



CAP: From a flawed proposal to real transition

It's time for farmers and nature to thrive together



GREENPEACE

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Summary

Our food and farming sector is both a victim of and a contributor to environmental pressures like the climate crisis and biodiversity collapse. In addition, current geopolitical turmoil is exposing major vulnerabilities in our current model, highlighting the need for urgent action. The sector can be part of the solution, with sustainable farming and land stewardship benefiting both farmers and nature.

In July 2025, the European Commission set out its plans for the next Common Agricultural Policy (CAP), as part of the EU's long-term budget (the Multi-Annual Financial Framework or MFF).

The proposal is highly problematic, despite some steps in the right direction - like more-targeted income support. Rather than boosting funding for the protection and restoration of nature and agro-ecosystems, the Commission's plans would reinforce the most regressive elements of the CAP, fail to incorporate a food systems approach, hand EU governments excessive flexibility, and undermine the sector's preparedness for major environmental crises.

To support negotiations, and build on their joint vision, this briefing presents the key changes that BirdLife Europe, EEB, Greenpeace and WWF recommend to EU Institutions to improve the proposed legal framework and provide the necessary incentives for the sector to make a meaningful transition towards sustainability and resilience.

Recommendations

- 1** Fund the transition
Invest in environmental and climate action on farms
- 2** Make income support fair
Stop enriching the top 1%
- 3** End harmful subsidies
- 4** Ensure genuine performance and accountability

1. Fund the transition

Invest in environmental and climate action on farms

The Commission's promise to move 'from conditions to incentives' falls flat in the proposed new CAP, as watered down "conditions" are not compensated for by boosted incentives. On paper, the proposal requires Member States to support environmental and climate action, but then fails to earmark any budget for it, instead putting a high share of funds aside for degressive area-based income support, while also doubling the ceiling for coupled support. It is therefore highly likely that spending for agri-environmental measures in the CAP will strongly decline. The 43% spending target for climate and environment in National and Regional Partnership Plans (NRPP) does little to alleviate

these concerns as the tracking methodology underpinning it is deeply flawed. A notable example is the labelling of 40% of the "targeted support to farmers income" as climate and environmental spending without any sufficient justification, turning tracking into little more than a greenwashing tool. What's more, tracking of biodiversity-related spending appears to have been discontinued, as there is no dedicated category for it. The introduction of a new instrument supporting farm-level transition, including moving towards more extensive animal farming practices, is welcome, but must be backed up by dedicated funding to make a real difference.

The future CAP must

- **Ensure that annual spending for environment and climate objectives** (agri-environmental and climate actions), **is specifically ringfenced for this purpose and substantially increases annually**, as recommended by the Strategic Dialogue on the Future of EU Agriculture, from the current 32% to reach at least 50% by the end of the next CAP period. This ring-fenced budget must provide sufficient funding for the new agri-environmental and climate actions tool to support farm-level transition, as it can only be effective if properly financed and grounded in well-designed transition plans.
- **Introduce a robust no-backtracking clause**, to ensure that Member States do not reduce their existing spending levels for climate, environment, biodiversity, and animal welfare. The CAP currently in place already enshrines such a clause, requiring Member States to demonstrate in their national strategic plans a greater overall environmental and climate ambition than in the past.
- **Make the NRPP climate and environment spending target meaningful, thus delete the 40% coefficient that the proposal applies to: "targeted income support for farmers," sectoral support, and support for farmers in areas with other constraints.** Such coefficients cannot be justified as the payments they refer to do not imply any contributions to climate and environmental goals.
- **Reintroduce biodiversity spending tracking** by including a dedicated biodiversity category in Annex I of the Performance Regulation. This should ensure that at least 10% across MFF is dedicated to biodiversity.
- **Ensure that agri-environmental and climate actions can be fully financed with EU funds.** The CAP proposal subjects all payments to co-financing (with Member State money) with the exception of area-based income support, coupled support, payments for small farmers and for cotton, which receive 100% EU money.
- **Ensure that Member States with areas affected by water pollution due to nitrate surplus** adopt concrete actions to address the problem and economically **"support farmers for extensification of livestock systems or for diversification to other agricultural activities."**
- **Ensure that practices delivering the highest environmental impact are incentivised through adequate payments** and actively promoted, in order to encourage greater uptake and ensure the ecological transition is supported by continuous, **high-quality public advisory services to farm.**
- **Provide targeted incentives for farmers to diversify into plant-based food production** to lower transition barriers and increase demand for sustainable foods, while strengthening plant-based agrifood value chain.

2. Make income support fair

Stop enriching the top 1%

The CAP proposal introduces welcome elements to better target area-based income support, including through degressivity and capping, but they fall short of genuinely targeting support to those “who need it the most”, as recommended by the consensus report stemming from the Strategic Dialogue. Forcing Member States to set the basic income payments per hectare in the range of min. €130/ha to max. €240/ha ignores different economic realities across the Union and de facto ring-fences the majority of the CAP budget for area-based payments,

which remain a very ineffective way to support farmers’ incomes. Equally, the criteria for identifying “those in need” are overly broad and vague, raising serious doubts about whether the approach will result in meaningful redistribution. Finally, setting the same thresholds for capping and degressivity across Europe ignores the wide diversity in farm structures and living costs across Member States, which will lead to hugely uneven impacts across countries and very limited redistribution in many of them.

