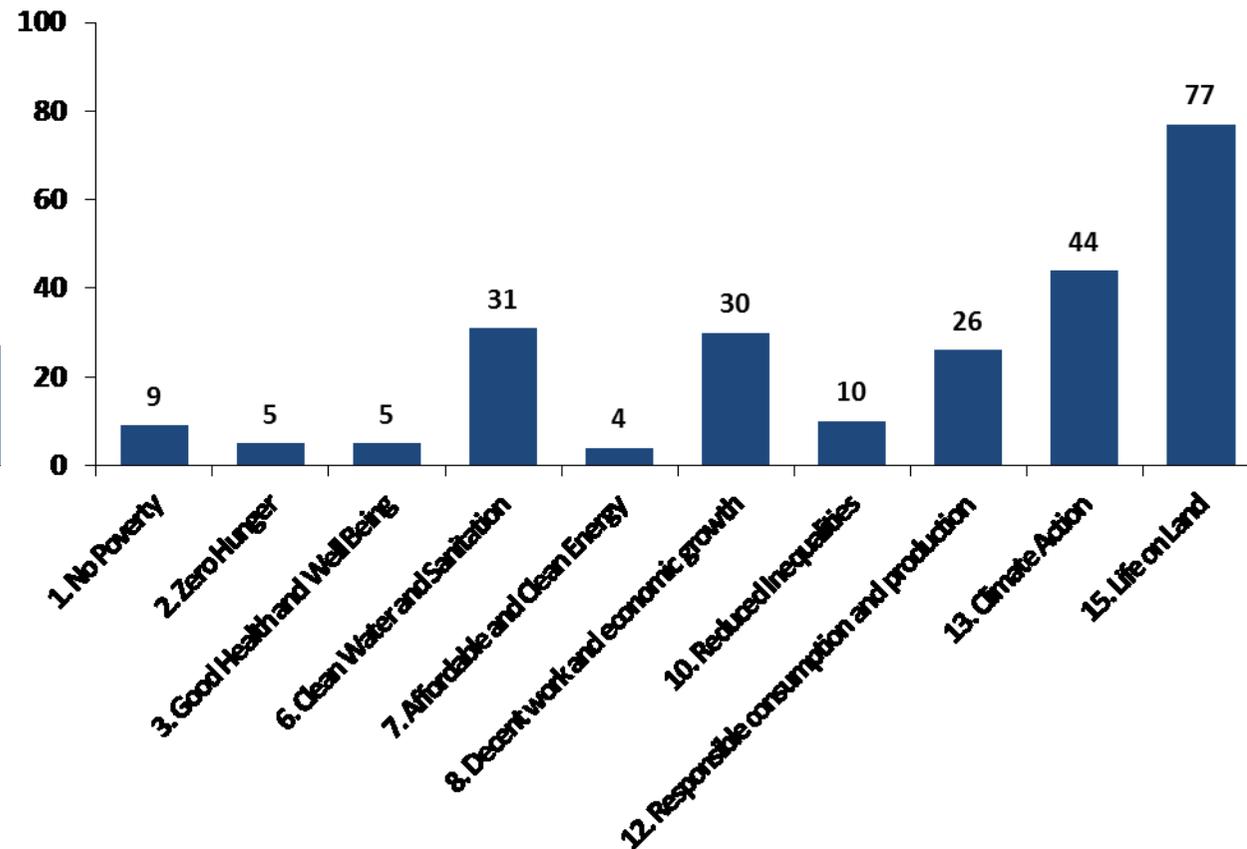
# Results I: overview

- **587** potential publications listed as „candidates“
- **275 publications** assessed and inserted into the database
  - ... from 26 Member States and beyond the EU
  - ... 62 contributions via the online survey

