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The Common Agricultural Policy: An Analysis of Regulation (EU) 2021/2115 and of the Sustainability of European Agriculture

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INTRODUCTION

More than sixty years ago, in a continent devastated by World War II, the European Economic Community ('EEC') launched a policy that would soon become one of the central programs of the then EEC and now European Union ('EU') and revolutionize European agriculture, the Common Agricultural Policy ('CAP').

Over time, the CAP has been revised to adapt to the changing challenges and necessities. Following its introduction in 1962 and for the first years of implementation, the focus was stabilizing food production and prices to permanently close the scars left by the war. Throughout time, its attention shifted to address different issues, with the modern CAP including environmental protection and climate action in its scope. While the policy evolved, its core remained unchanged through all the reforms, providing a stable and fair income to farmers and guaranteeing food supply and security to Europeans.

Nevertheless, the CAP has often been at the center of intense criticism and had to face serious challenges. Critics went from questioning the protectionist side of the policy and the global market distortion it created to asking for more tangible ambitions about the environment, with the constant perception that its goal of providing stable incomes to farmers, especially small and medium holders, has never fully been achieved.

This thesis is structured to explore the history of the CAP from its introduction to its latest reform, where particular attention is devoted to explaining the major changes it introduced. Finally, its compatibility with the new cornerstone policy of the Union, the European Green Deal, will be analyzed. In particular, the first chapter provides a review of the main reforms of the CAP from its creation to its previous version, while also laying out a historical background of the first steps of European integration and the reasons that brought to the realization of the policy. The second chapter is the core of this analysis, examining the latest reform adopted with Regulation (EU) 2021/2115 which introduced a paradigmatic revolution in the policy implementation, the national strategic plans. Finally, based on the provisions of the above regulation, the compatibility of the new CAP with the environmental targets of the Green Deal and its specific strategies, the Farm to Fork and the Biodiversity Strategy for 2030, is dealt with in the third chapter.

CHAPTER 1: THE HISTORY OF THE COMMON AGRICULTURAL POLICY

1.1 The challenging path to the Common Agricultural Policy

1.1.1 The road to the European Economic Community

In the aftermath of World War II ('WWII'), the European continent was left devastated and the socio-economic situation, together with the willingness to avoid another conflict, led to the establishment of the European Coal and Steel Community ('ECSC') with the signing of the Treaty of Paris on 18 April 1951 by the six founding members: France, West Germany, Italy, and the Benelux countries (Belgium, Luxembourg, and the Netherlands). The goal of the ECSC was the creation of a community based on the common market of the two most important elements for military arsenals: coal and steel. As stated by the French Foreign Minister, Robert Schuman, in his famous declaration of 9 May 1950:

world peace cannot be safeguarded without the making of creative efforts proportionate to the dangers which threaten it. The contribution which an organised and living Europe can bring to civilisation is indispensable to the maintenance of peaceful relations [...], the coming together of the nations of Europe requires the elimination of the age-old opposition of France and Germany [...]. With this aim in view, the French Government proposes that action be taken immediately on one limited but decisive point: it proposes that Franco-German production of coal and steel as a whole be placed under a common High Authority, within the framework of an organisation open to the participation of the other countries of Europe. The pooling of coal and steel production should immediately provide for the setting up of common foundations for economic development as a first step in the federation of Europe, and will change the destinies of those regions which have long been devoted to the manufacture of munitions of war, of which they have been the most constant victims¹.

The ECSC was based on principles of free movement of goods, monitoring of market prices, compliance with competition rules, and support for the modernization of the coal and steel sectors. Building upon the accomplishments of the ECSC, initiatives were undertaken to further implement the integration of the community; in 1952 the European Defense Community ('EDC') was negotiated, together with the European Political Community ('EPC'), however, both proposals were blocked by the French National Assembly on 30 August 1954². Attempts to revitalize plans of European integration soon resumed, culminating in the Messina Conference of June 1955, where the founding members agreed to the creation of two new communities, the European Atomic Energy Community ('EAEC'), aimed at improving the development of the atomic industries in members states, and the European Economic Community ('EEC'), with the goal of establishing a custom union.

¹ EUROPEAN COMMISSION DIRECTORATE-GENERAL FOR COMMUNICATION (2015: 17).

² MACIEJEWSKI (2023: 2).

1.1.2 The European Economic Community: first steps of toward the CAP

On 25 March 1957, the agreements reached in Messina by the six members were formalized by the signing of two pivotal treaties, the Treaty establishing the European Economic Community and the Treaty establishing the European Atomic Energy Community, which marked a fundamental step in the process of European integration. Within the framework of the EEC, the founding members articulated the principles aimed at establishing a common market, stating in Article 2 that “it shall be the aim of the Community, by establishing a Common Market and progressively approximating the economic policies of Member States, to promote throughout the Community a harmonious development of economic activities [...]”. The common market was to be based on and accomplished by “(b) the establishment of a common customs tariff and a common commercial policy towards third countries; (c) the abolition, as between Member States, of the obstacles to the free movement of persons, services and capital”³. The goals of the common market were to improve the commercial and productive capabilities of the member states and to lay down a key passage toward a more united Europe. The parties agreed to the creation of a single economic area characterized by lack of competition between companies, the prohibitions of restrictive trade measures between the six countries, and the abolition of custom duties within the Community while adopting a common tariff on external products.

In addition to the common market and customs union, the EEC also set the foundations for numerous other fundamental policies; the treaty set the rules for a common commercial policy, with the twofold aim of trade harmonization between the Community and third countries and the facilitation of global trade. Furthermore, the establishment of a common transport policy⁴ to facilitate the functioning and the achievement of the fundamental freedoms⁵ was included in the treaty. Most notably for the aims of this thesis, Article 3(d) envisaged “the inauguration of a common agricultural policy” to be included in the common market. The treaty articulated the principles governing the common agricultural policy (‘CAP’) within Title II, encompassing Articles 38 to 47. Article 39 stated the objectives to be achieved by the CAP:

The common agricultural policy shall have as its objectives:

- (a) to increase agricultural productivity by developing technical progress and by ensuring the rational development of agricultural production and the optimum utilisation of the factors of production, particularly labour;
- (b) to ensure thereby a fair standard of living for the agricultural population, particularly by the increasing of the individual earnings of persons engaged in agriculture;
- (c) to stabilise markets;
- (d) to guarantee regular supplies; and
- (e) to ensure reasonable prices in supplies to consumers.

However, the provisions included in the treaty did not delineate any guidelines for the implementation of the CAP. Two provisions were nevertheless relevant, Article

³ Art. 3 (b)(c) Treaty establishing EEC.

⁴ Art. 3(e) Treaty establishing the EEC.

⁵ Art. 3(b)(c) Treaty establishing EEC.

40 envisaged a transitional period to allow member states a gradual transition and harmonization, while Article 43 tasked the Commission with the role of convening the member states into a conference to assert their agricultural policies and their needs, more importantly, the Commission was assigned the duty of drafting the CAP guidelines within two years of the entry into force of the TEEC⁶.

1.1.3 Agriculture integration before the CAP

The agricultural sector held a pivotal position in the economies of European countries at the end of WWII. Like all other economic segments, agriculture significantly suffered the consequences of the conflict, in response to these challenges, European countries started negotiating the integration of their agricultural policies to tackle two main problems, which will also be the basis of the CAP a few years later: ensuring the supply of food and the safety of farmers income⁷. Integration plans were mainly supported by the French Agriculture Minister Pierre Pflimlin, who in 1950 presented to the French Parliament a strategy to improve the production and marketing of agricultural products by creating a European ad hoc organization, and by the Dutch counterpart Sicco Mansholt (who later became the European Commissioner for Agriculture in charge of implementing the CAP). Negotiations began in two contexts, the Council of Europe and the Organization for European Economic Co-operation ('OEEC'). The Council of Europe was tasked in 1951 by the French Government to organize the European Conference on Agriculture with the member states⁸ plus Austria, Switzerland, and Portugal to discuss the creation of the so-called Green Pool, a supranational agricultural union based on Mansholt and Pflimlin's ideas⁹. The conference started on 25 March 1952 but, despite Mansholt's optimism, its results highlighted a deep division between the six signatories of the ECSC, open to such union, and the rest of the continent, especially the United Kingdom, interested in defending its system of cheap importations from the Commonwealth¹⁰. Talks went on for the next two years, when a decision to move the process of agricultural integration in the context of the OEEC was reached, also considering the failure of the EDC and EPC, that could have given emphasis to the agriculture cause had they been successful but instead definitely foundered it. Therefore, in 1955, the OEEC, the predecessor of today's Organization for Economic Co-operation and Development ('OECD'), created to administer American and Canadian funds under the Marshall Plan for the reconstruction of the Continent after WWII, established the Ministerial Committee for Agriculture and Food to reach certain degrees of reforms in the agricultural sector in the OEEC member states following an intergovernmental method. In the aftermath of the failure to achieve an agricultural union with other European countries, the six members of the ECSC discussed again the topic at the Messina Conference, determined to lay down the principles of what would become the CAP in the Treaty of Rome two years later, as explained in the precedent section.

⁶ ZOBBE (2001: 13).

⁷ ZOBBE (2001: 1 ff.).

⁸ In 1951, the Council of Europe was formed by: France, Italy, the United Kingdom, Belgium, the Netherlands, Norway, Sweden, Greece, West Germany, Ireland, Denmark, and Luxemburg.

⁹ VASSALLO (2017: 201 ff.).

¹⁰ ZOBBE (2001: 3).

1.1.4 From Stresa to 1962 and the first years of the CAP

Given the lack of guidelines in the treaty as to how to implement the CAP, the six EEC members, convened by the Commission as indicated by Article 43, gathered in Stresa from 3 to 12 July 1958 with the objective of deliberating the necessary regulatory frameworks and mechanisms to implement the CAP. To reach the objectives set by Article 39, three main resolutions were adopted; first, Community preference, according to which agricultural production and trade within the EEC were to be prioritized and protected from external distortions caused by imports from third countries by the establishment of a common custom duty on imported goods; second market unity, as it was deemed essential to include agriculture in the common market, thus eliminating trade barriers and tariffs within the EEC; finally financial solidarity, the CAP was to be financed by a common budget created by member states¹¹. Following the key decisions made in Stresa, it took two years for the Commission to draft a proposal that would finally serve as the foundation for the implementation and initiation of the CAP. On 30 June 1960 the Commission published a document outlining the proposed framework for the CAP's development¹². Specifically, the following items were proposed: the establishment of a European Agricultural Guidance and Guarantee Fund ('EAGGF'), and the establishment of common policies for the production and trade of agricultural commodities such as wheat and grains, sugar, dairy products, beef and veal, pig meat, poultry, eggs, fruit and vegetables, and wine, as "these products account for 80% to 90% of the agricultural production of the Six countries"¹³. Additionally, the document also envisaged future proposals on common policies for rice, fats, fish, and raw tobacco. The EAGGF was proposed on the legal basis of Article 40 (4) which stated "one or more agricultural orientation and guarantee funds may be established"¹⁴, its goal was the achievement of the objectives of Article 39, with particular emphasis to ensuring a fair living standard to farmers and guarantee reasonable prices for consumers. The Fund was to be administered by the Commission and its two sections¹⁵, the Guarantee Section and the Guidance Section, were to be financed:

- [...] by means of
- a) Import levies,
 - b) Contributions from Governments,
 - c) Contributions by the producers in the respective sectors,
 - d) perhaps also by other resources decided on by the Council, acting by means of a unanimous vote and on the proposal from the Commission¹⁶.

The EAGGF represented the only financing tool of the CAP until 1 January 2007, when it was replaced by the European Agricultural Guarantee Fund ('EAGF') and

¹¹ ZOBBE (2001: 12); DÉTANG-DESSENDRE, GUYOMARD (2023: 22 ff.).

¹² Unspecified, EEC Commission, 30 June 1960, VI/COM (60) 105, *Proposals for the working-out and putting into effect of the common agricultural policy in the application of Article 43 of the Treaty establishing the European Economic Community*.

¹³ EUROPEAN ECONOMIC COMMUNITY COMMISSION (1960: 109).

¹⁴ Art. 40(4) Treaty establishing the European Economic Community.

¹⁵ Regulation of the Council of 5 February 1964, 17/64/EEC, *on the conditions for granting aid from the European Agricultural Guidance and Guarantee Fund*, split the EAGGF into two sections.

¹⁶ EUROPEAN ECONOMIC COMMUNITY COMMISSION (1960: 138).

the European Agricultural Fund for Rural Development ('EAFRD'), its Guarantee Section accounted for most of the CAP budget and was aimed at guaranteeing farmers' incomes through the subsidizing of exports and the supporting of prices in the common market, and it directly reimbursed member states of those expenses, while the Guidance Section's goal was the financing of structural reforms in agriculture¹⁷. The foundation of the CAP was therefore set to be a framework of price support policies, a mechanism that would prove to be effective but at considerable financial costs. On 14 January 1962, after the so-called first marathon, the Council approved the Commission's proposal¹⁸, which was then adopted on 4 April 1962, marking the official beginning of the CAP on 1 July 1962. In particular, the Council adopted eight regulations concerning: the gradual establishment of a CMO for cereals, the progressive establishment of CMOs for pig meat, eggs, poultry meat, fruit and vegetables, and vine products, the financing of the CAP, and the adoption of certain rules on competition. On 23 December 1963 the Council approved three further regulations to establish CMOs for beef and veal, dairy products, and rice, followed on 24 July 1966 by oils and fats.

The CMO for cereals, representing one of the most relevant markets and crucial to facilitate the framework for other markets reliant on cereals, initially gathered consensus on supporting prices and levies. However, the agreement on a common price encountered notable resistance, the Commission therefore issued on 4 November 1963 a memorandum¹⁹ to persuade the Council to endorse a common price by the 1964/65 marketing year. The document proposed compensatory measures for those countries that were to suffer the most from price harmonization, Germany, Italy, and Luxemburg, to encourage a favorable vote for the policy. Despite compensation promises, Germany, confronting a potential reduction of 11%-13%²⁰, was firmly opposed and its Agriculture Minister, Heinz Schwarz, effectively stalled negotiations at the Council on 14 April 1964, thus thwarting the Commission's aspirations to achieve price harmonization by the 1964/65 marketing year. As a result, the Commission submitted a following proposals on 12 May 1964 with the ambition of reaching common prices by 1967 and the Council agreed to reach an agreement by the end of 1964. Finally, the agreement was finalized due to a series of intra and extra communitarian causes in which France, led by President De Gaulle, played a significant role. The country threatened on 25 October 1964 that it would withdraw from the EEC had an agreement on cereal prices not been reached, this threat had the desired effect on Germany, as the new chancellor, Ludwig Erhard, feared that if Germany would have not agreed on grains common prices, France not only would have left the EEC but also blocked a German-favorable outcome at the Kennedy Round in the General Agreement on Tariffs and Trade ('GATT')²¹, and therefore decided to accept the policy, finally signed on 15 December 1964 following

¹⁷ VAN YPERSELE (1968: 273).

¹⁸ Unspecified, EEC Commission, 14 January 1962, *Regulations and Decisions in the Field of Agriculture Adopted by the Council on 14 January 1962*.

¹⁹ Explanatory memorandum, EEC Commission, 4 November 1963, COM (63) 430 final, *measures to establish a common price level for cereals*.

²⁰ HENDRIKS (1988: 78).

²¹ WEBBER (1998: 15 ff.).

the so-called *nuit du blé* (the night of wheat)²². As stated above, the complete enactment, reached with the common price agreement, of the cereals CMO was of utmost significance, as grain constituted the largest market and the base for several others.

1.1.5 The empty chair crisis and the Luxemburg compromise

Despite the agreement on cereals seemed to have accelerated the adoption of CAP policies, a new crisis developed in 1965 jeopardized not only the CAP but the whole process of European integration. The Council decision of 14 January 1962²³ had approved CAP financing until 1965 through the establishment of the EAGGF, that was then to be rediscussed. On 31 March 1965 the Commission sent forward a proposal²⁴ to the Council to move the financing from member states' contribution to independent Community revenues from 1967, with more powers conferred to the Commission and the European Parliament. Furthermore, previous agreements on the common market placed 1966 as the year of the transition from unanimity to qualified majority vote. De Gaulle, concerned that these measures would have endangered France sovereignty, recalled on 1 July 1965 French representatives to the Council, and in the same day Maurice Couve de Murville, the Foreign Minister, blocked the negotiations on the Commission's proposal. Given the lack of French delegates, the work of the EEC as a whole, not only regarding the CAP, was held still. The so-called empty chair crisis went on until January 1966, when the Council reached the Luxemburg compromise during its meetings on 16, 17, 28, and 29 January 1966. The compromise stated:

Lorsque, dans le cas de décisions susceptibles d'être prises à la majorité, sur proposition de la Commission, des intérêts très importants d'un ou de plusieurs partenaires sont en jeu, les membres du Conseil s'efforceront, dans un délai raisonnable, d'arriver à des solutions qui pourront être adoptées pour les membres du Conseil, dans le respect de leurs intérêts mutuels et de ceux de la Communauté, conformément à l'article 2 du traité²⁵.

allowing member states to request unanimous votes on matters of strong national interest. The resolution permitted the restart of the ECC and on 11 May 1966 the Council finalized the EAGGF funding until 1970, which was set to finance a growing number of products, given adoption by the Council of CMOs for oils and fats and the fixing of common prices for milk, beef and veal, sugar, oilseeds, and olive oil in the months following the decision.

