



UNCAP THE TRUTH

Spotlight on EU farm policy



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What is the CAP?

The Common Agricultural Policy (CAP) was introduced in 1968 to feed Europe's population in the wake of World War Two.

The policy was immediately successful in increasing food production. But this initial triumph started to fade as the CAP turned into a driver for the unsustainable mechanisation of the farming sector, handing out billions of Euros of taxpayers' money every year in subsidies to support a socially and environmentally-harmful model of farming based on the overproduction of food.

Successive reforms of the CAP took place in the 80s, 90s, and 2000s. However, they failed to address the underlying problems associated with oversupply, low prices, and the fact that subsidies have had zero impact on employment as they are disproportionally distributed to the biggest farms.

The last CAP reform took place in 2013. The Commission's original proposal sought to make the policy greener, fairer and simpler. However, after lengthy political negotiations, the reform was significantly watered down. The result is that environmental ambition has actually decreased, the bulk of payments still go to the most productive farms, and it is more complicated than ever due to the flexibility afforded to Member States for implementing it.

For nearly 50 years public money has been poured into a policy which has had - and continues to have - a devastating impact on the environment, public health and animal welfare, as well as on farmers' livelihoods.

After 50 years and given that roughly 40% of the EU budget – 53 billion euros – is spent on the CAP each year, it is high time to uncap the truth about the policy's real impacts.

Simon Blackley



Distribution of subsidies

Most people assume that CAP subsidies go to support small farmers so they can keep living and working in the countryside and provide us with the food we eat.

However, this perception of the policy does not reflect the whole picture. While many small farmers do benefit from the CAP, the reality is that attempts to make the policy fairer have failed: around 70% of payments still go to around just 30% of the biggest and most polluting farmers.

There has been little public scrutiny of how CAP subsidies are distributed and who receives the money. In 2009, a visionary group of journalists from across Europe came together to investigate the truth behind CAP payments. Their project 'Farm Subsidy' revealed the extent to which CAP payments are a form of corporate welfare, with some of Europe's wealthiest landowners and biggest agri-businesses receiving huge sums of public money every year.

Given that the CAP receives 40% of the total EU budget every year, transparency is vital to find out where this public money really ends up. Combing thorough data on the CAP is a laborious task and the European Commission must make the information clear and accessible for all.

€ 53 billion



Environment in dire straits

Despite successive reforms, the CAP still supports agricultural practices that are responsible for undermining the natural resources farmers rely on, thereby threatening Europe's ability to produce the food it needs.

Earlier gains in increased production volumes are being cancelled out by the staggering environmental price tag of our farming system: soil is being lost at an alarming rate, wildlife is on the decline, our freshwater resources are being polluted by excess use of fertilisers and pesticides, and our air is being polluted with unhealthy levels of ammonia and methane from animal manure and synthetic fertilisers. The cost of industrialised farming on the environment worldwide is 3 trillion euros every year.

Intensive agriculture is also a driver of climate change: the sector is responsible for 10% of total greenhouse gas emissions in the EU. And it is farmers themselves who bear the brunt of adapting to climate change as they are particularly vulnerable to changing levels of rainfall, fluctuating temperatures, and extreme weather.

A green reform?

While the 2013 reform made the CAP theoretically 155% greener on paper, the reality in our fields is somewhat different. There are examples of environmental payments being made to farms with maize monocultures, pesticides being sprayed on land set aside for nature protection, and farmers who infringe EU laws on protecting waterways and pesticides' limits still receiving CAP payments.

This all means that in certain cases the polluter is getting paid rather than paying. And this is just the tip of the iceberg. Member States have likewise used the greening flexibilities they pushed for to systemically choose the least-environmentally ambitious measures. Hence, direct payments have not been made greener and rural development money to support measures that will benefit the environment has also been reduced. Furthermore, too many of these Rural Development measures are poorly targeted and will have little real impact in reducing further nature loss.

As European citizens we are paying three times for this unsustainable policy – first for CAP subsidies, then to clean up the mess intensive agriculture is making of our environment and health, and lastly for the food we buy. This is a very inefficient use of public money.



Farming and health - the missing link?

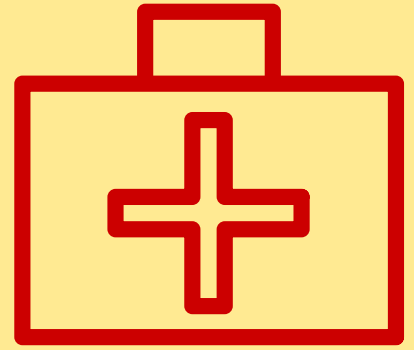
Agriculture and public health are intrinsically linked. Pollution from farms has an impact on the air we breathe and so much of the food we eat is sprayed with dangerous pesticides that have been linked to an increased risk of diseases like cancer, particularly among farmers. To date in the EU there has never been a proper assessment of the impact of agrochemicals on rural communities.