## Assessment criteria



## SDGs addressed

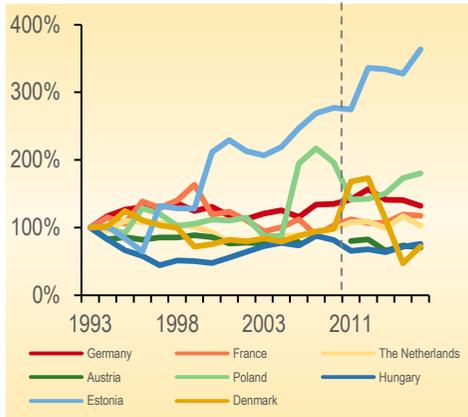


# Is the CAP effective? I: Environment

## Overall patterns

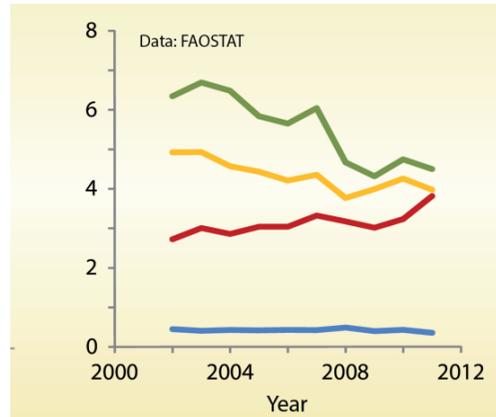
### Use of Herbicides

Eurostat, own calculations



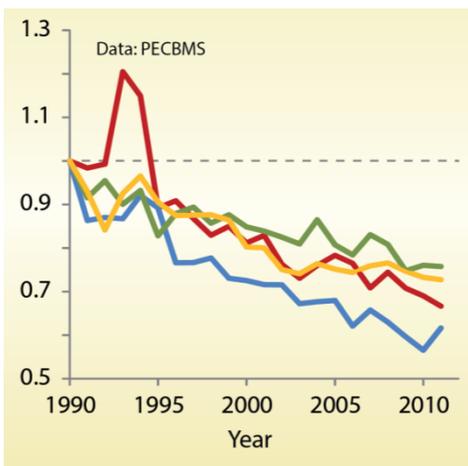
### Fertilizer use

Pe'er et al.2014, source FAOSTAT



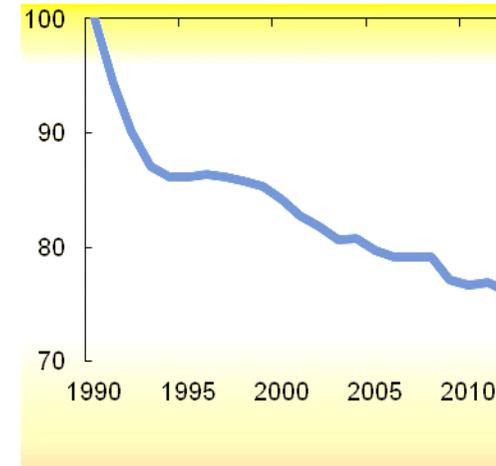
### Farmland Bird Index

Pe'er et al.2014, source PECBMS



### Greenhouse Gas emissions

Eurostats; Global LUC not considered!



## Specific policy areas

- **Climate action**

Some local successes, synergies with fertilizer reduction, but important emissions from land-use change outside EU

- **Land-use changes**

Partial and local successes, e.g. on the use of chemicals, but intensification and abandonment continue

- **Biodiversity and Ecosystem Services**

Local successes; much knowledge and positive experience on agri-environment schemes, greening has some potential, but overall mixed outcomes

- **Soil and water quality**

Some local successes

- **Non-designated mechanisms**

Poorly studied, likely strongly negative effects

- **Global effects**

Strong negative impacts e.g. from imported feedstock and exports of land-use change (LUC) and GHG emissions