²² LUDLOW (2005: 351).

²³ Council Regulations and Decisions in the Field of Agriculture Adopted by the Council on 14 January 1962.

²⁴ Explanatory memorandum, EEC Commission, 31 March 1965, *Commission proposals concerning the financing of the CAP, own resources and the powers of the European Parliament*.

²⁵ Council agreement, 29 January 1966, Council of the European Union, *on majority votes within the Council/Luxemburg compromise*.

1.2 The major reforms of the CAP

1.2.1 The Mansholt Plan and milk quotas

After a slow and challenging start, by the culmination of the 1960s the CAP had achieved one of its two primary objectives, the assurance of food supplies. However, despite the constantly growing budget necessary to cover CAP expenditures (the EAGGF budget raised from USD 37.8 million in 1962/63 to USD 1,806 million in 1967/68²⁶), the policy was encountering difficulties in its second goal, enhancing farmers' standards of living through the improvement of their income. The price support mechanism based on common fixed prices and designed to effectively address both objectives was failing to deliver higher wages and was exponentially increasing the budget needed as a growing number of products was included in the CAP. The system promoted production as the EEC, through the CAP budget, would purchase surplus products at the fixed common price and either store or sell these products on the global market: in the latter scenario a significant economic loss was incurred, as common EEC prices were substantially higher than global ones. Mansholt and the Commission noted the inefficiencies and the subsequent butter mountains and wine lakes generated by the existing mechanism and prepared a document with the aim of reforming the CAP to diminish surpluses and improve farms modernization. The document²⁷, often called Mansholt Plan or Agriculture 1980, emphasized the necessity to reform the policy due to "rising cost of support and farm incomes still inadequate"²⁸. To achieve the intended outcomes, Mansholt proposed measures to fundamentally modify the picture of European agriculture. His plan included strategies to reduce supply and its excess by lowering common intervention prices and encouraging a considerable number of farmers to leave the agricultural sector. In particular, the memorandum included measures to: first, balance the dairy market, adapt sugar and fruit and vegetables production, stabilize the market of oils and fats; second, help persons to withdraw from farming by either retiring or taking up other occupations and create new jobs; third, modernize agriculture by increasing the size of farms; fourth, reduce the EEC agricultural land by at least 5 million hectares. The proposed reform was met with strong discontent by farmers' organizations, opposed to a reduction of intervention prices. Despite the Commission efforts to restructure the proposals in 1970, softening the reform, protests spread across the Community, culminating in violent clashes in Brussels on 23 March 1971. The Council finally reached an agreement on 25 March 1972, four years after the original memorandum, the result of such agreement was three directives signed on 17 April 1972²⁹ covering respectively financial aid for farms

²⁶ VAN YPERSELE (1968: 276).

²⁷ Explanatory memorandum, EEC Commission, 21 December 1968, COM (68) 1000, *on the Reform of Agriculture in the European Economic Community*.

²⁸ TRACY (1976: 343).

²⁹ TRACY (1976: 334-335).

modernization³⁰, payments to those leaving farming³¹, and promotion of socio-economic information and training³². Mansholt's initial idea was therefore substantially diminished, and for the years to come the CAP would only be slowly and lightly modified, as politics had seen the influence that farmers organizations were able to exercise and carefully selected its policies consequently.

The first relevant change was implemented ten years later, in 1984, with the introduction of milk quotas to put a cap on the supply of dairy products. In the decade from 1973 to 1983, dairy production grew from 92.3 million tons to 111.8 million³³, with a relevant weight on CAP budget. Upon a Commission proposal, the Council adopted on 31 March 1984 the necessary regulations to curb the supply of milk by imposing a levy on producers exceeding a set quantity³⁴ and by lowering the intervention price³⁵. The measures proved effective and paved the way to bigger reforms in the next decade.

1.2.2 The MacSharry Reform of 1992

In 1987, the Commission released the report on the Agricultural Situation in the Community for 1986 predicting an increase in the AEGGF budget to the amount of 20,600 million ECU³⁶ for 1987³⁷, representing nearly double the budget of 1982. The main reason was the same that Mansholt had tried to address in 1968, the price support mechanism, but the CAP was also struggling due to international agreements such as the GATTs that were forcing the European Community ('EC') to accept imports at very low taxation, thus bringing into the common market products that could act as substitutes of more expensive European goods³⁸. To tackle these issues, in 1988 a stabilizer package was introduced, its functioning was based on a decrease in the intervention price had a certain supply quota been overcome. But by the beginning of the 1990s it was clear that the measure was not enough to control and rebalance surpluses. In this scenario, Commissioner Ray MacSharry, appointed in 1988, proposed in 1991 a reform package that would gradually bring down agricultural production, thus lowering CAP budget. The CAP reform was not only necessary to the EC to cut expenses, but also in the international contest, characterized by the ongoing and tangled GATT Uruguay Round, where the EC and the United States ('US') had been struggling to reach an agreement since 1986 over export subsidies, the GATT agreement was fundamental to the world economy and

³⁰ Council Directive, 17 April 1972, 72/159/CEE, *on the modernization of farms*.

³¹ Council Directive, 17 April 1972, 72/160/CEE, *concerning measures to encourage the cessation of farming and the reallocation of utilized agricultural area for the purposes of structural improvement*.

³² Council Directive, 17 April 1972, 72/161/CEE, *concerning the provision of socio-economic guidance for and the acquisition of occupational skills by persons engaged in agriculture*.

³³ Eurostat.

³⁴ Council Regulation, 31 March 1984, 856/84, *amending Regulation (EEC) No 804/68 on the common organization of the market in milk and milk product*.

³⁵ Council Regulation, 31 March 1984, 858/84, *fixing for the 1984/85 milk year the target price for milk and the intervention prices for butter, skimmed-milk powder and Grana Padano and Parmigiano Reggiano cheeses*.

³⁶ European Currency Unit, a not circulating currency used by the EEC to override exchange rates between member states currencies in communitarian budget.

³⁷ EUROPEAN ECONOMIC COMMUNITY COMMISSION (1987).

³⁸ CUNHA, SWINBANK (2011: 70).

to the EEC to develop in its other policies, the possibility of its failure contributed to pressure the CAP reform³⁹.

MacSharry had been working to the reform since his appointment, as a working document by the Agricultural Directorate General ('DG-VI') dated 5 December 1990 showed (the document was leaked by Agra Europe and its leakage coincided with the interruptions of the Uruguay Round). A first version of his plan, published on 1 February 1991⁴⁰, was welcomed with different reactions across the Community. While the document did not include any amount related to the measures proposed, member states were nevertheless split on its interpretation and negotiations started at a very low pace. In July 1991 the Commission submitted the formal proposal, its main points were: first, the reduction by 35% of intervention price for cereals over three years, 15% for beef, 10% for milk, 15% for butter, and 5% for skim milk powder; second, direct payments would be used to compensate farmers for price cuts; third, milk quotas were confirmed and lowered, and quotas on tobacco were to be introduced; finally, the focus of the reform was set on small farmers (contrary to the Mansholt plan) and the environment⁴¹. It was clear that MacSharry's goal was also that of reforming the CAP in a way that would facilitate the reaching of an agreement in the GATT despite the stop of negotiations. Discussions at the Council level went on for months, until a compromise was reached in May 1992 after great efforts by the Portuguese Presidency of the Council and the reform was approved with some modifications, cereals prices were cut by 29% and direct compensation was not to be based on farms dimensions. The reform was formally approved a month later following a discussion over Italy's request to modify its milk quotas, previously ignored in May. According to most, the biggest achievement of the reform was the beginning of a gradual shift to direct compensation⁴².

The agreement paved the way to a solution to the GATT, where, after the breakdown of the agreement in December 1991, talks had resumed. The EC and the US engaged to find a deal on the export subsidies issue and finally reached one on 20 November 1992 in the Blair House Agreement, they committed to support a Uruguay Round resolution that would:

- a. cut the volume of subsidized exports by 21 percent and the annual expenditure for export subsidies by 36 percent,
- b. reduce internal support by 20 percent as measured by a Total Aggregate Measure of Support (AMS) for the whole sector,
- c. exempt direct payments to producers that meet production-limiting criteria from the commitments to reduce internal support, and
- d. exempt certain policies from challenges in the GATT⁴³.

³⁹ PATTERSON (1997: 135 ff.).

⁴⁰ Reflections Paper of the Commission, EC Commission, 1 February 1991, COM (91) 100 final, *The development and future of the CAP*.

⁴¹ CUNHA, SWINBANK (2011); HARRISON, RUTSTOR (1992: 1 ff.).

⁴² PATTERSON (1997: 159).

⁴³ HERLIHY, GLAUBER, AND VERTREES (1993: 45).

Following the Blair House Agreement, the Uruguay Round was concluded on 15 April 1993 in Marrakesh with the establishment of the World Trade Organization ('WTO').

1.2.3 The Agenda 2000 Reform and the second CAP pillar

While the MacSharry reform achieved some success in balancing the market, managing surpluses, and increase farmers' incomes, experts were divided in stating that such success was caused by the reform itself or by improvements of the global markets⁴⁴. It was also clear that further action was needed, and the new Commission of the now European Union ('EU') started proposing new plans as early as 1995 with the Agricultural Strategy Paper⁴⁵, where for the first time the topic of future enlargement towards former soviet countries was linked to the development of the CAP. One year later, Commissioner Franz Fischler sponsored a conference on the future shape of rural development in Cork from 7 to 9 November 1996, where he proposed a new approach to agriculture that would emphasize rural development. Whilst the Cork Declaration was not immediately endorsed by the European Council, it played a relevant role in the context of the Agenda 2000 reform presented one year later.

On 15 July 1997, the Commission introduced its Agenda 2000 proposal⁴⁶, a wide document representing the Commission strategy to move towards enlargement and aimed at reforming multiple policies, including the CAP. The text stated:

The Commission confirms the policy choice expressed in the 'Agricultural strategy paper' of December 1995. It proposes deepening and extending the 1992 reform through further shifts from price support to direct payments, and developing a coherent rural policy to accompany this process. Direct payments will be set at an appropriate level while avoiding any overcompensation⁴⁷.

The major points of the reform were: first, a 20% cut of intervention price for cereals, 30% for beef, and extension of milk quotas to 2006 and cut in support price up to 10%; second, creation of an individual ceiling for direct payments; third, a renovated target approach to rural areas. The reform also aimed at strengthening the Union role in the upcoming WTO Round. Negotiations in the Council began with different approaches by member states, which led the Luxemburg Presidency to request the Council to adopt a formal position in regards to the reform. The Council declared that the CAP had to be multifunctional, sustainable, competitive, and spread throughout European territory and committed to its approval. The Commission submitted the official legislative proposal on 18 March 1998⁴⁸, the suggested

⁴⁴ CUNHA, SWINBANK (2011: 103 ff.).

⁴⁵ Commission letter, European Commission, 12 December 1995, CSE (95) 607 final, *study on alternative strategies for the development of relations in the field of agriculture between the EU and the associated countries with a view to future accession of these countries*.

⁴⁶ Commission Communication, EU Commission, 15 July 1997, COM (97) 2000 final, *Agenda 2000 for a wider and stronger Union*.

⁴⁷ EUROPEAN COMMISSION (1997: 29).

⁴⁸ Proposals for Council regulations, EU Commission, 18 March 1998, COM (1998) 158 final, *concerning the reform of the common agricultural policy*.

measures were on the scheme of those in the previous year document, but the Commission took a further step in the rural development field, stating that:

The new rural development Regulation, for the first time, lays the foundations for a comprehensive and consistent rural development policy whose task will be to supplement market management by ensuring that agricultural expenditure is devoted more than in the past to spatial development and nature conservancy. Rural development will thus become the second pillar of the CAP. This major new departure is to be backed by Community funding for rural development schemes across all rural areas and transferring the financing of most of the expenditure on this from the EAGGF Guidance Section to the Guarantee Section⁴⁹.

The CAP was therefore set to focus more on the protection of the environment through the restructuring of rural areas.

Talks underwent in the following months, but in October 1998 a Commission report on the financing of the Union imposed supplementary discussion, given the strong link between financial availability and the packages of reforms of Agenda 2000. A proposed solution was the co-financing by member states of 25% of direct payments, but it encountered strong opposition, mainly by France, which itself proposed degressivity of direct payments as other solution. A compromise was accomplished on 5 March 1999, but simply on the agricultural side of the reform, as no deal was concluded on the financial side. The Council added to the Commission proposal some elements, including a new slaughter premium for beef and the postponing of the changes in the dairy sector to 2003. The approved CAP budget was however €7 billion in excess of the financial disposal granted by the Finance Ministries and €1.5 over the Commission original plan. Given the disagreement, France used a reserve d'attente, and most importantly, provided that the reform was included in a broader package, the last word was to be posed by the European Council, which convened in Berlin on 25 and 26 March 1999. The meeting, where the whole Agenda 2000 was adopted, brought the CAP reform back into financial limits by modifying the agreement reached by the Council, in particular, the 20% cut of cereal prices was brought down to 15% and the dairy reform further pushed to 2005. After these changes, neither national co-financing nor degressivity were needed⁵⁰.

1.2.4 The Fischler 2003 Reform

In 2002 the Commission submitted, as agreed in the previous reform, a communication⁵¹ including a mid-term review of the Agenda 2000 progresses and the necessary proposals to improve it. The document included the measures needed to achieve what most consider the biggest reform of the CAP, this being the decoupling of direct payments from production. Negotiations were rather fast, but the final text would be largely modified upon adoption. The 2002 submission was

⁴⁹ EUROPEAN COMMISSION (1998: 6).

⁵⁰ CUNHA, SWINBANK (2011: 103 ff.).

⁵¹ Commission Communication, EU Commission, 10 July 2002, COM (2002) 394 final, *Mid-Term Review of the Common Agricultural Policy*.

followed by six months later by the official proposals⁵², to implement the decoupling, they included a modulation mechanism to provide Single Payment Scheme as a measure of income support and a compliance system. One third of the funds resulting by the application of modulation would be used to finance the second pillar. Following discussions in the Council between January and June, the approved text did confirm the Single Payment Scheme but adopted a range of cases where partial decoupling was to be used. The reform allowed the CAP to further tackle overproduction and improve in the contexts of environmental protection and compliance with international agreements.

In 2004 the Mediterranean package of products⁵³ was also added to the list of decoupled goods. These were then followed by sugar in 2006, fruit and vegetables, and wine in 2007. These last three categories were included with Marianne Fisher Boel as Agriculture Commissioner, the same Commissioner that proposed the Health Check reform between 2007 and 2008, where modulation was increased in favor of the second pillar and new challenges such as climate change were identified,

1.2.5 The 2013 Reform

Following the Health Check reform of 2008, the Commission issued a communication⁵⁴ on 18 November 2010 on its views on the future of the CAP until 2020 and introducing the new set of reforms of the policy that had to tackle challenges related to climate change and food security. The communication was followed by actual proposals one year later, on 12 October 2011. The Commission aimed at reforming four main points of the CAP: first, direct payments⁵⁵; second, the Single Common Market Organization⁵⁶; third, rural development⁵⁷; and finally, budget, management, and monitoring of the CAP⁵⁸. The structure followed the path started in 1992 with the MacSharry reform, the decoupling of payments, and that continued with the Agenda 2000, the greening of the CAP⁵⁹.

The direct payments reform was to be based on the introduction of a basic payment scheme aimed at further harmonization of direct payments to distribute resources

⁵² Explanatory memorandum, EU Commission, 21 January 2003, COM (2003) 23 final, *a long-term policy perspective for sustainable agriculture*.

⁵³ Olive products, hops, tobacco, and cotton.

⁵⁴ Commission Communication, European Commission, 18 November 2010, COM (2010) 672 final, *The CAP towards 2020: Meeting the food, natural resources and territorial challenges of the future*.

⁵⁵ Proposal for Council and European Parliament Regulation, European Commission, 12 October 2011, COM (2011) 625 final, *establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy*.

⁵⁶ Proposal for Council and European Parliament Regulation, European Commission, 12 October 2011, COM (2011) 626 final, *establishing a common organization of the markets in agricultural products (Single CMO Regulation)*.