The future CAP must

- **Link degressivity and capping to measures that better reflect farmer’s conditions in different regions**, such as the average farm income or size in each Member State.
- **Replace the minimum/maximum per-hectare payment approach with one reflecting real farm needs and structures**; Prioritise income support on farms with the highest environmental and social value (e.g. High Nature Value Farming, farms in Natura 2000 areas, etc.)
- **Provide a clear vision for the phase out of area-based direct income support over the coming two CAP programming periods** to ensure farmers can plan the transition of their business.

3. End harmful subsidies

Rather than eliminating archaic and harmful policy instruments such as untargeted area and production based income support payment, and strengthening safeguards to prevent harmful subsidies, the proposed CAP doubles down on environmentally-destructive deregulation trends. The ‘negative list’ for investments and the rules defining the Farm Stewardship system (replacing conditionality) are weak and grant Member States excessive discretion, which will fail to prevent the deterioration

of natural resources. Defining all support tied to Farm Stewardship rules as compliant with the principle of ‘do no significant harm’ (DNSH) without real checks, is deeply problematic. Together, these weaknesses undermine basic environmental protections, create an uneven playing field across countries and among farmers that could trigger a race to the bottom, and reduce the ‘do no significant harm’ principle to little more than a formality.

The future CAP must

- **Strengthen Farm Stewardship requirements** to guarantee effective protection of natural resources and ensure a level-playing field across the single market. This would require replacing the currently vague ‘protective practices’ objectives with a set of clearly defined actions and quantifiable objectives that can be monitored and evaluated.
- **Ensure that guidance on the DNSH principle also applies to agricultural policy** by deleting the provision that automatically deems support linked to farm stewardship as compliant with DNSH.
- **Introduce robust safeguards against environmentally harmful subsidies**, including an improved negative list for investment and production-related support (for example excluding support for intensive animal rearing and irrigation)¹.

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4. Ensure genuine performance and accountability

A robust monitoring and evaluation framework is essential for assessing the success of policies, ensuring accountability, and supporting evidence-based decision-making. The principle of introducing a harmonised system that consolidates existing reporting, monitoring, and tracking methodologies into a single list of intervention fields is welcome. However, without meaningful indicators - particularly those measuring impact - the system has limited value. Impact and context indicators in the current CAP have not been carried over. Notably, the indicators related to biodiversity are missing, including those that are part of the agriculture ecosystems provisions of the Nature Restoration

Regulation². If the CAP is to become truly performance-oriented, as declared, robust impact indicators are critical.

On governance, the Commission's role in shaping the NRP Plan and ensuring its alignment with the EU's climate and environmental objectives through recommendations, now enshrined in law, and observation letters is welcome. However, to be truly effective these tools must be strengthened and accompanied by full transparency. Provisions reinforcing the partnership principle are also welcome, but civil society organisations need support from national authorities to contribute effectively.

The future CAP must

- **Introduce meaningful performance indicators, in particular impact indicators relating to the environment and biodiversity** (such as Farmland Bird Index and Pollinators indicator, to align with the Nature Restoration Regulation, as well as indicators on the reduction of pesticides use and toxicity and gross nutrients balance indicators).
- **Strengthen environmental objectives** in the National and Regional Partnership Plans regulation and **establish a clear, binding link to achieving EU environmental targets** relevant to the agricultural sector.
- **Ensure that Commission observation letters clearly distinguish between binding requirements and non-binding comments**, and make these letters public to guarantee transparency and accountability.
- **Introduce a provision requiring the Commission to postpone the approval of National or Regional Partnership plans until they comply with legal requirements.**
- Reinstatement of the provision from the existing CAP regulation that allows Member States, where relevant, to **allocate an appropriate percentage of resources from CAP funds to support the administrative capacity-building of social partners and civil society organisations.**

Footnotes

1. The negative list should include at least the following:

- i) Investments and any other subsidies to support intensive animal rearing, notably in nutrient pollution hotspots, unless the investment will lead to a substantial reduction in animal numbers and translate into a substantial reduction in nitrogen and methane emissions.
- ii) Investments in irrigation systems in areas where ground and surface water bodies are in a less than good status for either quantity or quality reasons, or which may jeopardise existing good conditions.
- iii) Drainage schemes, river canalisation, embankments or other infrastructure that degrades river morphology, disrupts natural flow or disconnects floodplains, as these undermine the WFD objectives and contribute to biodiversity loss and increased flood risk.
- iv) Subsidies that undermine water resilience, such as supporting water-intensive crops or the increase of irrigation in areas at risk of or suffering from water stress.
- v) Afforestation with invasive, non-native species or monoculture plantations.
- vi) Conversion of wetlands or grasslands into agricultural area and arable land respectively, especially in nature protection areas.
- vii) Use of pesticides, except, and only if in full compliance with Integrated Pest Management, use of low-risk natural pesticides or support during a result-based transition period towards ambitious pesticide reduction, based on a robust indicator. Practices making use of CfS, banned pesticides and other particularly harmful pesticides should under no circumstances be supported.
- viii) Investment in cage systems.

2. Farmland bird index, grassland butterfly index, share of agricultural land with high-diversity landscape features, pollinator index.



[Time for Farmers and Nature to Thrive](#)

A proposal for a performance-based policy to drive the transition of Europe's food and farming sector. May 2025.