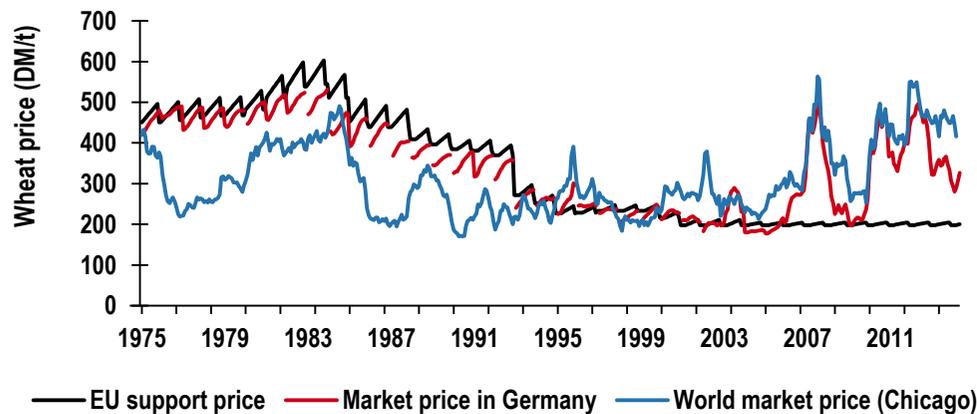
- **Animal welfare** - not much is done

# Is the CAP effective? II: Socio-economy

## Overall patterns

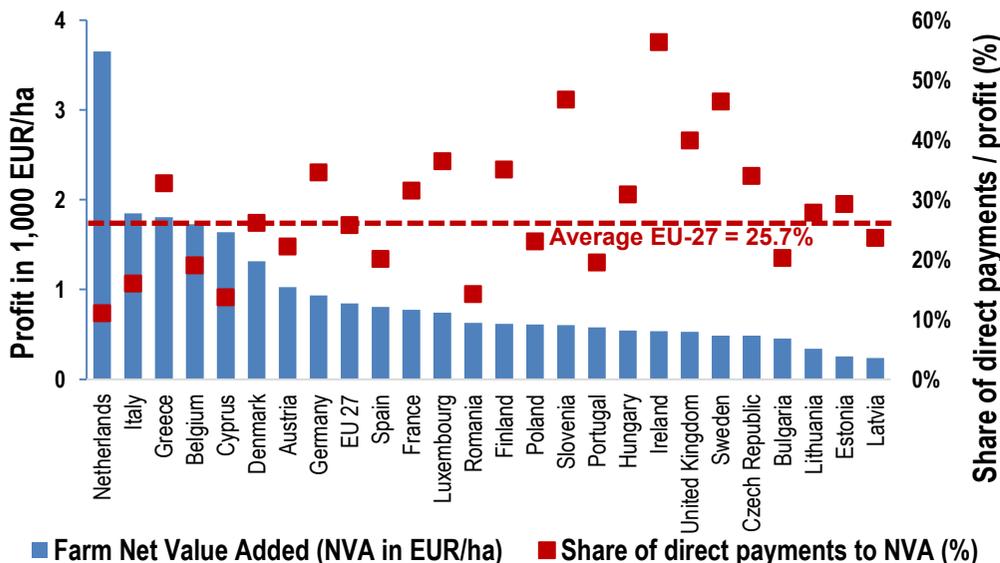
### Wheat Prices in the EU & World market (DM/ton)