⁵⁷ Proposal for Council and European Parliament Regulation, European Commission, 12 October 2011, COM (2011) 627 final, *on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)*.

⁵⁸ Proposal for Council and European Parliament Regulation, European Commission, 19 October 2011, COM (2011) 628 final, *on the financing, management and monitoring of the common agricultural policy*.

⁵⁹ CIAIAN, ESPINOSA, LOUHICHI, PERNI (2019: 698).

more equally. Approximately 30% of the budget for direct payments was to be reserved for those farmers implementing environmentally beneficiary practices, underlining the desire to reform the CAP to adapt to climate change. Furthermore, new measures to support young farmers were to be introduced as well as an active definition of farmer. Regarding rural development, the Commission aimed at devolving to it increasing room in the context of the CAP, Pillar II was to be financed and managed by the European Agricultural Fund for Rural Development ('EAFRD')⁶⁰, aimed at promoting the sustainable development of the Union rural areas also by strengthening the LEADER program. Inter-pillar flexibility of funds was also to be implemented, allowing member states to move 15% of their CAP resources from one pillar to the other. Finally, the single CMO was strengthened, with the introduction of a crisis relief mechanism.

Discussions over the reform were strictly linked to the approval of the Multiannual Financial Framework ('MMF') of the EU, proposed by the Commission in June 2011 and approved on 2 December 2013, setting the budget of the Union for the 2014-2020 period at around €900 billion. Furthermore, for the first time in CAP history, the reform had to be approved by ordinary legislative procedure, meaning that the European Parliament had now the same role had the Council in the negotiation and approval stages. A compromise was reached on 17 December 2013, when the Council and the European Parliament adopted four regulations⁶¹ based on the Commission proposals. Throughout the debates, often run in the form of dialogues, the two institutions, while very closed on some points, like the convergence of direct payments⁶², were far apart on topics such as some of the greening procedures, the definition of active farmer, and the allocation of funds to rural development. The result of the compromise was judged as too conservatist by some, especially environmentalists⁶³, as the main three practices introduced to safeguard the environment, crop diversification, the maintaining of permanent grassland, and the establishing of ecological focus areas, were not deemed impactful enough to make a change.

The 2013 reform, planned to enter into force from 2014 but mostly postponed to 2015 to give member states the time to adapt, was the last major CAP reform to be implemented before the new CAP, originally projected for the 2020-2027 and modified following the COVID-19 pandemic to 2023-2027, that will be dealt with in the next chapter.

⁶⁰ Created in 2005 by Council Regulation 1290/2005 and implemented in 2007.

⁶¹ Regulations EU 1305/2013, 1306/2013, 1307/2013, 1308/2013.

⁶² Countries whose direct payment total was below 90% of the Union average were to close by a third such gap.

⁶³ MATTHEWS (2014: 6).

CHAPTER 2: REGULATION (EU) 2021/2115 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL: NATIONAL STRATEGIC PLANS

2.1 Transition to the new CAP

2.1.1 Timeline of the new CAP

The Common Agricultural Policy ('CAP') reform approved in 2013 covered the time window from 2014 to 2020, with an allocated budget of €408.31 billion. Since 2017, the Commission, led by Jean-Claude Juncker and by the Commissioner for Agriculture and Rural Development Phil Hogan, started working on the future of the policy for the 2021-2027 period to adapt the CAP to the new challenges, such as the increasing impact of climate change and the aging of farmers, and international agreements and goals like the United Nations Sustainable Development Goals ('SDGs')⁶⁴. On 29 November 2017, the Commission issued a document⁶⁵ where the idea that member states should be given more responsibilities for the implementation and carrying out of the CAP, and the creation of the national strategic plans in the framework of goals set at the Union level, was first presented. The idea was to enhance efficiency by boosting subsidiarity and to aim for a result-focus delivery system partly freed from the administrative burden. The new CAP was to be developed to achieve these three key objectives:

- to foster a smart and resilient agricultural sector;
- to bolster environmental care and climate action and to contribute to the environmental and climate objectives of the EU;
- to strengthening the socio-economic fabric of rural areas⁶⁶.

The Commission was working on a new reform that was on the one hand radical, given the introduction of strategic plans, and on the other hand in line with the former reforms analyzed in the previous chapter starting from 1992, with a more and more relevant focus on the environment and the development of rural areas. The document was received with contrasting views by the European Parliament⁶⁷ ('EP') and the Council⁶⁸, both institutions seemed worried about the proposed budget cut for the CAP (€286,2 billion for Pillar I and €78,7 billion for Pillar II, for a total of €364,9 billion) and, while welcoming the concept of national strategic plans, a template to be followed was strongly requested.

A few months later, on 1 June 2018, the Commission submitted its official proposals for the new CAP, regulating the establishment of national strategic plans⁶⁹, the

⁶⁴ ROSSI (2021a: 1).

⁶⁵ Commission Communication, European Commission, 29 November 2017, COM (2017) 713 final, *The Future of Food and Farming*.

⁶⁶ EUROPEAN COMMISSION (2017: 11).

⁶⁷ European Parliament Resolution, European Parliament, 30 May 2018, 2018/2037(INI), *on the future of food and farming*.

⁶⁸ Presidency Conclusions, Council of the European Union, 20 March 2018, 7324/18, *on the future of food and farming*.

⁶⁹ Proposal for Council and European Parliament Regulation, European Commission, 1 June 2018, COM (2018) 392 final, *establishing rules on support for strategic plans to be drawn up by Member*

monitoring and financing for the new period⁷⁰, and the modification of the common market organization ('CMO') for agricultural products⁷¹. Internal consultations began in the institutions, and both remarked on their positions stated in their conclusions after the Commission communication. In particular, the EP, that had to work with a ticking clock due to the imminent end of its mandate, emphasized the need to maintain the budget at least equivalent to the previous term, and expressed concerns about a possible nationalization of the policy, as 27 different strategic plans without a rigid framework could have led to discrimination in the Union, so it suggested their postponement from 2021 to 2023, introducing a transitional regulation for 2020 and 2021 that would mostly follow the ongoing rules in order to better draft the plans and adapt to such an important shift in the CAP. The Council also paid particular attention to the budget cut and the strategic plans mechanism, especially regarding their review system. Furthermore, some ministers were afraid that the intended goal of the Commission to alleviate the CAP from administrative burden by implementing the reform would result in its possible increase after all⁷². Following the EP elections of May 2019 and the consequent appointment of a new Commission, the new EP restarted its internal discussion on the CAP reform from where they had been left with the goal of finding a common draft to be discussed in the dialogues with the Council and the Commission, on 23 October 2023 a compromise was reached; two days earlier the Council had agreed on its general approach. Dialogues began shortly afterward, and much debate was dedicated to the role of the CAP in the new key environmental policy launched by the von der Leyen Commission, the European Green Deal⁷³, and its related initiatives such as the Farm to Fork⁷⁴ and the biodiversity strategy⁷⁵, as also shown by the document issued by the Commission on 18 December 2020⁷⁶ to encourage member states to include Green Deals provisions in their strategic plans. An agreement was reached in June 2021 and some key aspects of the original Commission proposal were modified,

States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council.

⁷⁰ Proposal for Council and European Parliament Regulation, European Commission, 1 June 2018, COM (2018) 393 final, *on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013.*

⁷¹ Proposal for Council and European Parliament Regulation, European Commission, 1 June 2018, COM (2018) 394 final, *amending Regulations (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products, (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, (EU) No 228/2013 laying down specific measures for agriculture in the outermost regions of the Union and (EU) No 229/2013 laying down specific measures for agriculture in favour of the smaller Aegean islands.*

⁷² ROSSI (2021a: 8).

⁷³ Commission Communication, European Commission, 11 December 2019, COM (2019) 640 final, *The European Green Deal.*

⁷⁴ Commission Communication, European Commission, 20 May 2020, COM (2020) 381 final, *A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system.*

⁷⁵ Commission Communication, European Commission, 20 May 2020, COM (2020) 380 final, *EU Biodiversity Strategy for 2030.*

⁷⁶ Commission Communication, European Commission, 18 December 2020, COM (2020) 846 final, *Recommendations to the Member States as regards their strategic plan for the Common Agricultural Policy.*

most notably, stronger links between the national strategic plans and the Green Deal were required, and funds were to be redistributed in favor of environmental measures, small farms, and young farmers⁷⁷. The final drafts were approved on 2 December 2021⁷⁸, the new CAP was to enter into force from 1 January 2023.

2.1.2 Provisional regulation

In the original plans of the Commission, the new reform had to enter into force from 1 January 2021 with the beginning of the implementation of the national strategic plans, that were supposed to be approved by submitted for approval by 2020. Delays in the negotiations not only of the CAP but also of the Multiannual Financial Framework ('MMF') of the EU for the 2021-2027 period, to which the CAP is strongly dependent, led the Commission to realize that 2021 was not a realistic goal and that a transitional regulation to guarantee the functioning of the policy and the payment to farmers was necessary⁷⁹. Therefore, on 31 October 2019, the proposal⁸⁰ for such regulation was submitted to the Council and the EP (which, as stated in the previous section, had already requested the introduction of a provisional period to allow the adaptation to the new CAP). The Commission proposed for a one-year transition period to be ended on 31 December 2021, while both the EP and the Council believed that two years would have been a more appropriate time. Furthermore, both the EP and the Council had concerns regarding the budget implications related to the measure. A compromise was reached in the trialogues, settling for a two-year period and for the allocation of an additional €8 billion coming from the COVID-19 relief plan Next Generation EU⁸¹. The measure was approved on 23 December 2020⁸² and mostly extended CAP measures of the 2014-2020 period to the years 2021 and 2022, with some references to the Green Deal and the goal of facilitating the transition to the new CAP from 2023.

2.1.3 Legal basis, proportionality, and subsidiarity

The legal basis for Regulation (EU) 2021/2115, from now on strategic plan regulation ('SPR'), on the implementation of strategic plans stems from Articles 42 and 43 of the Treaty on the Functioning of the European Union ('TFEU') which set

⁷⁷ ROSSI (2021a: 10).

⁷⁸ Council and European Parliament Regulations, (EU) 2021/2115, (EU) 2021/2116, (EU) 2021/2117.

⁷⁹ CIOBANU (2021: 26).

⁸⁰ Commission Communication, European Commission, 31 October 2019, COM (2019) 581 final, *laying down certain transitional provisions for the support by the European Agricultural Fund for Rural Development (EAFRD) and by the European Agricultural Guarantee Fund (EAGF) in the year 2021 and amending Regulations (EU) No 228/2013, (EU) No 229/2013 and (EU) No 1308/2013 as regards resources and their distribution in respect of the year 2021 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards their resources and application in the year 2021.*

⁸¹ ROSSI (2021b: 8).

⁸² Council and European Parliament Regulation, 23 December 2020, (EU) 2020/2220, *laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022.*

the guidelines for the functioning of a common market for agricultural products and rules on competition, taking into account Article 39 TFEU, which sets the goals and objectives of the CAP. In particular, Article 43 (2) TFEU states:

The European Parliament and the Council, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee, shall establish the common organization of agricultural markets provided for in Article 40(1) and the other provisions necessary for the pursuit of the objectives of the common agricultural policy and the common fisheries policy⁸³.

Regarding subsidiarity, Article 4 (2)(d) positions agriculture and fisheries among the shared competencies of the Union. The SPR represented a fundamental change in terms of the role of member states in the implementation of the CAP, given their duty to design and tailor CAP interventions, in the words of the Commission:

the Union sets the basic policy parameters (objectives of the CAP, broad types of intervention, basic requirements), while Member States bear greater responsibility and are more accountable as to how they meet the objectives and achieve agreed targets⁸⁴.

The new delivery model based on strategic plans thus furthered subsidiarity with the intended goal of better addressing local elements in the member states.

As for proportionality, the Commission justified the means used in the reform by stating that “the economic, environmental and social challenges facing the EU’s farm sector and rural areas require a substantial response”⁸⁵. Moreover, by conceding member states more powers in the application of the policy, the Commission found the possibilities to overstep the principle of proportionality set in Article 5 (4) of the Treaty on the European Union (‘TEU’) very unlikely.

2.1.4 General goals and specific objectives of Regulation (EU) 2021/2115

The three general goals that the reform aims to during its implementation are listed in Article 5 of the SPR. Aligned with the goals of Article 39 TFEU, the core of the policy is:

- (a) to foster a smart, competitive, resilient and diversified agricultural sector ensuring long-term food security;
- (b) to support and strengthen environmental protection, including biodiversity, and climate action and to contribute to achieving the environmental and climate-related objectives of the Union, including its commitments under the Paris Agreement;
- (c) to strengthen the socio-economic fabric of rural areas⁸⁶.

Clear reference is made to the protection of the environment and to the adaptation shaped according to the challenges brought by climate change, as the Union commits to international agreements such as the Paris Agreement and the SDGs of the Agenda 2030.

⁸³ Article 43(2) TFEU.

⁸⁴ EUROPEAN COMMISSION (2018a: 1).

⁸⁵ Ibidem.

⁸⁶ Article 5 Regulation (EU) 2021/2115.

The intent of maintaining the alignment with Article 39 TFEU while at the same time updating the targets of the policy to better address current challenges is manifested also in the nine specific objectives included in Article 6 of the SPR:

- (a) to support viable farm income and resilience of the agricultural sector across the Union in order to enhance long-term food security and agricultural diversity as well as to ensure the economic sustainability of agricultural production in the Union;
- (b) to enhance market orientation and increase farm competitiveness both in the short and long term, including greater focus on research, technology and digitalisation;
- (c) to improve the farmers' position in the value chain;
- (d) to contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emissions and enhancing carbon sequestration, as well as to promote sustainable energy;
- (e) to foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency;
- (f) to contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes;
- (g) to attract and sustain young farmers and new farmers and facilitate sustainable business development in rural areas;
- (h) to promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including the circular bio-economy and sustainable forestry;
- (i) to improve the response of Union agriculture to societal demands on food and health, including high-quality, safe and nutritious food produced in a sustainable way, to reduce food waste, as well as to improve animal welfare and to combat antimicrobial resistance.

To be added to this list of nine goals is a tenth cross-cutting one that aims to modernize agriculture by the sharing of information, digitalization, and innovation.

Between 2018 and 2019 the Commission issued a series of briefs to explain in detail the reasons behind the selection of each of these objectives: first, supporting viable farm income, besides being one of the cornerstones of the CAP since its beginning in 1962, was to be pursued on the basis that “farm income lags behind the rest of the economy”⁸⁷, the need to better redistribute resources used for direct payments was also emphasized; second, increasing competitiveness, was identified as a key factor to counter the unmet increase in demand for agricultural products, the brief states “climate change and environmental commitments [...] reflect real constraints on the manner by which farming can respond to future food supply needs”⁸⁸, thus “increasing agricultural productivity in a sustainable way is essential to meet the challenges of higher demand”⁸⁹; third, improving farmers' position in the value chain, was considered crucial as farmers, while providing a significant amount of jobs and being at the base of the value chain, often enjoy a weak bargaining power compared to other actors, therefore “the future CAP aims at strengthening farmers' position in value chains by strengthening cooperation among farmers [and] enhancing synergies within value chains”⁹⁰; fourth, contributing to climate change mitigation, is the first of the SOs related to the protection of the environment and focuses on the emissions of greenhouse gases ('GHG'), as “EU agriculture [...]

⁸⁷ EUROPEAN COMMISSION (2018b: 2).

⁸⁸ EUROPEAN COMMISSION (2019a: 9).

⁸⁹ ID. (2019a: 1).

⁹⁰ ID. (2019b: 1).

represented 12 % of all EU greenhouse gas emissions in 2016”⁹¹; fifth, efficient natural resource management with particular attention to soil, was deemed necessary as “agricultural soils in the EU contain [...] the equivalent of 51 billion tonnes of CO₂, which is [significantly more] than the greenhouse gasses emitted annually by EU countries”⁹²; sixth, halting and reversing biodiversity loss, was incorporated due to the close link between agriculture and biodiversity, for this reason, the new CAP “increases in the density of farmland landscape features under (appropriate) management by farmers”⁹³ to preserve farmland biodiversity; seventh, generational renewal, was integrated due to long-lasting problem of the aging population in agriculture and the struggles for young farmers to access land and resources, as a measure the new CAP “provides a policy framework which [...] will support young people setting up in farming, while creating good working and living conditions in rural areas”⁹⁴; eighth, jobs, growth and equality in rural areas, was justified as “the CAP [is] associated with the reduction of poverty and the creation of better jobs for farmers across the EU”⁹⁵; ninth, responding to societal demands on food and health, was enclosed due to the threats posed by antimicrobial resistance (‘AMR’) in the context of farming animals, to fight this, the new CAP continues “the European Union guidance and national campaigns promoting prudent use of antibiotics in animals to fight antimicrobial resistance”⁹⁶; finally, the cross-cutting specific objective, fostering knowledge and innovation, was the natural goal to pursue the willingness to simplify the administrative aspect of the policy and focus more on a result-driven approach, as “modernisation, with the use of technology for management and administrative purposes, is a key driver for simplification”⁹⁷.