This close link between agriculture and public health means that there is a responsibility to consider the impact of farming practices on public health under the CAP. Yet, it currently has no public health aims.

Given that unhealthy diets are the number one risk factor for death and disease in the EU, and a key contributor to cardiovascular diseases, cancers, and diabetes, the reality is that we cannot afford for CAP expenditure not to be aligned with health requirements.

EU countries spend 9-10% of their GDP on healthcare, and 70-80% of this expenditure (700 billion euros annually) goes to treating chronic diseases. Ten per cent of EU countries' health budget is used for treating diabetes, and tackling obesity-related diseases takes up 7% of health budgets.

Keeping in mind that the CAP costs EU taxpayers 53 billion annually, not ensuring that the CAP supports healthy diets represents a missed opportunity that we cannot afford.



Animal welfare: falling standards

Increased livestock production has been a central part of the intensive model of farming supported by EU agriculture policies. As livestock production soared in Europe and meat products became more widely available, meat consumption also sky-rocketed. Despite this high level of livestock production, animal welfare is not adequately addressed by the CAP.

Farmers can receive animal welfare payments for the voluntary adoption of animal welfare measures that go beyond minimum legislative standards. These payments cover areas like water, feed and animal care in accordance with the needs of animal husbandry, housing conditions, outdoor access, and practices which avoid mutilation and/or castration.

However, just 0.1% of the CAP budget was spent on animal welfare payments between 2007 and 2013. For the current CAP, the information available shows that nearly half of Member States do not provide any animal welfare payments.

Not only are the objectives of the payments very vague, but information from Member States on how the money is actually spent is limited. There are too few inspections to ensure that those who receive these payments comply with animal welfare rules.

The lack of political will to tackle cruel farm practices does not reflect public opinion. Citizens clearly care about animal welfare and want more, indeed a recent Eurobarometer study shows that citizens are increasingly concerned about the treatment of farm animals and that 80% of EU citizens want farm animals to be afforded better protection.



Alexander Olm

The CAP and development

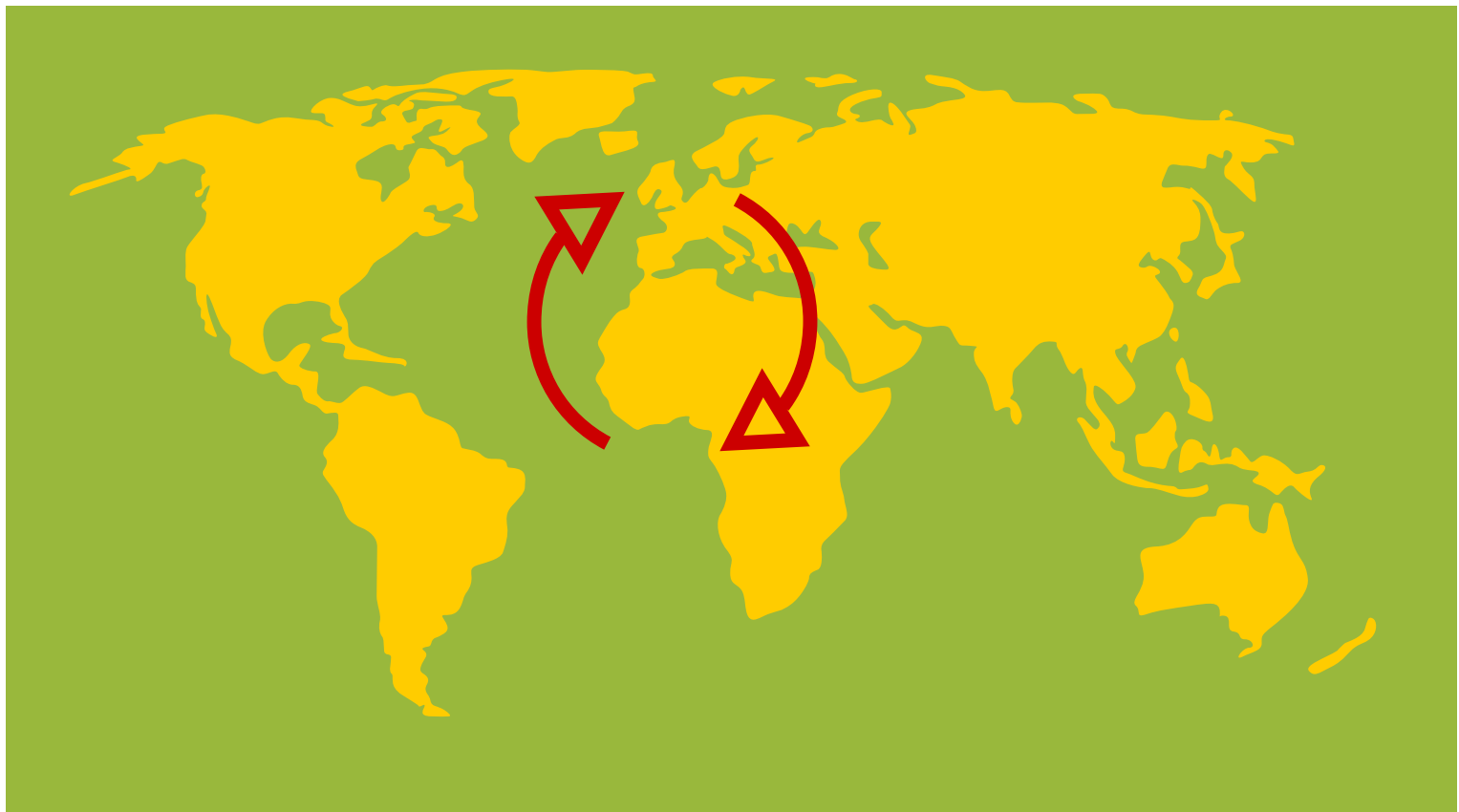
The CAP has a huge impact on some of the world's poorest people by undermining agriculture markets overseas. The policy encourages a level of livestock production which far exceeds consumer demand in the EU.