Source: Von Cramon-Taubadel, not published



### Share of direct payments in farm profit (%)

Source: FADN 2017, own calculations



## Specific policy areas

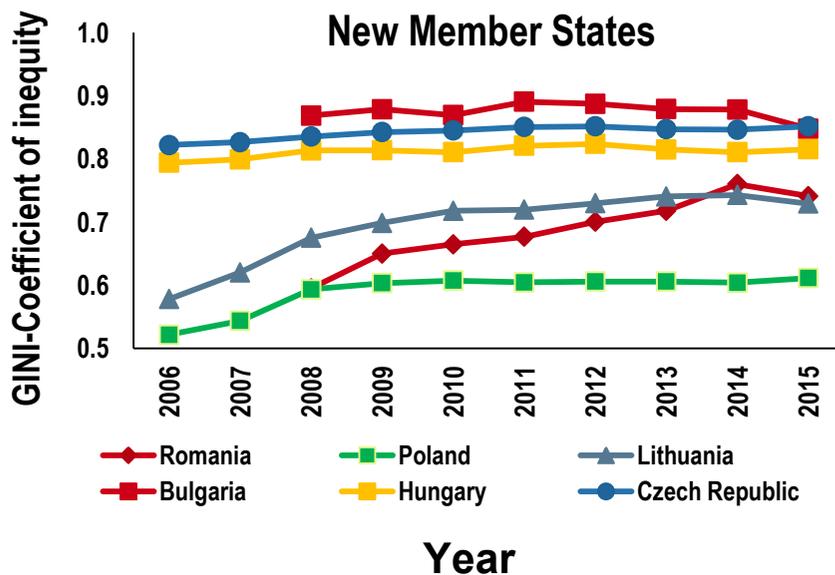
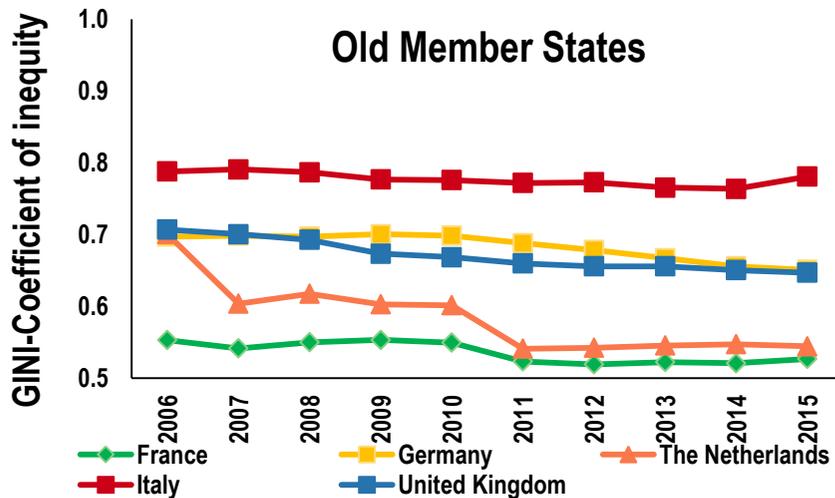
- **Productivity**  
Direct Payments increase productivity but reduce farm efficiency
- **Stabilising markets**  
Integration into world-markets achieved  
No export subsidies & reduced tariffs
- **Income support**  
(Some) farms overly dependent on support
- **Green growth**  
Supports organic farming but other farming systems supported too
- **Balanced territorial development**  
Pillar II supports a balanced territorial development but inequities among beneficiaries are large
- **Global effects**  
some successes, e.g. reduced market distortions

# Is the CAP efficient? (exemplary outcomes)

## Socio-economy

### Distribution of Direct payments 2006-2015

Source: own calculations



## Environment

### Budget allocation per ha toward biodiversity conservation (without considering effectiveness)

Policy measure	Ecological Focus Areas (Pillar I)	Agri-Environment-Climate Measures (Pillar II)	Natura 2000 (Grassland)
Total public funds (Mio. EUR)	12,638.21	3,250.92	290
Agricultural Area (Mio. ha)	8.00	13.15	11.65
<b>Funding per area (EUR/ha)</b>	<b>789.89</b>	<b>247.17</b>	<b>24.89</b>

#### Income support:

- Ineffective allocation of Direct payment (DP)
- Weak justification of DP, missing indicators
- Leakages of DP away from farmers, e.g. to land rental

#### Agri-Environmental Policies

- Effective instruments are not implemented broadly enough
- Competing instruments & administrative burdens reduce efficiency