2.1.5 CAP budget

The budget allocated to the CAP has been throughout the years a topic of intense discussion in the Union, given the large share of the total EU budget occupied by the CAP. In the first years after its establishment, the CAP reached 80% of the total communitarian budget⁹⁸ due to the lack of ceiling imposed on subsidies and production, that pushed farmers to oversupply as illustrated in chapter one. Following various reforms, the budget share was brought down to around 50% in the 1990’s and first decade of the 21st century (45.6% in the context of Agenda 2000 and 44% for the 2007-2013 MMF⁹⁹). With the 2013 reform, the €408,3 billion CAP spending ceiling represented 38% of the MMF¹⁰⁰, that for the first time was lower than its predecessor.

As explained above, the Commission proposal for the new CAP set the budget at €286,2 billion for Pillar I and €78,7 billion for Pillar II, for a total of €364,9 billion,

⁹¹ ID. (2019c: 1).

⁹² ID. (2019d: 2).

⁹³ ID. (2019e: 1).

⁹⁴ ID. (2019f: 1).

⁹⁵ ID. (2019g: 9).

⁹⁶ ID. (2018c: 3).

⁹⁷ ID. (2019h: 1).

⁹⁸ MALHEIRO (2024).

⁹⁹ CUNHA, SWINBANK (2011).

¹⁰⁰ SGUEO, TROPEA, AUGERE-GRANIER (2016).

to which €10 billion coming from Horizon Europe to support innovation were to be added. On 17 December 2020 the 2021-2027 MMF was approved¹⁰¹, the final budget dedicated to the CAP was €386.6 billion (approximately a third of the total MMF), to be divided among the two pillars. To Pillar I, financed through the European Agricultural Guarantee Fund ('EAGF'), €291.1 billion were allocated, of which €270 billion dedicated to income support, while Pillar II, financed through the European Agricultural Fund for Rural Development ('EAFRD') received €95.5 billion, including €8.1 billion from Next Generation EU¹⁰². Of these €386.6 billion, €264 billion are dedicated to the CAP strategic plans in the period 2023-2027, and the remainder €114.5 billion covered the spending in 2021 and 2022 transitional period. Member states in their strategic plans could decide to transfer up to 25% of one pillar's budget to the other one, with a possible 15% increase if those funds are used to address one of the environmental specific objectives¹⁰³.

2.2 CAP Strategic Plans

2.2.1 Content and interventions

By far the major change implemented with the new reform was the introduction of the CAP strategic plans to be drafted by all member states and approved by the Commission. As already explained in the section on the provisional regulation, the original plan of the Commission was to approve all plans by the end of 2020 so that they could enter into force and start being implemented as of 1 January 2021. Due to delays in the negotiations of both the CAP and the MMF, the beginning of the new delivery model of the CAP based on the strategic plans was set for 1 January 2023 by the SPR, with a scheduled end on 31 December 2027. The plans are detailly regulated in Title V of the regulation, divided into three chapters, and their drafting was supported also by the Communication of 18 December 2018¹⁰⁴ on how to adapt the plans with Green Deal targets.

The aim of strategic plans is the achievement of the specific objectives set in Article 6, as stated in Article 104 (1) "Member States shall establish CAP Strategic Plans in accordance with this Regulation to implement the Union support financed by the EAGF and the EAFRD for the achievement of the specific objectives set out in Article 6(1) and (2)", particular attention must be paid to those specific goals related to environmental protection "Member States shall aim to make, through their CAP Strategic Plans, [...] a greater overall contribution to the achievement of the specific objectives set out in Article 6(1), points (d), (e) and (f)"¹⁰⁵, confirming once again the Commission's ambitions to overlap the CAP with the Green Deal (although it is

¹⁰¹ Council Regulation, Council of the European Union, 17 December 2020, 2020/2093, *laying down the multiannual financial framework for the years 2021 to 2027*.

¹⁰² CASARES GUILLÉN (2023: 1).

¹⁰³ Article 103 Regulation (EU) 2021/2115.

¹⁰⁴ Commission Communication, European Commission, 18 December 2020, COM (2020) 846 final, *Recommendations to the Member States as regards their strategic plan for the Common Agricultural Policy*.

¹⁰⁵ Article 105(1) Regulation (EU) 2021/2115.

interesting to note that the Green Deal only appears once in the text of the regulation, in recital 125).

Regarding their content, Article 107 (1) states:

Each CAP Strategic Plan shall contain sections on the following:

- (a) the assessment of needs;
- (b) the intervention strategy;
- (c) the elements common to several interventions;
- (d) the direct payments, interventions in certain sectors and interventions for rural development specified in the strategy;
- (e) target and financial plans;
- (f) the governance and coordination system;
- (g) the elements that ensure modernisation of the CAP;
- (h) where elements of the CAP Strategic Plan are established at regional level, a short description about the Member State's national and regional set-up, and in particular which elements are established at national and at regional level.

In a series of documents issued after the approval and beginning of the plans, the Commission underlined that in the twenty-eight approved strategic plans¹⁰⁶ member states identified more than one thousand and six hundreds needs to be addressed related to the specific objectives¹⁰⁷. Countries, once identified the needs, could decide whether to tackle them fully or partially in their strategic plans or to use other instruments outside the CAP. As a general outline, countries mostly prioritized economic objectives, whereas environmental ones, while largely addressed by all member states, were assigned different degrees of importance across the Union. This ability to decide whether to include certain elements in their intervention strategies is due to the improved subsidiarity allowed to member states. To deal with the needs included in the intervention strategies, member states could choose to divide their allocated budget¹⁰⁸ into three main categories: direct payments, rural development, and sectoral support. The biggest share of the budget, 62%, was assigned to direct payments, followed by 35% for rural development and 3% for sectoral support.

Looking more into detail to the proposed interventions under direct payments, member states had six possible options to select to deliver them throughout the 2023-2027 period, four based on decoupled systems and two on coupled ones¹⁰⁹. The most used one is the Basic Income Support for Sustainability ('BISS'), which replaced the Basic Payment Scheme ('BPS'), a system decoupled from production and based on eligible hectares declared by active farmers, which accounts for 51% of direct payments resources. BISS is followed by the Eco-schemes, a new decoupled payment system aimed at supporting farmers that engage in activities contributing to the EU climate and environmental targets, such as agro-forestry, organic farming, and actions to improve animal welfare. Article 97 (1) of the SPR states that "at least 25 % of the allocations [...] shall be reserved for every calendar year from 2023 to 2027 for eco-schemes", however, the average financial allocations in the strategic

¹⁰⁶ The Kingdom of Belgium drafted and submitted two plans, one for Wallonia and one for Flanders.

¹⁰⁷ EUROPEAN COMMISSION (2023a: 2).

¹⁰⁸ To the total budget of €264 billion coming from the MMF are to be added €43 billion contributed by the member states, for a total of €307 billion.

¹⁰⁹ Article 16 Regulation (EU) 2021/2115.

plans amounts to 24%, this stems from the possibility of member states to reduce the expenses for eco-schemes if they devolve more funds to the achievement of the environmental specific goals than the legally required 35% of EAFRD resources. 12% of the direct payments budget is related to Coupled Income Support ('CIS'), the system of payments coupled to productions, while strongly re-dimensioned in time, is still used in particular occasions, especially those where the alternative would lead to problems in the market sector or related ones and where strong socio-economics interests are at stake. On top of these conditions, CIS can be used only with certain products listed in Article 33 of the SPR. To ensure fair distribution of resources, the redistributive payment scheme used in the former period was substituted by the Complementary Redistributive Income Support for Sustainability ('CRISS'), a decoupled payment that follows the BISS scheme in terms of eligible hectares to which member states should dedicate at least 10% of the EAGF funds for direct payments¹¹⁰ (with the possibility of reducing the amount or not using the tool at all if proven that needs can be addressed by other payment forms), the average assets granted around the Union to CRISS is 11%. Another available tool is the Complementary Income Support for Young Farmers ('CISYF'), a measure designed to support young farmers at the beginning of their farming path for a maximum of five years by providing either lump sums or annual payments based on available hectares. Member states dedicated on average 2% of the budget to CISYF. Finally, the last tool was a crop-specific payment for cotton, a coupled scheme granted to cotton producers in certain areas located in Portugal, Spain, Bulgaria, and Greece¹¹¹.

Moving to rural development, member states had a possible choice of eight different interventions. Environmental, climate-related and other management commitments ('ENVICLIM') is the most used one, it is a mandatory measure regulated by Article 70 of the SPR to which countries dedicated an average of 31% of the EAFRD budget. 17% of the resources were allocated to compensation for natural or other area-specific constraints ('ANC'), a voluntary intervention paid annually to farmers that are disadvantaged by natural or other external factors according to criteria defined in Article 32 of Regulation (EU) 1305/2013¹¹², namely, mountain areas where agriculture results difficult, areas that are affected by natural constraints such as low temperatures or dryness, and areas where specific environmental or landscape restrictions are present. Investments in agriculture, forestry, environment and rural ('INVEST') is the second category to which funds were dedicated the most (29%), the measure covers investments aimed at the contribution to the specific objectives according to the limits set by Article 73 of the SPR. To enhance cooperation ('COOP'), member states dedicated around 10% of the EAFRD to it, more specifically, the measure mostly focuses on the implementation of the Liaison Entre Actions de Développement de l'Économie Rurale ('LEADER'), to which a minimum of 5% of the resources must be reserved¹¹³, and other forms of cooperation such as the assurance of quality production. The other four tools, setting-up of young

¹¹⁰ Recital 59 Regulation (EU) 2021/2115.

¹¹¹ EUROPEAN COMMISSION (2023b: 18), ROSSI (2023: 2).

¹¹² Council and European Parliament Regulation, 17 December 2013, (EU) 1305/2013, *on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005*.

¹¹³ Article 92 Regulation (EU) 2021/2115.

farmers, new farmers, and rural business start-up ('INSTALL'), risk management tools ('RISK'), area-specific disadvantages resulting from certain mandatory requirements ('ASD'), and knowledge exchange and dissemination of information ('KNOW') received respectively 5%, 4%, 1%, and 2% of the EAFRD budget¹¹⁴.

Finally, 3% of the whole CAP budget was dedicated to sectoral support interventions, detailedly regulated in Title III, Chapter III of the SPR. In particular, Article 42 lists the sectors where these interventions could be used: fruit and vegetables, apiculture products, wine, hops, olive oil and table olives, and other sectors. All member states were obliged to include measures for apiculture products, while only countries with recognized producer organizations had to include fruit and vegetables in their plans, and only for certain countries¹¹⁵ it was mandatory to include wine in the strategies¹¹⁶. Wine and fruit and vegetables are the sectors where more funds were devolved to by member states, each accounting for 45% of the total budget for sectoral support, while Italy is the country that allocated the highest budget to sectoral support¹¹⁷.

As per Article 107 of the SPR, member states were also required to include: their targets and financial plans according to the rules set by Article 112; the governance and coordination system indicating all national and regional authorities, any intermediate body, the entities in charge of monitoring, as well as penalties in compliance with Title IV, Chapter II, of Regulation (EU) 2021/2116 as regulated by article 113; and factors to ensure the modernization of the policy, precisely regarding how the plan would contribute to the cross-cutting specific objective and to the Agricultural Knowledge and Innovation Systems ('AKIS') as envisaged by Article 114.

2.2.2 Approval

The deadline to submit strategic plans for member states was 1 January 2022, following their submission, the Commission had to:

assess the proposed CAP Strategic Plan as regards its completeness, its consistency and coherence with the general principles of Union law, with this Regulation and the delegated and implementing acts adopted pursuant to it and with Regulation (EU) 2021/2116, its effective contribution to the achievement of the specific objectives set out in Article 6(1) and (2) and its impact on the proper functioning of the internal market and distortion of competition and on the level of administrative burden on beneficiaries and administration. The assessment shall address, in particular, the adequacy of the strategy of the CAP Strategic Plan, the corresponding specific objectives, targets, interventions and the allocation of budgetary resources to meet the specific CAP Strategic Plan objectives through the proposed set of interventions on the basis of the SWOT analysis and the ex-ante evaluation¹¹⁸.

¹¹⁴ EUROPEAN PARLIAMENT (2023: 42-45).

¹¹⁵ Bulgaria, Czechia, Germany, Greece, Spain, France, Croatia, Italy, Cyprus, Lithuania, Hungary, Austria, Portugal, Romania, Slovenia, and Slovakia.

¹¹⁶ Article 43 Regulation (EU) 2021/2115.

¹¹⁷ EUROPEAN COMMISSION (2023b: 54).

¹¹⁸ Article 118(2) Regulation (EU) 2021/2115.

If the Commission deemed it necessary, it could send observation letters to member states highlighting the points where further action was required to better comply with the requirements and address the objectives. While the submission deadline was overcome, by 17 March 2022 all member states had submitted their plans and the Commission sent observations to all twenty-eight of them by the end of May 2022¹¹⁹. Once received the updated plans, the Commission had six months from the submission date to approve them¹²⁰, with the final approval given on 14 December 2022, soon before the beginning of the implementation period on 1 January 2023. Observations letters mostly focused on two aspects, the first being general compliance of the plan with the CAP general objectives and other EU policies such Farm to Fork and Biodiversity Strategy for 2030, and the second being detailed insights on how the plans were to achieve the ten specific goals¹²¹.

Once approved and entered into force, the SPR envisaged an amendment mechanism for member states that desire to fix their plans to better adjust them to specific situations. Countries can submit an amendment request to the Commission that must contain the justification for such request and how the modified strategy will keep addressing the specific objectives of Article 6. The Commission has thirty working days to comment on the proposal and three months to approve it. Except for cases listed in Article 152 and according to Article 122, member states are only allowed one amendment request a year plus three additional ones during the implementation period of the strategic plans¹²². Once an amendment proposed by any member state is approved, each country begins a review process of its plan and evaluates the possibility of adapting it to the approved amendment, followed by the submission to the Commission of either a similar amendment proposal or the justification of why it is not deemed necessary¹²³.

2.2.3 Management, coordination, monitoring, and evaluation

The management, coordination, monitoring, and evaluation of the strategic plans, both at the national and Commission level, are regulated by titles VI (management and coordination) and VII (monitoring and evaluation) of the SPR. Article 123 states that “each Member State shall designate a national managing authority for its CAP Strategic Plan”, together with regional ones according to each county’s constitution. If regional authorities are present, the national body is required to specify the allocation of functions covered by local authorities. The managing authority is responsible, among others, of the correct report of CAP progresses in the country via the electronic information system set up by Article 130, of informing of farmers and CAP beneficiaries of their rights and obligations, and of providing relevant information to the national monitoring committee and the Commission for the required evaluations as explained later in this section¹²⁴. Within three months of the plan approval, member states were required to establish a national (and regionals if

¹¹⁹ EUROPEAN COMMISSION (2022: 3).

¹²⁰ Article 118(5) Regulation (EU) 2021/2115.

¹²¹ EUROPEAN COMMISSION (2022: 3).

¹²² Article 119 Regulation (EU) 2021/2115.

¹²³ Article 120 Regulation (EU) 2021/2115.

¹²⁴ Article 123 Regulation (EU) 2021/2115.

needed) monitoring committee. Each committee was able to decide its internal proceedings and composition keeping into consideration Article 106. The role of the committee is to examine:

- (a) progress in CAP Strategic Plan implementation and in achieving the milestones and targets;
 - (b) any issues that affect the performance of the CAP Strategic Plan and the actions taken to address those issues, including progress towards simplification and reduction of administrative burden for final beneficiaries;
 - (c) the elements of the ex-ante assessment listed in Article 58(3) of Regulation (EU) 2021/1060 and the strategy document referred to in Article 59(1) of that Regulation;
 - (d) progress made in carrying out evaluations, syntheses of evaluations and any follow-up given to findings;
 - (e) relevant information related to the performance of the CAP Strategic Plan supplied by the national CAP network;
- [...] ¹²⁵.

Furthermore, the committee expresses its opinion on:

- a) the methodology and criteria used for the selection of operations;
- (b) the annual performance reports;
- (c) the evaluation plan and amendments thereof;
- (d) any proposal by the managing authority for an amendment of the CAP Strategic Plan ¹²⁶.