To maintain such high production levels, EU farmers export their surplus products to third countries. Such an export-focused policy has a devastating impact on small-scale farmers in developing countries where farmers cannot compete with cheap imported products from the EU. For example, milk is produced in Germany and is sold in African countries as reconstituted milk powder for a third of the price of local milk.

When it comes to developing countries' exports to the EU, the CAP has also had a detrimental impact in terms of competition for land and resources and environmental degradation. The policy has essentially outsourced EU animal feed demands to third countries, with an estimated 35 million hectares of land required to supply the EU with the feed it needs to sustain current livestock production levels.

Globally, there has been a 38% increase in the average farm size between 2003 and 2013, and at the same time more than four million small farm holdings have disappeared in the EU. While these larger farms may be more efficient in the short-term in terms of greater yields, this comes at a great cost to the environment and to the nutritional quality of our food.



The way forward

Environment

We need a root and branch reform of how food is produced and consumed in the EU through policies which focus on producing quality food, reducing waste, better diets, and shorter supply chains. We need policies that help farmers reduce reliance on dangerous pesticides through ecological farm practices that help keep carbon in the ground, support nature, rebuild soil fertility, improve air quality and public health, and, crucially, secure farmers' livelihoods by sustaining yields over time.

The first step towards such a future food and farming policy is an in-depth evaluation of the current CAP to reveal whether it actually delivers on its stated aim: the sustainable management of natural resources. The European Commission must carry out a CAP Fitness Check to get answers to the questions surrounding the policy's relevance, added value, efficiency, effectiveness, and coherence.

Health

As part of a CAP Fitness Check we need a Health Impact Assessment of EU agricultural policy which takes the whole food system into account. This would be a first step towards a constructive agriculture & health agenda.

Animal Welfare

There is an urgent need for policies to be introduced, which support a move towards more humane and sustainable farming practices across the EU. A higher percentage of the CAP budget must be used to improve animal housing systems and management practices and minimum spending levels on animal welfare should be introduced.

People have the right to a sustainable food and farming policy which supports humane farming practices and encourages 'quality over quantity' when it comes to meat consumption. It's time EU animal welfare policies were brought in line with citizens' expectations.

Development

If the EU is serious about making a real contribution to achieving the Sustainable Development Goals (SDGs) of global poverty and hunger alleviation, the solution is not for these factory-size farms in Europe to produce more food for developing countries, trapping them in a cycle of reliance on EU export commodities. The solution is for the EU to help third countries develop local food production and for it to promote agro-ecological practices. Agro-ecological farming helps farmers sustain yields over time and produce more nutritious food in harmony with the environment – not against it.

A thorough analysis of how EU exports impact agriculture in third countries is vital through a CAP Fitness Check. Only then can we define new goals for a real sustainable EU food system and a new food trading relationship with the rest of the world. Developing the right policy tools will be fundamental to achieving these goals.

A CAP Fitness Check is the first step towards a new EU food and farming policy

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