# Coherence (exemplary outcomes)

Area	Potential / Virtues	Shortcomings / Challenges
<b>Internal Coherence (example environment)</b>		
<b>Conservation versus production</b>	<ul style="list-style-type: none"> <li>• Instruments could potentially align ecological and economic interests</li> <li>• Some cases demonstrating good implementation and good practise (AES &amp; Natura 2000)</li> </ul>	<ul style="list-style-type: none"> <li>• No clear, overarching targets</li> <li>• Multiple instruments with differing targets</li> <li>• Conflicting implementation (interests)</li> </ul> <p><b>Ineffective implementation impedes coherence</b> by Member States or regions</p>
<b>External &amp; International Coherence (example trade)</b>		
<b>Trade &amp; Development</b>	<ul style="list-style-type: none"> <li>• <b>Reduced distortions</b> reform process since 1992</li> <li>• <b>Open markets</b> reduced export subsidies and market barriers (benefits middle income countries)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Exporting environmental footprints</b> (climate balance, consumption of land and biomass)</li> <li>• <b>Remaining losers</b> (standards, preference-erosion)</li> <li>• <b>Price risk vs. price signals</b></li> </ul>

Political conflicts emerging from multiple and unclear objectives

# Is the CAP relevant?

- Supports and adopts technology, but...
- Knowledge & indicators are poorly taken up
- Its objectives do not meet current challenges
- ...and the relevant objectives are not fulfilled
- Societal acceptance exceptionally low

## CAP Objectives 1957 → 2009

- 1 Increase agricultural productivity
- 2 fair standard of living
- 3 Stabilise markets
- 4 availability of supplies
- 5 reasonable prices

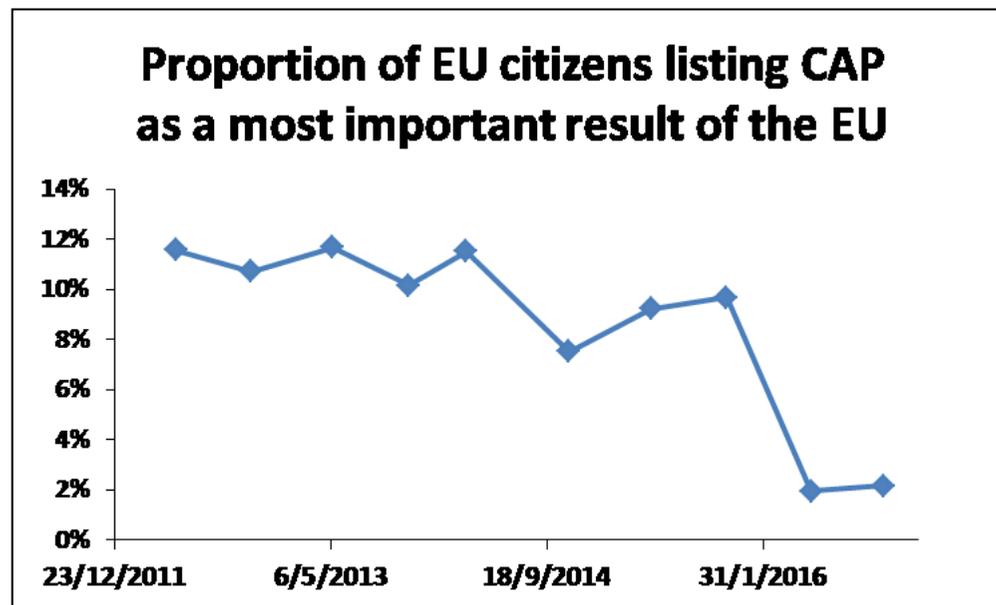
⇒ 1,3,4,5 no longer relevant

⇒ 2 partially fulfilled

## CAP Objectives 2010:

- 6 Viable (?) food production
- 7 Sustainable management of natural resources / climate action
- 8 Balanced territorial development

⇒ All relevant but 6 unclear, 7 not achieved, 8 partially fulfilled



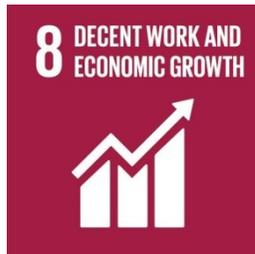
Source: Eurobarometer 2016

# Does the CAP support SDGs?

## Socio-economy



Better than without it, but still not good. Also, no evidence that food security or extreme poverty are major issues in the EU



Supports organic farming, but also unsustainable farming systems; e.g. disproportionate support for animal products



Can do better: 32% of payments go to 1.5% of beneficiaries

## Environment



Some local, positive results for designated mechanisms...