To facilitate coordination between national and regional authorities, but also among these and other bodies, entities, and experts, member states had one year from the approval of their plan to create a national CAP network, complemented by a European network established by the Commission where national networks are placed together. The goals of the networks, both at the national and Union level, are: first, the involvement of stakeholders in the implementation of the plans; second, improving the quality of their execution and the spread of their achievement; third, fostering innovation ¹²⁷. To achieve these goals, networks are based on the collection, analysis, and dissemination of data, the organization of events to share knowledge, and the collaboration among nationals and the European network in the organized activities. While to further stimulate the innovation and sharing of knowledge, an European Innovation Partnership ('EIP') covering agricultural productivity and sustainability ('EIP-AGRI') is also used according to Article 127, it supports the use of the Agricultural Knowledge and Innovation System ('AKIS'), "a set of organisations and/or people [...] active in the creation, transformation, [and] transmission [...] of knowledge and information, with the aim of working synergistically to support [...] and innovation in agriculture" ¹²⁸, and aims at linking research and farming through the connections of innovation elements and farming practices.

Moving to the performance monitoring of the strategic plans, the SPR established a performance framework under the responsibility of both the Commission and

¹²⁵ Article 124(3) Regulation (EU) 2021/2115.

¹²⁶ Article 124(4) Regulation (EU) 2021/2115.

¹²⁷ Article 126(3) Regulation (EU) 2021/2115.

¹²⁸ EU SCAR (2012).

member states. The framework is based on common indicators listed in Article 7, yearly targets related to the strategic objectives of Article 6, data collection, periodic reporting, and the ex-ante, interim, and ex-post review of the plans¹²⁹. Its goals are listed in Article 129:

- a) assess the impact, effectiveness, efficiency, relevance, coherence and Union added value of the CAP;
- (b) monitor progress made towards achieving the targets of the CAP Strategic Plans;
- (c) assess the impact, effectiveness, efficiency, relevance and coherence of the interventions of the CAP Strategic Plans;
- (d) support a common learning process related to monitoring and evaluation.

It is duty of the member states to make sure that CAP beneficiaries provide the necessary evidence for the monitoring of the implementation and advancement of the plans as per Articles 131 and 132. Furthermore, as per Article 134 of the SPR and Commission Implementing Regulation (EU) 2023/130¹³⁰, member states are required to submit, from 2024, an annual performance report covering the strategic plans implementation in the previous fiscal year, containing key qualitative and quantitative information on the implementation, as well as financial data such as: “(a) the eligible expenditure by type of financial product; (b) the amount of management costs and fees declared as eligible expenditure; (c) the amount, by type of financial product, of private and public resources mobilized in addition to the EAFRD”¹³¹. The Commission also carries a biennial performance review based on the provided annual reports and may ask member states to implement remedial actions in cases a “shortfall of more than 35 % from the respective milestone for financial year 2024 and 25 % for financial year 2026”¹³² is detected, and, according to Article 41 of Regulation (EU) 2021/2116, may decide to implement acts to suspend the payments covering CAP expenditures of that country if such country fails to provide or comply with the remedial measures.

Finally, regarding plans evaluation, member states were required to carry out an ex-ante evaluation before the entering into force of the plans to improve their quality by assessing, among others, their contributions to Article 6, the coherence with other national policies, and the budgetary implications¹³³. Throughout the implementation period and at its end, member states will be required to issue a during and ex-post implementation evaluation report by verifying the effectiveness, efficiency, relevance, and coherence of their plans in relation to Articles 5 and 6. The ex-post report will also include the overall impact of the plans on the CAP¹³⁴. The Commission is also required to evaluate the plans in a series of reports, the first one was submitted to the Council and the EP in 2023 and consisted in a summary of the twenty-eight plans, the second will be submitted to the two institutions by the end of 2025 and will include an analysis of the new delivery model and an update on the

¹²⁹ Article 128 Regulation (EU) 2021/2115.

¹³⁰ Commission Implementing Regulation, 18 January 2023, (EU) 2023/130, *laying down rules for the implementation of Regulation (EU) 2021/2115 of the European Parliament and of the Council on the presentation of the content of the annual performance report.*

¹³¹ Article 134(10)(a)(b)(c) Regulation (EU) 2021/2115.

¹³² Article 135(2) Regulation (EU) 2021/2115.

¹³³ Article 139 Regulation (EU) 2021/2115.

¹³⁴ Article 140 Regulation (EU) 2021/2115.

reaching of environmental related specific objectives. Finally, an interim (by the end of 2026) and an ex-post report will examine the effectiveness, efficiency, relevance, coherence and Union added value of the EAGF and the EAFRD¹³⁵. To prepare its reports, the Commission uses the Performance Monitoring and Evaluation Framework ('PMEF'), a tool that keeps track of the above criteria.

2.2.4 Improvement of the strategic plans

While strategic plans have been portrayed as a revolutionary tool to adapt the CAP to new challenges by allowing member states more freedom to act according to their needs and according to a result-driven framework, some external observers raised concerns about the overall ability of the plans to achieve significant outcomes and that the lack of specific guidelines in Regulation (EU) 2021/2115 could result in a race to the bottom approach. If strategic plans are to represent the future of the policy in the years and reforms to come, some key adjustments should be kept into consideration in their design.

Among the identified problems is the base of strategic plans interventions, this being the assessment by member states of needs related to the specific objectives to be addressed. The regulation lacks guidelines regarding how to identify needs that might not be as relevant as others, as the only indicated tool is the use of strengths, weaknesses, opportunities, and threats ('SWOT') analyses. Strongly related to this issue, once needs have been defined, is the fact that plans often struggled in setting up precise and clear priorities to address such needs, the consequence being that issues raised in the SWOT analysis could be disregarded in favor of pre-identified ones listed at the Union level to better align with European priorities. For this reason, the use of additional tools such as materiality matrix to improve not only the effectiveness but also the transparency of how priorities are formulated¹³⁶. Reflecting this is how the intervention strategies are designed to address priorities, as once again countries only had limited options to pick from, (mostly covering Pillar I measures). Furthermore, in many cases, the link between the design of a particular intervention and its ability to actually represent an impact on the identified need is rather weak. This can be noticed largely in the field of environmental measures but also in the redistribution of resources in favor of small farms, as the disbursed amount, while large on paper, does not fix the issue in the long-run due to the quantity of small farms to cover¹³⁷.

Other areas of improvement regard the ability to draft and evaluate the plans and the role played by research. Due to the growing complexity of the CAP, especially with the inclusion of environmental challenges, strategic plans drafters should be trained and periodically updated on how to tackle such complexity in order to better their drafting and evaluation capabilities. At the same time, while digitalization and simplification of the CAP seem to be central topics of the reform, their actual presence and projected impact appear to get lost in the regulation, as well as the role played by research aimed at modernization. Most measures result linked to past legal

¹³⁵ Article 141(2)(3)(4)(5) Regulation (EU) 2021/2115.

¹³⁶ ERJAVEC, RAC (2023: 71-72).

¹³⁷ ERJAVEC, RAC (2023: 72-73); ERJAVEC, LOVEC, ŠUMRADA (2020: 112-114).

constraints and not based on evidence. To achieve the desired levels of modernization and digitalization, more room should be reserved for scientific research and new technologies in the field¹³⁸.

In the next chapter, criticisms related to environmental and climate objectives of the SPR will be analyzed.

¹³⁸ ERJAVEC, RAC (2023: 73-75).

CHAPTER 3: THE NEW CAP AND ENVIRONMENTAL SUSTAINABILITY

3.1 Analysis of environmental and climate specific objectives

3.1.1 Good Agriculture and Environmental Conditions

In 2003, the Fischler reform introduced a new conditionality framework for farmers to respect in order to receive economic support from the Common Agricultural Policy ('CAP'), the Good Agriculture and Environmental Conditions ('GAECs'). GAECs impose minimum quality thresholds to be maintained in the management of key environmental resources such as soil, land, and water¹³⁹, and they represent, together with Statutory Management Requirements ('SMRs') (which set standards for public, animal and plant health, animal welfare, and the environment), the cross-compliance system to be followed to receive any kind of support by the European Union ('EU') by farmers, whether related to the CAP or not. Following the introduction in 2003 and a first reform in 2013, the latest reform introduced with Regulation (EU) 2021/2115 brought the number of GAECs from seven to nine, with the following functions: GAEC 1 covers the maintenance of permanent grassland; GAEC 2 regards the protection of wetland and peatland; GAEC 3 bans the burning of arable land (except for plants health reasons); GAEC 4 establishes a buffer line along water streams; GAEC 5 manages tillage and soil erosion; GAEC 6 regulates soil covering; GAEC 7 sets crops rotation on arable land; GAEC 8 imposes that 4% of arable land is dedicated to non-productive activities; and lastly, GAEC 9 bans converting or ploughing permanent grassland designated as environmentally-sensitive permanent grasslands in Natura 2000 sites. All GAECs contribute to the achievements of the specific objectives ('SO') contained in Article 6 of the strategic plans regulation ('SPR'), with particular focus on the three environmental and climate SOs, SO4 agriculture and climate mitigation, SO5 efficient soil management, and SO6 biodiversity and farmland landscapes.

GAECs contained in the latest reform, precisely due to their role in setting limitations and managing resources with the aim of achieving sustainable agriculture, combined with provisions of the European Green Deal and its policies that will be explored later in the chapter, have been strongly criticized by farming communities across the Union. In the first months of 2024, European farmers started protesting, among other elements, what they define as too strict parameters compared to the received subsidies and their revenues. European capitals were occupied by farmers and their agricultural tools, and indelible images of tractors surrounding the European institutions headquarters in the heart of Brussels dominated daily news for weeks. In particular, conditionalities imposed by GAECs 6, 7, and 8 were the most contested ones as they impose restrictions on land and soil management. To meet farmers' requests, the Commission proposed to amend CAP policies by modifying Regulations (EU) 2021/2115 and 2021/2116. The adjustments focused on:

changes that are beneficial for farmers in reducing their administrative burden, flexibilities that allow national administrations to adapt implementation to address

¹³⁹ ANGILERI, LOUDJANI, SERAFINI (2011).

farmers' situations, changes to the balance between conditionality requirements and voluntary schemes which incentivise green practices, as well as reassuring beneficiaries as regards the stability of the policy during the lifetime of the Strategic Plans. For instance, the adjustments with regard to conditionality will give Member States more flexibility in establishing GAEC standards at national level, hence simplifying the burden on farmers¹⁴⁰.

More specifically, GAEC 8 would drastically reduce in purpose, as the requirement to set aside land for non-productive uses would be removed and only kept on a voluntary basis; in GAEC 7 the possibility to diversify crops instead of rotating them would be added; and finally, criteria under GAEC 6 to define sensitive periods would be modified, allowing member states to adjust them according to their conditions. Furthermore, small farms, those with a land smaller than ten acres, would be exempted from environmental controls and penalties. The goal of the amendments is thus to increase flexibility in member states and farmers' acting power and management by reducing administrative burden. These changes, proposed by the Commission under great pressure, have been criticized by environmentalists as they strongly cut the green targets of the CAP, consequently affecting the Green Deal and its credibility. They also reflect the influence that farmer groups are able to exercise on the Union institutions despite their relatively small share in the economy. Such influence will also be a key aspect to be considered in light of the upcoming European Parliament elections and the new Commission that will be formed following them.

3.1.2 Specific objective 4: Agriculture and climate mitigation

The previous section on GAECs is to be accompanied by an analysis of three SOs that focus on environmental sustainability and climate change, SO4, SO5, and SO6. Starting with SO4, agriculture and climate mitigation, its aim is limiting the impact of agriculture on climate change and vice versa by “reducing Greenhouse Gas (‘GHG’) emissions, protecting carbon stocks, and increasing CO2 removal and adapting to the changing climate [...]”¹⁴¹.

According to the most recent data, agriculture is the second sector in the Union for GHG emissions, accounting for 11% of total ones (with 50% and 74% of the Union's methane and nitrogen emissions respectively)¹⁴². Multiple factors account for agricultural emissions, the main pollutant is represented by methane produced by the enteric fermentation process related to livestock farming, which accounts for 41% of total agricultural emissions, followed by nitrogen coming from soil management (31%), and by emission of other GHG directly linked to farming activities (22%)¹⁴³. The overall trend in the last twenty years shows a decline in emissions of only 3%

¹⁴⁰ Proposal for Council and European Parliament Regulation, European Commission, 15 March 2024, COM (2024) 139 final, *amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendments to CAP Strategic Plans, review of CAP Strategic Plans and exemptions from controls and penalties*.

¹⁴¹ EUROPEAN COMMISSION (2023b: 262).

¹⁴² EUROPEAN ENVIRONMENT AGENCY (2022a: IX).

¹⁴³ ID. (2022: 569).

compared to 2005 levels¹⁴⁴. The trend is the result of a heterogeneous situation across the EU, as member states split between those that reduced their agricultural emissions up to 20% and those that increased them up to 30%. Agriculture as a sector was included in 2018 in the Effort Sharing Regulation ('ESR')¹⁴⁵ which established a specific target for member states to collectively reduce Union's emissions by 30% by 2030, a target that was raised to 40% in an amendment to the ESR in 2023¹⁴⁶ to align it with the Fit for 55 package of climate regulations aimed at reducing emissions by 55% by 2030; while the ESR goals combine emissions from other sectors such as transportation, buildings, small industry, and waste, the trend has clearly highlighted that further action is required to tackle agriculture emissions to meet the ESR ambitions.

As stated above, the aim of SO4 is to reduce GHG emissions and increase their removal from the atmosphere; to achieve these goals, a series of possible mitigation measures have been identified:

- (a) reduce direct emissions through the use of mitigation technologies or appropriate farming practices (primarily reducing CH₄ and N₂O emissions from rice production, ruminants and nitrogen fertiliser application);
- (b) provide a carbon sink through soil organic carbon (SOC) accumulation using appropriate agricultural soil management;
- (c) sustainable production of biomass, including afforestation, for the bioeconomy, without hampering food security;
- (d) reduce the fossil fuel intensity of agricultural production (energy and agrochemicals);
- (e) reduce agricultural production losses and waste¹⁴⁷.

The heterogeneous situation in the Union mentioned above, together with the great diversity that characterizes European agriculture, makes it difficult to implement these measures homogeneously across the EU. Numerous constraints are to be kept into consideration, such as implementation cost, physical and geographical impediments, institutional elements, and social factors that might hinder their adoption. Furthermore, risks related to carbon leakage are to be considered, as climate policies could decrease production efficiency of certain goods whose demand would not vary, thus forcing to import such goods from places where these policies are not implemented, resulting in a net increase of GHG emissions. For these reasons, it is fundamental to share and transfer knowledge on the subject across the EU to close the gaps and counter these challenges.

These mitigation measures are complemented by GEACs, particularly relevant for SO4 are GAECs 1, 2, and 3 as they focus on the protection of land and the ban of

¹⁴⁴ EUROPEAN ENVIRONMENT AGENCY (2023a).

¹⁴⁵ Council and European Parliament Regulation, 30 May 2018, (EU) 2018/842, *on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013*.

¹⁴⁶ Council and European Parliament Regulation, 19 April 2023, (EU) 2023/857, *amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement, and Regulation (EU) 2018/1999*.

¹⁴⁷ EUROPEAN COMMISSION (2019b: 7).

soil burning, and by the regulation on land use, land-use change, and forestry ('LULUCF')¹⁴⁸. The composition of land includes different components, each with a fundamental role in the absorption or release of GHG, these include cropland, grassland, peatland and wetland, and forest land. Cropland refers to the portion of land destined for agricultural purposes, and it is a source of emissions in all member states; grassland is described as an area mostly covered in perennial grasses, it represents an important carbon sink in certain countries while a source in others, GAEC 1 imposes to maintain a percentage of grassland and underline the importance of its correct management given its potential to absorb GHG; peatland is a specific type of wetland composed by organic matter that overlap creating peat, both peatland and wetland are crucial carbon sinks (peatlands retain more than 20% of global GHG while covering only 3% of ice-free land¹⁴⁹) and GAEC 2 imposes their protection, as their uncontrolled use could have destructive effects and ruin years of efforts to fight climate change; finally, forests, which cover 38% of the Union territory¹⁵⁰, also represent an important GHG removal agent, but their health is rapidly deteriorating with possible repercussions on emissions.

To promote practices to mitigate climate change, the SPR introduced eco-schemes, a measure, briefly explained in the previous chapter, aimed at supporting farmers committed to the adoption of farming methods that contribute to climate goals, such as organic farming, agro-forestry, agro-ecological practices, precision farming, carbon farming, and animal welfare improvements. Despite the support provided by eco-schemes, in light of the proposed amendment to the SPR described above it is clear that more is needed to modify farming processes and align them with green policies.

3.1.3 Specific objective 5: Efficient soil management

The goal of SO5 is the sustainable use of soil and to preserve it and the resources affected by its poor management such as water and air. The SO is strongly linked to SO4 and to SO6 that will be described in the next section, as it includes multiple environmental challenges that, if correctly addressed, contribute to all three goals.

Soil is of key importance for agricultural purposes, its fertility ensures quality harvests as it provides essential nutrients, water, and oxygen, while also representing the basis of several ecosystems. It also covers other functions, including carbon sinking, water purification and absorption, and chemical agents' regulation; in the words of the Commission:

Soil and the multitude of organisms that live in it provide us with food, biomass and fibers, raw materials, regulate the water, carbon and nutrient cycles and make life on

¹⁴⁸ Council and European Parliament Regulation, 30 May 2018, (EU) 2018/841, *on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU*.

¹⁴⁹ EUROPEAN COMMISSION (2019b: 5).

¹⁵⁰ EUROPEAN COMMISSION (2023b: 268).

land possible. It takes thousands of years to produce a few centimeters of this magic carpet¹⁵¹.

For these reasons, guarantying soil health is a challenge that needs to be rapidly addressed in order not to deteriorate the resources related to it. However, it is estimated that up to 70% of European soils are currently unhealthy¹⁵², this poses a serious threat to the achieving of environmental goals not only in the CAP but also at the Green Deal level. Soil conditions are mostly affected by human-related activities that cause soil erosion, biodiversity loss, soil compaction and contamination, salinization, and desertification; these consequences stem from unsustainable farming and industrial activities such as excessive fertilization, inappropriate irrigation, the use of heavy machinery, mining, and urban expansion that damage the delicate soil composition¹⁵³. While a dedicated soil law has not yet been created, to stop soil depletion and restore its health the Commission issued in 2020 a communication with the strategies to be implemented in a future law to be included in the Green Deal context¹⁵⁴. The goal set by the Commission is to restore soil health across the Union by 2050, while the mid-term objectives for 2030 are:

- a) combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world;
- b) significant areas of degraded and carbon-rich ecosystems, including soils, are restored;
- c) achieve an EU net greenhouse gas removal of 310 million tonnes CO₂ equivalent per year for the land use, land use change and forestry (LULUCF) sector;
- d) reach good ecological and chemical status in surface waters and good chemical and quantitative status in groundwater by 2027;
- e) reduce nutrient losses by at least 50%, the overall use and risk of chemical pesticides by 50% and the use of more hazardous pesticides by 50% by 2030;
- f) significant progress has been made in the remediation of contaminated sites¹⁵⁵.

These targets fully align with other Green Deal policies, such as the Biodiversity Strategy for 2030, but also with international commitments, mostly to the United Nations Sustainable Development Goals ('SDGs') 13, climate action, and 15, life on land.

As stated above, agriculture plays a major role in soil management, thus affecting also the resources related to it, such as water and air. Farming is responsible for 94% of ammonia emissions in the EU¹⁵⁶; ammonia, widely used in fertilizers to restore nitrogen levels and a natural consequence of livestock grazing, increases the level of acidity in soils and water pools, thus altering nutrients, polluting irrigation sources, and causing eutrophication. Agriculture is also accountable for 28% of water abstraction from surface and underground reserves¹⁵⁷, water is used especially in the

¹⁵¹ EUROPEAN COMMISSION (2021: 2).

¹⁵² EUROPEAN COMMISSION (2020: 5).

¹⁵³ EUROPEAN COMMISSION (2019c: 3-4).

¹⁵⁴ Commission Communication, European Commission, 17 November 2021, COM (2021) 699 final, *EU Soil Strategy for 2030 Reaping the benefits of healthy soils for people, food, nature and climate*.

¹⁵⁵ EUROPEAN COMMISSION (2021: 3).

¹⁵⁶ EUROPEAN COMMISSION (2023b: 275).

¹⁵⁷ EUROPEAN ENVIRONMENT AGENCY (2022b).

growing season to irrigate crops, this often results in the alteration of rivers and lakes, with consequences on the related ecosystems. Moreover, water taken from the ground by draining it, if poorly executed, strongly damages the soil by creating sediments and changing the natural cycle of water replenishment.

While the specific soil law is yet to be approved, to achieve the goals set by the Commission the SPR included in the GAECs specific measures, with four of them directly designed to contribute to SO5. GAEC 4 regulates the use of fertilizers and pesticides in proximity of water streams, imposing a buffer zone of three meters where they cannot be used to avoid their contamination; GAEC 5 sets rules on tillage to avoid soil erosion and degradation; GAEC 6 imposes a minimum soil coverage to protect it during sensitive periods; finally, GAEC 7 promotes crops rotation and diversification to allow soil to recover its nutrients. As explained in the first section, GAECs 6 and 7 will possibly be amended to meet farmers' requests, this would represent a step back in the struggle to the 2030 mid-terms and 2050 objectives to restore soil health.

3.1.4 Specific objective 6: Biodiversity and farmed landscapes

SO6, biodiversity and farmland landscapes, aims at “contributing to the protection of biodiversity, enhancing ecosystem services and preserving habitats and landscapes”¹⁵⁸. It is strongly linked with the Biodiversity Strategy for 2030 of the Green Deal and, while touching upon other ecosystems, mostly focuses on farmland biodiversity and its role in agriculture.

Biodiversity can be defined as “the variety of life found in a place on Earth or, often, the total variety of life on Earth”¹⁵⁹, protecting biodiversity guarantees the health of ecosystems that humans rely on to satisfy basic needs, such as food production through agriculture, and contributes to fight climate change by safeguarding key environments acting as carbon sinks¹⁶⁰. A report issued by the Commission in 2020¹⁶¹ showed that biodiversity in the Union has been decreasing, as it highlighted that the species and habitats protected by the two cornerstone EU policies for biodiversity, the so-called Birds Directive¹⁶² and Habitats Directive¹⁶³, were mostly in a bad or poor status of conservation. Several agricultural landscapes are closely related to the conservation of numerous species and habitats identified in the two Directives and are therefore included in the Natura 2000 network, a system of protected areas covering Europe's most valuable and threatened species and habitats, in particular, fifty-eight environments including different grasslands, wetlands, and

¹⁵⁸ EUROPEAN COMMISSION (2019d: 1).

¹⁵⁹ PIMM (2024).

¹⁶⁰ SHAW (2018).

¹⁶¹ Commission Report, European Commission, 15 October 2020, COM (2020) 635 final, *The state of nature in the European Union Report on the status and trends in 2013 - 2018 of species and habitat types protected by the Birds and Habitats Directives*.

¹⁶² Council and European Parliament Directive, 30 November 2009, 2009/47/EC, *on the conservation of wild birds*.

¹⁶³ Council Directive, 21 May 1992, 92/43/EEC, *on the conservation of natural habitats and of wild fauna and flora*.

scrublands, and sixty-two bird species are considered to rely on agricultural land management¹⁶⁴.

The loss of farmland biodiversity is mostly related to new farming practices and technologies that are projected for the intense use of land, this often leads to the abandonment of traditional practices and the consequent change in farming landscapes, where elements such as stone walls, hedges, and tree alignment are removed to favor the handling of new machineries¹⁶⁵, causing species relying on those landscapes to lose their habitat. Most farmland biodiversity is found in High Natural Value ('HNV') lands, areas covered with specific vegetation that makes them of high conservative value, which in most cases correspond to agricultural land where intensive practices are not used, there is therefore a need to slow intensification and simplification of agricultural practices and restore traditional methods and to maintain in good status present HNV to conserve and protect farmland species and habitats. However, achieving this implies increasing the economic support given to farmers, as conventional farming practices are often less lucrative than intensive ones¹⁶⁶, thus discouraging farmers from implementing them.

Another major issue related to the loss of farmland biodiversity is that of the decreasing quantity of pollinators and other insects. Insects, and pollinators ones (such as bees, butterflies, and hoverflies) in particular, represent a cornerstone of nature, as most plant species depend on pollination to reproduce, consequently, agriculture heavily relies on pollination to ensure harvests. It is estimated that around 80% of plants and 35% of global crops (including the eighty-seven most produced crops in the world) need pollinating agents to flower and reproduce¹⁶⁷, however, at the Union level, a third and a tenth of pollinating species are respectively in decline and facing extinction. The Commission issued in 2018¹⁶⁸ and revised in 2023¹⁶⁹ an EU Pollinators Initiative with targets and strategies to stop the decline of these fundamental insects, and proposed the adoption of a nature restoration law with binding targets on the topic. Furthermore, the SPR includes two specific articles on the apiculture sector, Articles 55 and 56, with the former listing investments to be made by member states in their plans, including “actions to preserve or increase the existing number of beehives in the Union, including bee breeding”¹⁷⁰.

While there is no specific GEAC to refer to for SO6, all of them help contribute, together with the directives and initiatives listed above, to improve and protect agricultural land, thus safeguarding farmland biodiversity and agriculture itself. At the same time, actions implemented under SO4 and SO5 also promote the

¹⁶⁴ EUROPEAN COMMISSION (2023b: 281).

¹⁶⁵ EUROPEAN COMMISSION (2019d: 7).

¹⁶⁶ EUROPEAN COMMISSION (2023b: 282).

¹⁶⁷ FAO (2024).

¹⁶⁸ Commission Communication, European Commission, 1 June 2018, COM (2018) 395 final, *EU Pollinators Initiative*.

¹⁶⁹ Commission Communication, European Commission, 24 January 2023, COM (2023) 35 final, *Revision of the EU Pollinators Initiative; A new deal for pollinators*.

¹⁷⁰ Article 55 (1)(d) Regulation (EU) 2021/2115.

achievement of SO6 and the same holds true for conservative measures adopted to target SO6, as these three specific objectives are strictly associated one to another.

3.2 Overview of the Green Deal and its policies

3.2.1 The Green Deal

On 11 December 2019, the von der Leyen Commission presented in a communication¹⁷¹ a new environmental strategy that would shape Union's policies in the years to come, the European Green Deal. The goals of the Green Deal are to make Europe the first climate neutral continent on the planet by 2050 by achieving zero net GHG emissions and to transition to economic growth decoupled from resource use while leaving no one excluded. In order to achieve such ambitious targets, the Commission promised the introduction of new, revolutionary, policies in different fields: climate, environment and oceans, transportation, energy, industry, finance, innovation, and food and agriculture.

The first necessary step was the adoption of a European Climate Law, which the Commission presented in March 2020¹⁷² and was adopted one year later¹⁷³. The law made binding the targets set in the Green Deal and in the 2030 Climate target plan¹⁷⁴ of reducing emissions by 55% by 2030 and becoming climate neutral by 2050, thus ensuring the irreversibility of the green transition, and established mechanisms to measure and control progress, allowing interventions if necessary. Together with the climate law, the Commission opened public consultations on the European climate pact, which it presented at the end of 2020¹⁷⁵. The pact consists in a series of initiatives following a bottom-up approach, initiated by citizens rather than by political institutions, based on scientific evidence and knowledge sharing to empower Europeans in the fight to climate change. Following the adoption of the climate law, the Commission focused on introducing a series of policies and strategies to achieve its goals, the most relevant are the Fit for 55 package, the REPowerEU¹⁷⁶ initiative, the Green Deal Industrial Plan¹⁷⁷, and, closely linked to the CAP, the Farm to Fork strategy and the Biodiversity Strategy for 2030 that will be more detailly analyzed in the next dedicated sections.

¹⁷¹ Commission Communication, European Commission, 11 December 2019, COM (2019) 640 final, *The European Green Deal*.

¹⁷² Proposal for Council and European Parliament Regulation, European Commission, 4 March 2020, COM (2020) 80 final, *establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law)*.

¹⁷³ Council and European Parliament Regulation, 30 June 2021, (EU) 2021/1119, *establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law)*.

¹⁷⁴ Commission Communication, European Commission, 17 September 2020, COM (2020) 562 final, *Stepping up Europe's 2030 climate ambition; Investing in a climate-neutral future for the benefit of our people*.

¹⁷⁵ Commission Communication, European Commission, 9 December 2020, COM (2020) 788 final, *European Climate Pact*.

¹⁷⁶ Commission Communication, European Commission, 18 May 2022, COM (2022) 230 final, *REPowerEU Plan*.

¹⁷⁷ Commission Communication, European Commission, 1 February 2023, COM (2023) 62 final, *A Green Deal Industrial Plan for the Net-Zero Age*.

The Fit for 55 package was presented on 14 July 2021 and included several proposals to make all sectors of the Union's economy comply with the climate targets. By October 2023 all the proposals of the package were approved, meaning that legally binding targets covered each economic sector in the EU. The following provisions have been approved: a new EU Emission Trading System ('ETS')¹⁷⁸, the FuelEU Maritime Regulation¹⁷⁹, the creation of a Social Climate Fund¹⁸⁰, new emissions standards for vehicles¹⁸¹, the promotion of renewable energies¹⁸², the establishment of a Carbon Border Adjustment System ('CBAM')¹⁸³, rules on energy efficiency¹⁸⁴, the revised ESR¹⁸⁵, the revised LULUCF regulation¹⁸⁶, the Alternative Fuels Infrastructure Regulation ('AFIR')¹⁸⁷, and three provisional agreements on energetic performance, methane, and hydrogen.

The REPowerEU initiative was launched in May 2022 as a countermeasure to the energy crisis created by the Russian aggression of Ukraine in February 2022, the goal of the strategy is to make Europe less dependent on Russian resources by diversifying its sources and improving its production of renewable energy. Under the plan, multiple initiatives have been financed by the Union to promote the green transition and abandon fossil fuels, with increasing interest and research dedicated to hydrogen.

Finally, in February 2023 the Green Deal Industrial Plan was presented, it aims to scale-up European capacities to produce key technologies able to make European industries meet the climate targets. It is based on simplifying the regulatory framework and guarantying access to raw materials and resources, easier access to

¹⁷⁸ Council and European Parliament Directive, 10 May 2023, (EU) 2023/959, *amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union and Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading system.*

¹⁷⁹ Council and European Parliament Regulation, 13 September 2023, (EU) 2023/1805, *on the use of renewable and low-carbon fuels in maritime transport, and amending Directive 2009/16/EC.*

¹⁸⁰ Council and European Parliament Regulation, 10 May 2023, (EU) 2023/955, *establishing a Social Climate Fund and amending Regulation (EU) 2021/1060.*

¹⁸¹ Council and European Parliament Regulation, 19 April 2023, (EU) 2023/851, *as regards strengthening the CO₂ emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition.*

¹⁸² Council and European Parliament Regulation, 18 October 2023, (EU) 2023/2413, *amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652.*

¹⁸³ Council and European Parliament Regulation, 10 May 2023, (EU) 2023/956, *establishing a carbon border adjustment mechanism.*

¹⁸⁴ Council and European Parliament Directive, 13 September 2023, (EU) 2023/1791, *on energy efficiency and amending Regulation (EU) 2023/955.*

¹⁸⁵ Council and European Parliament Regulation, 19 April 2023, (EU) 2023/857, *amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement, and Regulation (EU) 2018/1999.*

¹⁸⁶ Council and European Parliament Regulation, 19 April 2023, (EU) 2023/839, *amending Regulation (EU) 2018/841 as regards the scope, simplifying the reporting and compliance rules, and setting out the targets of the Member States for 2030, and Regulation (EU) 2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review.*

¹⁸⁷ Council and European Parliament Regulation, 13 September 2023, (EU) 2023/1804, *on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU.*

fundings, developing the necessary skills in the work-force, and facilitating trade and cooperation. The Commission has so far proposed four acts to implement the strategy, the Net-Zero Industry Act¹⁸⁸, the Critical Raw Materials Act¹⁸⁹, and revised rules on the electricity¹⁹⁰ and energy market¹⁹¹.

3.2.2 Farm to Fork

On 20 May 2020, the Commission issued the Farm to Fork ('F2F') communication¹⁹², a new strategy "at the heart of the Green Deal"¹⁹³ aimed at achieving sustainability across the whole food chain, from production and processing to transport and consumption, to guarantee health and protect the environment. The strategy, which does not set legally binding targets itself, builds on existing European policies, such as the CAP, and the high-quality standards that the food chain already meets in the Union, while encouraging further legislation under its guidelines. In fact, the annex to the F2F includes twenty-seven actions grouped into four broad points of action: first, ensuring sustainable food production; second, encouraging sustainability of the food chain, from processing to sale and hospitality; third, guarantying and stimulating sustainable consumption to improve health; and fourth, reducing food waste.

The first major change that the F2F promised to introduce and was to serve as a catalyzing initiative was the framework for a sustainable food system ('FSFS'). The legislative proposal was to be sent to the co-legislators by the end of 2023, but the Commission seems to have postponed it without providing clear information on when it will be ready. The FSFS would represent a key piece of legislation to set as legally binding some of the F2F targets and to "promote policy coherence at EU and national level, mainstream sustainability in all food-related policies and strengthen the resilience of food systems"¹⁹⁴ by providing clear and uniform definitions of sustainability and defining responsibilities. The FSFS is considered by many the fundamental missing piece to restructure the Union's food system, especially after the challenges and deep inequalities highlighted by the COVID-19 pandemic; for

¹⁸⁸ Proposal for Council and European Parliament Regulation, European Commission, 16 March 2023, COM (2023) 161 final, *on establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem (Net Zero Industry Act)*.