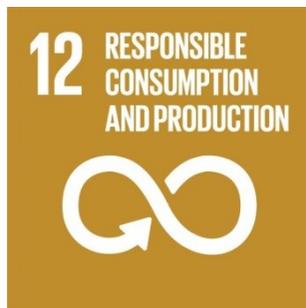


Some local, positive results for designated mechanisms...



Some local, positive results for designated mechanisms...

...but overall negative trends & strongly negative global impacts especially for climate



**Poorly addressing nutrition** (diets, obesity, overweight), **waste** and **externalities**, including health implications of those (but insufficient literature on these indirect impacts)

# Key conclusions and lessons

- **Mixed results for effectiveness, very low efficiency, poor relevance**
- **Addressing sustainability is critical from both socioeconomic and environmental perspectives – but the CAP is incapable of addressing the sustainability challenge**
- **A multitude of objectives and mechanisms, some of which conflicting each other, hampers success and likely also acceptance**
- **Much knowledge but little uptake of it:** especially on AEM, greening, and means to reduce environmental impacts in the EU and globally
- **Much of the observed impacts (both socio-economic and environmental) emerge from how the CAP addresses small farms and farm-holders**



# Key recommendations

- **The CAP needs clear, overarching objectives**
- **Monitoring and indicators need to be improved**, for both the environment and farmers' wellbeing
- **Environmental concerns could be (easily) much better addressed:**
  - Incentive-based approaches may improve effectiveness, efficiency and acceptance
  - Upscaling from farm to the landscape- and community-levels can benefit from experience and tools for collaborative implementation
  - AEM could be improved in budget, spatial targeting and coherence with Natura 2000
  - EFA design and implementation can take up from the knowledge and experience gained through AEMs



# Limitations and outlook

**Mixed results: many studies are too narrow** and/or disconnected from policy; most studies focus on designated instruments; gaps regarding indirect and overall effects of the CAP

**Rapid process could only covered a small proportion of the literature**

- Mostly in English
- Only few reports and policy-documents included
- Much Local-to-national-level knowledge not yet harvested
- Some entire topics not assessed (e.g. forest and forestry; health effects)
- Wealth of recommendations not yet collated

**Indicates on the need, and potential,  
of a much better and broader assessment**



# Calls for an open, inclusive, evidence-based fitness check and a science-policy dialogue to make best use of knowledge for optimising the spending of nearly 60 Billions Euros/year - toward a modern, simpler and smarter CAP

Our database is accessible via

<https://idata.idiv.de/DDM/Data/ShowData/248>

Our call for evidence remains open for (quality) contributions at

[www.surveymonkey.de/r/RapidCapAssessment](http://www.surveymonkey.de/r/RapidCapAssessment)

## Thank you for your attention

**Guy Pe'er, Sebastian Lakner,** Gioele Passoni, Clémentine Azam, Jurij Berger, Lars Hartmann, Stefan Schüler, Robert Müller, Marie von Meyer-Höfer, Yves Zinngrebe Tim Benton, Peter Bezak, Aletta Bonn, Lynn Dicks, Neal Haddaway, Bernd Hansjürgens, Kaley Hart, Jennifer Hauck, Felix Herzog, Francisco Moreira, Amanda Sahrbacher, Christian Schleyer, Clélia Sirami, and William Sutherland

The study has been commissioned by BirdLife and EEB and supported by NABU, iDiv, UFZ and the University of Göttingen. Results are preliminary and the conclusions are limited by the time constraints and capacity to cover the literature. Pictures by G. Pe'er unless otherwise stated



S. Lakner



F. Moreira



F. Moreira