¹⁸⁹ Proposal for Council and European Parliament Regulation, European Commission, 16 March 2023, COM (2023) 160 final, *establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) 168/2013, (EU) 2018/858, 2018/1724 and (EU) 2019/1020*.

¹⁹⁰ Proposal for Council and European Parliament Regulation, European Commission, 14 March 2023, COM (2023) 148 final, *amending Regulations (EU) 2019/943 and (EU) 2019/942 as well as Directives (EU) 2018/2001 and (EU) 2019/944 to improve the Union's electricity market design*.

¹⁹¹ Proposal for Council and European Parliament Regulation, European Commission, 14 March 2023, COM (2023) 147 final, *amending Regulations (EU) No 1227/2011 and (EU) 2019/942 to improve the Union's protection against market manipulation in the wholesale energy market*.

¹⁹² Commission Communication, European Commission, 20 May 2020, COM (2020) 381 final, *A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system*.

¹⁹³ EUROPEAN COMMISSION (2020b: 2).

¹⁹⁴ ID (2020b: 5).

this reason, concerns are growing around its postponement, as without its adoption the whole F2F loses its credibility and potential¹⁹⁵.

Another crucial point for the success of the strategy is its integration with the CAP, as the F2F set specific targets for practices strongly related to agriculture, including the cutback of chemical and hazardous pesticides by 50%, reducing fertilizer use by 20%, the reduction of nutrient losses by at least 50%, dedicating 25% of EU arable land to organic farming, and the decrease of sales of antimicrobials by 50%. While some of these goals are to be achieved also with the support of ad hoc legislation on the matter, such as the sustainable use of pesticides, for which the Commission proposed a revision of the regulation on the sustainable use of plant protection products regulation¹⁹⁶ to be used together with the dedicated directive¹⁹⁷, others necessarily rely on their inclusion in national strategic plans of the CAP and the ability and willingness of member states to pursue their plans¹⁹⁸. Among those objectives relying on the CAP, the dedication of 25% of arable land to organic farming is certainly one of the hardest to be reached, even though the Commission adopted a dedicated action plan¹⁹⁹ and a specific regulation²⁰⁰ is in force. This is due to the fact that the SPR, while imposing that at least 25% of the European Agricultural Fund for Rural Development ('EAFRD') is to be used in support of eco-schemes²⁰¹, sets their implementation by farmers on a voluntary basis, and organic farming is not the only covered measure. Furthermore, in 2021 the percentage of land organically cultivated was 9,9%, with a growth rate of 6% per year in the 2012-2021 period, this means that to achieve the 25% target the growth rate would need to almost double, which is unlikely also considering the wave of protests illustrated in the first section²⁰². Even the antimicrobials target relies on CAP and GAECs provisions for its achievement, as no specific legislation is envisaged in the F2F (there currently are in force laws on veterinarian medicines) on the matter. Regarding the reduction of fertilizers to halve the loss of nutrients, the Commission was expected to adopt the Integrated Nutrient Management Action Plan ('INMAP') by mid-2023, but, in a similar scenario of the FSFS, the INMAP is nowhere to be found in the Commission upcoming workload, meaning that also this target will be necessarily greatly dependent on the CAP and the measures included in the strategic plans. While the nature of these goals automatically links them to the CAP, their almost complete reliance on it could lead to a slower achievement or even their possible disregard, given that the SPR does not provide specific indications on how these targets are to be achieved but rather a broader framework of action, that the

¹⁹⁵ SOUTHEY (2023).

¹⁹⁶ Proposal for Council and European Parliament Regulation, European Commission, 22 June 2022, COM (2022) 305 final, *on the sustainable use of plant protection products and amending Regulation (EU) 2021/2115*.

¹⁹⁷ Council and European Parliament Directive, 21 October 2009, 2009/128/EC, *establishing a framework for Community action to achieve the sustainable use of pesticides*.

¹⁹⁸ BERNAZ, MACCHI, SCHEBESTA (2020: 422).

¹⁹⁹ Commission Communication, European Commission, 25 March 2021, COM (2021) 141 final, *On an action plan for the development of organic production*.

²⁰⁰ Council and European Parliament Regulation, 30 May 2018, (EU) 2018/848, *on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007*.

²⁰¹ Article 97 Regulation (EU) 2021/2115.

²⁰² EUROPEAN ENVIRONMENT AGENCY (2023b).

success of the plans is yet to be seen in the long-run, and that key environmental features have already been affected drastically.

Moving to the other three clusters of actions in the F2F, to stimulate the sustainability of food processing and sale, the Commission launched an EU Code of Conduct for responsible business and marketing practice in July 2021, it is promoting the creation of circular business models, reviewing the marketing standards relating to geographical indications, and modifying the legislation on food packaging. While to promote sustainable food consumption by European citizens, the F2F refers to possible fiscal incentives to support the purchase of organically produced products, and the Commission mentioned the possible update of the labelling rules to empower even more citizens to make responsible choices. Finally, to limit food loss and waste, the Commission has been working on the revision of the rules on date marking on food packaging and a proposed amendments to the Waste Framework Directive including legally binding targets of food waste reduction²⁰³.

3.2.3 Biodiversity Strategy for 2030

The Biodiversity Strategy for 2030²⁰⁴ was presented together with the F2F, it represents the Green Deal plan to protect and improve nature's status in the Union. As analyzed in the section dedicated to SO6, biodiversity is at the core of human well-being as it provides the essential elements necessary for life. The importance of nature restoration was highlighted like never before by the outbreak of the coronavirus pandemic, which showed the risks behind excessive exploitation of natural resources and the importance of dedicating to nature the necessary space. The strategy aims to demonstrate that the protection of biodiversity sets opportunities in several sectors, as data show the economic damages caused in the period from 1997 to 2011 account for trillions of euros each year at the global level²⁰⁵, with losses stemming from decreasing fish stocks, reduced crop harvests, damages caused by natural disasters, and potential loss of new medicines. The Commission recognized that despite previous efforts, "nature is in a state of crisis"²⁰⁶, for this reason, the five drivers of biodiversity loss, namely overexploitation, change in land and sea use, invasive species, climate change, and pollution, need to be specifically tackled. The workload inherent to the strategy presented by the Commission focuses around three main pillars: first, nature restoration and increasing of protected areas; second, implementing a new legislative framework with clear responsibilities and investment opportunities; and third, posing the EU as a global leader and driver of biodiversity conservation²⁰⁷. The ultimate ambition of the Commission is that, by 2050, all global ecosystems will be restored and protected, the strategy sets targets to be reached by 2030 with the intent to facilitate the accomplishment of such ambition.

²⁰³ Proposal for Council and European Parliament Directive, European Commission, 5 July 2023, *amending Directive 2008/98/EC on waste*.

²⁰⁴ Commission Communication, European Commission, 20 May 2020, COM (2020) 380 final, *EU Biodiversity Strategy for 2030; Bringing nature back into our lives*.

²⁰⁵ OECD (2019: 9).

²⁰⁶ EUROPEAN COMMISSION (2020c: 2).

²⁰⁷ HERMOSO et al. (2022: 264).

Regarding protected areas, the aim is to increase the number of protected areas, both at the national and Natura 2000 levels, to 30% for both land and marine areas, and to place a third of them under strict protection, to achieve so, new guidelines²⁰⁸ on the selection of protected areas were sent to member states. Strictly protected areas are to cover also European primary and old-growth forests, which represent important carbon sinks and rich biodiversity sanctuaries, on which further guidance was provided²⁰⁹. Reaching these percentages of protected areas would represent a 4% increase in land ones²¹⁰ and 18% for marine ones²¹¹, and significant improvements for strictly protected areas, these would contribute to the building and strengthening of a Trans-European Nature Network aimed at connecting protected areas to avoid genetic isolation and allow animal migration by creating ecological corridors.

On nature restoration, targets envisage that: at least 30% of protected species and habitats currently in poor status will be recovered or in the progress to recover by 2030; 25 000 kilometers of rivers are repriminated into free-flowing ones; new guidelines on a forest strategy to plant three billion trees are issued; species threatened by alien ones decline by 50%; greening cities and urban areas; and endangered fishing stocks are restored. The path to these targets lies in a series of new provisions, revised legislation, and initiatives. Most of them are covered by the proposed nature restoration law²¹², which would embody a key piece of legislation to make these provisions binding, complemented by ad hoc legislation such as the Invasive Alien Species Regulation²¹³, whose list was recently updated by the Commission²¹⁴, or by dedicated strategies, such as the Forest Strategy for 2030²¹⁵. The nature restoration law would introduce national restoration plans prepared by member states to better tackle their needs according to their situations. To green cities, the Commission launched multiple initiatives such as the Green City Accord and the Urban Nature Plans to stimulate cities with more than 20 000 inhabitants to increase and improve green urban spaces, which importance for human health was largely experienced during the pandemic.

The strategy includes a governance framework to guarantee compliance and favor investments based on the full enforcement of EU relevant laws and on full political and economic support. Impact assessments prepared for various regulations estimated that the implementation of the strategy requires up to €20 billion per year,

²⁰⁸ Commission Staff Working Document (2022), 28 January 2022, SWD (2022) 23 final, *Criteria and guidance for protected areas designations*.

²⁰⁹ Commission Staff Working Document (2023), 20 March 2023, SWD (2023) 62 final, *Commission Guidelines for Defining, Mapping, Monitoring and Strictly Protecting EU Primary and Old-Growth Forests*.

²¹⁰ EUROPEAN ENVIRONMENT AGENCY (2023c).

²¹¹ EUROPEAN ENVIRONMENT AGENCY (2023d).

²¹² Proposal for Council and European Parliament Regulation, European Commission, 22 June 2022, COM (2022) 304 final, *on nature restoration*.

²¹³ Council and European Parliament Regulation, 22 October 2014, (EU) 1143/2014, *on the prevention and management of the introduction and spread of invasive alien species*.

²¹⁴ Commission Implementing Regulation, 12 July 2022, (EU) 2022/1203, *amending Implementing Regulation (EU) 2016/1141 to update the list of invasive alien species of Union concern*.

²¹⁵ Commission Communication, European Commission, 16 July 2021, COM (2021) 572 final, *New EU Forest Strategy for 2030*.

highlighting the need to mobilize public and private investment for the sector. To attract and reassure investors specific adjustments for biodiversity were made to the taxonomy regulation, and to discourage harmful activities the principle of “polluter pays” is at the core of the strategy. The governance framework also created a Knowledge Center for Biodiversity to share progresses and enhance cooperation at the Union level.

The Commission believes the strategy can place the EU in a leading global position to thrive the ecological transition and the conservation of biodiversity, it was at the basis of the negotiating table at the 15th Conference of the Parties for Biological Diversity and will keep being central at the 16th Conference later in 2024; it is also strictly aligned with the UN SDGs. The Commission, with this strategy, is paving the way to the expansion of its goals at the global scale and makes the Union’s regulatory and monitoring framework available to like-minded partners to walk the same path in this challenge. It will encourage the adoption of international legally binding agreements on the safeguarding of oceans and marine resources and the creation of three vast protected areas around Antarctica to protect South Pole biodiversity, as well as tighten EU regulations on endangered species trade and launch initiatives outside the Union to collaborate with partners in the protection of their natural resources.

Like the F2F, the Biodiversity Strategy for 2030 also has multiple points of contact with the CAP, as biodiversity is the sixth specific goal to be achieved by the SPR. The strategy includes the same target to reduce nutrients loss by 50% and the related 20% cut of fertilizers of the F2F, as well as the call for the revision of the pesticides directive. The proposed nature restoration law and the other provisions adopted or to be adopted following the strategy, including rules on the protection of pollinators and of soil, will be key instruments to achieve SO6, and vice versa the SPR and its plans represent a great opportunity to contribute to the targets set by the strategy, keeping into account all the limitations illustrated for the F2F and that apply also in this case. A further analysis of common points and differences between the CAP, the F2F, the Biodiversity Strategy for 2030, and the Green Deal in general will be explored in the next section.

3.2.4 The new CAP and the Green Deal: going in the same direction?

Despite multiple overlapping ambitions and the clear link existing between the CAP, the F2F, and the Biodiversity Strategy for 2030 given the role played by agriculture in the achievement of both Green Deal strategies, even before the adoption of the final draft of the SPR critics were already moved to the actual contributions that the new CAP would be able to bring.

In a document²¹⁶ released together with the F2F and Biodiversity Strategy, the Commission analyzed the links of the new CAP, at the time still at proposal stage, and such policies. The key identified points focused on the environmental actions

²¹⁶ Commission Staff Working Document (2020), 20 May 2020, SWD (2020) 93 final, *Analysis of links between CAP Reform and Green Deal*.

introduced with the new reform and that would reflect the Green Deal initiatives and ambitions; above all, the newly introduced eco-schemes, (the original proposal did not present the 25% minimum financial allocation but a more general 30% fund allocation to environmental practices) were seen as the pivotal element to encourage farmers by providing necessary subsidies to implement environmentally friendly activities. Moreover, the conditionality principle, based on the GAECs and the SMRs, was thought as a tool to force more sustainable farming exercises given that farmers must comply with them in order to receive payments. Another important factor is the no backsliding principle introduced in Article 92 of the proposal according to which “Member States shall aim to make, [...] a greater overall contribution to the achievement of the specific environmental and climate-related objectives” and that became Article 105 in the SPR, which obliges member states to increase their ambitions through their strategic plans. Finally, even though the Green Deal and its strategies are only mentioned in the recitals of the SPR, the Commission, during the approval stage of strategic plans, underwent a compliance check with respect to the F2F and Biodiversity Strategy to make sure that measures to reach their targets were included.

However, many criticized the lack of more rigid criteria in the legislative framework, deemed to be too soft on environmental practices already at proposal stage, so even before negotiations with the co-legislators possibly watered down the proposed provisions. Eco-schemes, while bringing a welcomed innovation, are to be implemented on a voluntary basis, and the 25% financial allocation to be dedicated to them could be lowered in favor of other instruments in Pillar II. Furthermore, while the Commission issued guidelines and specific indications to each member state on how to improve their plans, the lack of severe consequences led member states to include lower targets easier to achieve rather than higher ones that would not be met²¹⁷. Another issue, that can now be defined as having been underrated, was the response that these environmental ambitions would generate in the farming community. Since the establishment of the CAP sixty years ago, its reforms have always been contested for various reasons, and the latest one has been strongly disputed in the last months precisely due to the environmental constraints introduced. These often increase the workload while generating lower economic return, pushing farmers to reject them, as small and medium producers, those who suffer the most, believe the subsidies are not enough to support the required change given their ongoing economic struggle that the CAP has mostly failed to fix throughout time. The result of this malcontent is the wave of protests by European farmers that were introduced in the first section of this chapter and that resulted in the Commission proposing amendments to some of the most relevant GAECs. The amendments, if adopted, would make even harder the achievement of tangible goals through the CAP, something that most believed already complicated, as the analysis of national strategic plans provided discouraging results²¹⁸. Concerns were also raised about the compatibility, and even legality, of the proposed amendments, given that fundamental articles, such as Articles 5, 6, and 105 of the SPR would not themselves

²¹⁷ MATTHEWS (2021: 16-17).

²¹⁸ FRIENDS OF THE EARTH EUROPE (2022); BIRDLIFE INTERNATIONAL, EUROPEAN ENVIRONMENTAL BUREAU (2022a: 1-9); ID (2022b: 1-14).

be modified, thus not changing the overreaching goals of the policy while decreasing the measures to reach them²¹⁹.

While it is still too soon to determine whether the CAP will provide the contributions and achieve the targets related to the Green Deal that the Commission hopes, the latest events add to a series of concerns that were raised since the publication of the Green Deal and even more after the issuing of the F2F and Biodiversity Strategy for 2030, given the dependency that the two strategies have on the CAP to be correctly implemented, regarding the likelihood of such ambitions, as, despite the apparent overlapping of the policies, the actual pathways of the CAP and of the Green Deal might be getting further away from each other rather than crossing.

²¹⁹ CLIENTEARTH (2024: 1-6).

CONCLUSION

The Common Agricultural Policy ('CAP') has been a cornerstone policy of the European Union ('EU') since its adoption in 1962. Throughout its history, the CAP has significantly evolved and increased its purpose, but its core goals, codified in Article 39 of the Treaty on the Functioning of the European Union ('TFEU'), the guarantying of food supply and security and the provision of a fair living to agricultural workers, remained unvaried in time.

This thesis has provided an analysis of the CAP, from its adoption to its latest reform introduced in 2021. The first chapter covers the historical background of the policy, describing its main reforms from 1962 to 2013 to explain how the CAP evolved and adjusted to face various challenges, from supporting the restructuring of a continent that experienced starvation during World War II, to being a key policy in the fight to climate change, touching upon the wine lakes and butter mountains caused by subsidies aimed at encouraging uncontrolled production and the transition from coupled to uncoupled payments. The second chapter lies at the heart of this thesis, it examines the latest reform adopted with Regulation (EU) 2021/2115, also called the Strategic Plans Regulation ('SPR'). The SPR introduced a radical change in the implementation of the CAP, based on national plans prepared by each member state and approved by the Commission, thus granting a high level of flexibility to countries to address needs according to their specific situations. The chapter assesses the specific objectives ('SOs') at the base of the CAP and then moves to analyze the criteria contained in the SPR that member states had to follow while drafting their plans, to conclude with possible improvements to be added to the regulation and the plans in the future to better achieve the set goals. Finally, the third chapter addresses how the CAP fits into the targets set by the European Green Deal and its strategies, mainly the Farm to Fork ('F2F') and the Biodiversity Strategy for 2030. The chapter begins with an explanation of the Good Agricultural and Environmental Conditions ('GAECs') and the three environmental and climate SOs of the SPR, moving then to a broad introduction of the ambitions and policies of the Green Deal with a particular focus on the F2F and Biodiversity Strategy, and concludes with the complicated relationship between the two CAP and the Green Deal strategies, which, on paper, aim to achieve overlapping targets, but that in practice are moving apart from each other, with the CAP environmental ambitions being watered down following a wave of farmer protests that is shaking the policy and the Union.

While the CAP has been subject to criticism from the beginning, its future is now more than ever at a crossroad. The strategic plans provided a welcomed change in the policy by allowing member states to move rather freely inside a broad framework by customizing their plans, their implementation will most likely fall short in the realization of environmental policies that are fundamental to the sustainable transition envisaged by the Green Deal and necessary to fight the consequences of climate change.

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RIASSUNTO

Lo scopo di questo elaborato è di analizzare l'evoluzione storica della Politica Agricola Comune ('PAC') dell'Unione Europea ('UE'), la sua ultima riforma basata sul Regolamento UE 2021/2115 e come i cambiamenti da questo introdotti possono contribuire al raggiungimento degli obiettivi posti dal Green Deal Europeo.

La PAC rappresenta una delle politiche più durature dell'Unione, introdotta dall'allora Comunità Economica Europea ('CEE') nel 1962 dopo anni di difficili negoziati nel contesto di un'Europa devastata dalle conseguenze della Seconda Guerra Mondiale dove il gruppo dei sei (Italia, Francia, Germania Ovest, Belgio, Olanda e Lussemburgo) muoveva i primi passi verso il processo di integrazione europea. Nonostante numerose riforme che ne hanno adeguato lo scopo negli anni per adeguare la PAC alle sfide e alle necessità dettate dal contesto storico in continua evoluzione, gli obiettivi centrali della politica sono rimasti sempre invariati, ovvero assicurare la produzione di prodotti agricoli e la loro sicurezza, garantendo allo stesso tempo un tenore di vita equo e stabile agli agricoltori.

Alla sua adozione, la PAC ampliava lo scopo del mercato libero tra i membri della CEE creando le organizzazioni comuni dei mercati agricoli ('OCM') per alcuni prodotti agricoli alla base della produzione alimentare dei sei membri per la quale la CEE avrebbe provveduto dei sussidi tramite il Fondo Europeo Agricolo di Orientamento e Garanzia ('FEAOG') per incrementarne la produzione e dimenticare definitivamente i duri periodi della guerra e degli anni successivi. Lo stretto legame tra il sistema di sussidi e la produzione riuscì nell'intento di riportare stabilità nella fornitura di prodotti agricoli nel mercato della Comunità, ma la Commissione e il Commissario all'agricoltura Sicco Mansholt, uno dei principali ideatori della PAC, notarono dopo pochi anni che questo meccanismo non stava portando risultati per quanto riguarda l'altro obiettivo, provvedere al tenore di vita degli agricoltori europei, nonostante il vertiginoso aumento della spesa. Inoltre, l'incontrollato supporto alla produzione spingeva gli agricoltori a incrementarla sempre di più per ricevere più sussidi, questo portò molto presto a montagne di burro e laghi di vino che rimanevano invenduti nel mercato interno e costringevano la Commissione ad esportarli sul mercato globale a prezzi più bassi, risultando in una pesante perdita per le casse della Comunità. Mansholt propose dunque la prima riforma della PAC, diretta a diminuire la produzione (tramite misure come la conversione di milioni di ettari di territorio agricolo in altri usi) e ad incoraggiare la riduzione del numero di agricoltori tramite sussidi per l'uscita dal settore (per esempio la pensione anticipata). La proposta fu fortemente contestata dalla popolazione agricola, che diede vita alla prima di una serie di proteste che caratterizzeranno la storia della PAC, e il

Consiglio impiegò anni prima di giungere ad un accordo nel 1972 che tagliò molte delle proposte di Mansholt. Più di dieci anni dopo il primo vero cambiamento per controllare la produzione fu introdotto, con l'adozione di quote da rispettare per il settore lattiero-caseario. All'inizio degli anni novanta, spinto dall'inesorabile crescita della spesa dovuta al sistema di pagamenti e da un contesto internazionale caratterizzato dalle difficili negoziazioni dell'Uruguay Round nella nuova Organizzazione Mondiale del Commercio ('OMC'), il Commissario MacSharry propose una nuova riforma per tagliare le spese della Comunità Europea ('EC') basata sulla riduzione del prezzo di intervento a cui i prodotti venivano acquistati e con l'introduzione di pagamenti diretti agli agricoltori come compensazione. La riforma aveva anche lo scopo di sbloccare le trattative con gli Stati Uniti per raggiungere un accordo nell'OMC. Il testo finale della riforma fu leggermente modificato, ma il percorso verso un nuovo sistema di sussidi volto ad alleggerire la spesa sulle casse della comunità era stato segnato.

Pochi anni dopo, la Commissione lanciò l'ambizioso piano Agenda 2000 che mirava a numerosi cambiamenti in diversi settori e preparava per la prima volta l'Unione all'espansione, in un futuro prossimo, verso est a seguito del crollo dell'Unione Sovietica. Riguardo la PAC, l'Agenda 2000 ricalcava la seguente riforma, incoraggiando l'ulteriore diminuzione dei prezzi d'intervento, ed introduceva un secondo pilastro alla politica, riservato alla protezione ambientale e allo sviluppo rurale. Nel 2003, un'ulteriore riforma sullo schema della precedente e guidata dal Commissario Fischler introduceva per la prima volta sussidi scollegati dalla produzione secondo il Regime di Pagamento Unico. L'accordo finale prevedeva l'uso parziale di questa nuova misura e l'integrazione dei prodotti spalmata in un lasso di tempo variabile.

Dopo una riforma intermedia approvata nel 2008, l'ultima modifica prima della PAC attuale fu approvata nel 2013 e ristrutturò la PAC attorno ad una modifica dello schema dei pagamenti diretti, l'accorpamento dei prodotti all'interno di un'unica OCM, la creazione del Fondo Europeo Agricolo per lo Sviluppo Rurale ('FEASR') per sostenere il secondo pilastro ed infine la riorganizzazione delle risorse dedicate alla PAC e del suo monitoraggio. Introdusse anche specifiche misure ambientali aspramente criticate dagli ambientalisti perché ritenute poco influenti.

La PAC attuale, approvata nel 2021 ma entrata in vigore nel 2023 a causa della pandemia da COVID-19 e delle pressioni dei paesi membri per avere un periodo di adeguamento, prevede un budget totale di €386.6 miliardi (pari a circa un terzo dell'intero budget dell'Unione) ed introduce una rivoluzione nell'implementazione della politica che è per la prima volta basata su piani strategici nazionali preparati da ogni membro e approvati dalla Commissione. Alla base di tale cambiamento si trova il Regolamento (UE) 2021/2115, o Regolamento sui Piani Strategici ('RPS'). Il secondo capitolo dell'elaborato analizza le caratteristiche del RPS coprendone gli obiettivi generici e specifici e le regole che i paesi hanno dovuto seguire nella preparazione dei loro piani. Il cambiamento maggiore introdotto dai piani strategici è la flessibilità che la Commissione ha concesso ai paesi in modo che questi potessero progettare il proprio piano secondo i loro bisogni specifici e le loro

caratteristiche, muovendosi all'interno di una struttura prefissata dalla Commissione e secondo le raccomandazioni di quest'ultima.

La nuova PAC mira a contribuire agli obiettivi posti dall'Articolo 39 del Trattato sul Funzionamento dell'Unione Europea, ricalcati dall'Articolo 5 del RPS, ovvero garantire la sicurezza alimentare a lungo termine, proteggere l'ambiente e rafforzare il tessuto socioeconomico nelle aree rurali. A questi traguardi l'Articolo 6 del RPS aggiunge nove obiettivi specifici più un decimo trasversale con la quale gli obiettivi generali sono da raggiungere. I dieci obiettivi sono: il sostenimento del reddito agricolo, il miglioramento dell'orientamento al mercato e della competitività delle aziende agricole, valorizzare gli agricoltori nella catena sociale, contribuire alla lotta al cambiamento climatico, promuovere l'uso sostenibile delle risorse naturali con particolare attenzione al suolo e alle risorse ad esso collegate, arrestare ed invertire la perdita di biodiversità, attrarre giovani e nuovi agricoltori per garantire il ricambio generazionale nel settore, promuovere la parità di genere, la risposta alle necessità sociali di cibo sicuro ed infine l'obiettivo trasversale di migliorare la condivisione delle conoscenze per modernizzare e digitalizzare la PAC.

Per raggiungere i propositi fissati dall'Articolo 6, ogni paese membro ha preparato il proprio piano strategico. Questo doveva necessariamente contenere una serie di elementi esplicitati nel RPS, a partire dalla valutazione delle esigenze da dover soddisfare totalmente, parzialmente o senza l'ausilio della PAC. La Commissione ha riassunto più di milleseicento esigenze individuate nei ventotto piani, sottolineando che, nonostante il RPS richieda particolare attenzione alle misure ambientali, la maggior parte delle risorse è dedicata ad esigenze economiche piuttosto che ambientali, a cui lo spazio e i fondi riservati variano molto da paese a paese. Per soddisfare le esigenze individuate, le possibili misure adottabili dai paesi racchiuse nella categoria dei pagamenti diretti erano sei, tra cui il sostegno di base al reddito per la sostenibilità è la più finanziata, seguita dalla nuova misura pensata per incoraggiare pratiche sostenibili, i regimi ecologici. Mentre per lo sviluppo rurale otto categorie di misure erano disponibili, in questo caso la più finanziata sono gli impegni agro-climatico-ambientali, seguita dalle risorse dedicate alle aree svantaggiate per motivi naturali o non naturali. Inoltre, le strutture di controllo e monitoraggio dell'implementazione dei piani dovevano essere specificate nei piani sia a livello nazionale sia a quello regionale ove necessario, così come le strategie finanziarie e quelle per assicurare la modernizzazione della PAC.

Una volta preparati ed inviati alla Commissione, questa ne ha controllato la corretta preparazione ed inviato specifiche raccomandazioni ad ogni paese per il miglioramento, alla fine del 2022 tutti i ventotto piani sono stati approvati definitivamente dopo i necessari aggiustamenti, e il 1° gennaio 2023 sono entrati in vigore. Il RPS prevede un sistema di emendamenti da poter effettuare al proprio piano in una quantità di uno all'anno più tre addizionali durante il periodo 2023-2027; successivamente ad ogni emendamento approvato dalla Commissione ogni paese è tenuto ad una revisione del proprio piano per comprendere se includere tale misura in esso o giustificare la non necessità. Inoltre, per facilitare la condivisione di conoscenze e il miglioramento dei piani nazionali, ogni paese possiede un proprio network per riportare i progressi ed altre informazioni rilevanti, e tutti i network

nazionali sono racchiusi in una rete generale europea. Riguardo alla valutazione dei piani, oltre ad una condotta ex-ante, i paesi membri ne condurranno una a metà del periodo di implementazione e una alla fine, mentre la Commissione ha prodotto un riassunto dei piani nazionali e condurrà due valutazioni ad interim ed una ex-post.

Sebbene il RPS abbia introdotto maggiore flessibilità nella PAC e dunque conceda maggior movimento ai membri per poter personalizzare il proprio piano ed adattarlo meglio alle specifiche necessità, al Regolamento è stata contestata la mancanza di una struttura regolativa generale più rigida e dettagliata che potrebbe essersi tradotta in un approccio conservativo da parte dei paesi nel fissaggio degli obiettivi in modo da poterli raggiungere più facilmente, inficiando dunque sulle capacità generali di raggiungimento di obiettivi tangibili da parte dei piani approvati. In aggiunta, molte delle misure adottate in risposta alle esigenze individuate potrebbero non essere sufficienti in quanto troppo poco specifiche e adeguate. A questo proposito, le preoccupazioni maggiori si sono sviluppate intorno all'abilità di questa PAC di ridistribuire le risorse verso le piccole-medie imprese agricole che da sempre soffrono maggiormente.

Infine, l'ultimo capitolo tratta dei possibili contributi che la PAC può apportare ai traguardi posti dal Green Deal Europeo, la strategia centrale della Commissione per portare l'Europa ad essere il primo continente ad emissioni zero entro il 2050. Il capitolo include un'analisi delle Buone Condizioni Agronomiche Ambientali ('BCAA') (pratiche che compongono parte del meccanismo di condizionalità legato ai sussidi della PAC) e dei tre obiettivi specifici inerenti al contrasto del cambiamento climatico e alla salvaguardia dell'ambiente e della biodiversità. Questi elementi sono fondamentali per il raggiungimento degli ambiziosi traguardi posti nel Green Deal e nelle sue strategie specifiche, in particolare quelli della Farm to Fork (F2F) e della Strategia per la Biodiversità 2030. Sono inoltre al centro dell'ondata di proteste che sta travolgendo l'Unione negli ultimi mesi, dove gli agricoltori lamentano la mancanza di sussidi adeguati che possano pareggiare le spese necessarie ad attuare le politiche ambientali racchiuse nei BCAA, principalmente la rotazione delle colture per garantire il ripristino dei nutrienti nel suolo (BCAA 7), l'utilizzo di almeno 4% della superficie di terra coltivabile per scopi non produttivi (BCAA 8), e la copertura minima del suolo nei momenti sensibili (BCAA 6).

Il capitolo descrive brevemente le strategie e le politiche adottate nel contesto del Green Deal riguardo a vari settori come industria ed energia, per poi focalizzarsi sugli obiettivi della F2F e della Strategia per la Biodiversità 2030. La F2F punta al raggiungimento della sostenibilità nella totalità del settore alimentare, dalla produzione al consumo passando dalla lavorazione e il trasporto. La strategia presenta numerosi punti di contatto con la PAC ed è chiaro come senza il contributo della politica agricola i suoi obiettivi risultino impossibili da raggiungere. Tra questi compaiono la diminuzione del 20% nell'uso dei fertilizzanti per tagliare del 50% la perdita di nutrienti, il dedicare il 25% della terra coltivabile a pratiche di produzione organiche e la riduzione del 50% nella vendita e conseguente uso di antibiotici animali. Mentre la Strategia per la Biodiversità 2030 mira a fermare ed invertire la scomparsa di biodiversità in Europa, tra i suoi scopi compare l'incremento delle aree protette, sia marine che terrestri, al 30% della superficie dell'Unione e quello delle

aree rigorosamente protette al 10%, includendo le foreste primarie del continente. Anche il suo successo passa necessariamente dalla PAC, specialmente per quanto riguarda la salvaguardia delle specie e degli habitat strettamente legati all'agricoltura che stanno scomparendo a causa dell'utilizzo di pratiche invasive a discapito di quelle tradizionali. La strategia ribadisce gli obiettivi della F2F sull'uso dei fertilizzanti e sulle regole per i pesticidi, prestando particolare attenzione alla protezione degli insetti impollinatori per cui regolamenti e strategie ad hoc sono implementate.

Tuttavia, nonostante i legami tra la PAC e queste strategie siano ovvi e rilevanti, si sta osservando un allontanamento progressivo tra la PAC e il Green Deal, con il rischio che nessuna delle due politiche raggiunga le mete prefissate. Le proteste hanno portato la Commissione alla drastica revisione delle BCAA che più di tutte contribuiscono alla conservazione dell'ambiente, ponendo in serio pericolo non solo i tre obiettivi specifici della PAC ma anche quelli della F2F e della Strategia per la Biodiversità 2030, infierendo su una politica giudicata già poco capace di raggiungere i propri obiettivi prima della possibile riforma.