



## Commission proposes targeted review of Common Agricultural Policy to support EU farmers

Brussels, 15 March 2024

**Delivering on its commitment to ease administrative burden for EU farmers, the European Commission has today proposed to review certain provisions of the Common Agricultural Policy (CAP), aiming to deliver simplifications while maintaining a strong, sustainable and competitive policy for EU agriculture and food.**

These proposals, related to conditionality and CAP Strategic Plans, aim to reduce the burden related to controls for EU farmers, and provide them with greater flexibility for complying with certain environmental conditionalities. National administrations will also benefit from greater flexibility to apply certain standards.

Today's legislative proposal is a direct response to the hundreds of requests received from farmers' representative organisations and [Member States](#), and complements the Commission's [short-term actions](#) already under way to help reduce administrative burden for farmers.

The proposal strikes the right balance between the necessity to maintain the CAP's role in supporting the transition of European agriculture to more sustainable farming, the expectations of farmers and Member States, and the objective to reach a quick agreement between the European Parliament and the Council.

It is carefully calibrated and targeted to maintain a high level of environment and climate ambition in the current CAP.

To respond to all concerns expressed in the past weeks, **the Commission is also sending to the Council and the European Parliament a reflection paper outlining several measures to improve the position of farmers in the food supply chain.** This list of possible actions will be discussed with [agriculture ministers in the next Council meeting](#).

Today's package of support for EU farmers delivers on [the last conclusions](#) from the European Council that called on the Commission and Council to address the challenges facing the EU agricultural sector.

President of the European Commission, Ursula **von der Leyen**, said: *"The Commission is taking strong and swift action to support our farmers in a time when they are dealing with numerous challenges and concerns. Today's proposals - crafted in close cooperation with farmers, key stakeholders, our Member States and MEPs - offer targeted flexibilities to help farmers do their vital work with greater confidence and certainty. We are sending a clear message that agricultural policy adapts to changing realities while staying focused on the key priority of protecting the environment and adapting to climate change. The Commission will continue to stand steadfastly by our farmers, who maintain EU food security and serve at the frontline of our climate and environment action."*

### Adapting conditionalities to new realities

In the first year of implementation of the current CAP (2023-2027), EU farmers faced challenges to fully comply with some of the standards beneficial to the environment and climate called "*good agricultural and environmental conditions*" (GAECs). Because most of the CAP payments that farmers receive are linked to this set of nine standards, they are also referred to as [conditionalities](#).

The Commission therefore proposes a targeted review of certain conditionalities in the [Regulation on CAP Strategic Plans](#). The review relates to the following conditionalities:

- **GAEC 8 on non-productive features:** EU farmers will have to maintain existing landscape features on their land but will no longer be obliged to dedicate a minimum part of their arable land to non-productive areas, such as fallow land. Instead, **they may choose, on a voluntary basis, to keep a share of their arable land non-productive - or establish new landscape features (such as hedges or trees) - and thereby receive additional financial support via an eco-scheme** that all Member States will have to offer in their CAP Strategic Plans. All

EU farmers will be incentivised to maintain non-productive areas beneficial for biodiversity without fearing loss of income.

- **GAEC 7 on crop rotation:** EU farmers will be able to fulfil this requirement by choosing to **either rotate or diversify their crops**, depending on the conditions they are facing and if their country decides to include the option of crop diversification in their CAP Strategic Plan. Flexibility to carry out crop diversification instead of crop rotation only will enable farmers affected by regular drought or excessive rainfall to comply more easily with this requirement.
- **GAEC 6 on soil cover during sensitive periods:** Member States will have much more flexibility in setting what they define as sensitive periods, and the practices allowed to fulfil this requirement, in light of their national and regional conditions, and in the context of increasing weather variability.

**In addition to these specific changes, the Commission proposes that Member States may exempt certain crops, soil types or farming systems from complying with requirements on tillage, soil cover, and crop rotation/diversification (respectively GAECs 5, 6, 7).** Targeted exemptions to allow ploughing to restore permanent grassland in Natura 2000 sites in case it is damaged due to predators or invasive species could also be possible (GAEC 9). These exemptions may be set for the whole CAP period in the CAP Strategic Plans. They should be limited in terms of area and established only where they prove necessary to address specific problems. The European Commission will review the necessary amendments to validate the exemptions and maintain the consistency with the overall environmental objectives of the Plans.

**In extreme cases of adverse weather conditions preventing farmers to properly work and comply with the GAEC requirements, Member States may also introduce temporary derogations.** These derogations should be limited in time and only apply to the beneficiaries affected.

To ensure that EU countries can adapt more frequently their [CAP Strategic Plans](#) to changing conditions, **the Commission proposes to double the number of amendments allowed each year.** Any successful simplification exercise must be carried out in close cooperation with national administrations.

Last but not least, the Commission proposes to exempt **small farms of under 10 hectares from controls and penalties related to compliance with conditionality requirements.** This will significantly reduce the administrative burden related to controls for small farmers who represent 65% of CAP beneficiaries.

The CAP Strategic Plans allocate 32% of the total CAP budget (around €98 billion) to voluntary actions advancing the environmental, climate and animal welfare objectives. These proposed changes maintain this unprecedented budget and provide increased flexibility to reach the CAP's environmental objectives.

In addition, Member States will have to review their CAP Strategic Plans by 31 December 2025 if specific environmental and climate acts (for example on conservation of wild birds and natural habitats of wild fauna and flora, and protection of waters) are updated at EU level.

### **Improving farmers' remuneration and their position in the food supply chain**

Reinforcing the position of farmers in the food supply chain is one of the key objectives of the CAP. There are already several measures in place at EU level to ensure more fairness and protect farmers against unfair trading practices. While the degree of trust and cooperation between actors in the chain is increasing, the full implementation and enforcement of the available policy tools take time, and more needs to be done.

To contribute to the ongoing discussions with agriculture ministers and the European Parliament, the Commission presents **several options for actions that could be taken forward in the short and medium term.**

First, as part of an immediate deliverable, **the Commission will launch an observatory of production costs, margins and trading practices in the agri-food supply chain.** Composed of representatives from all sectors along the food supply chain and representatives of Member States and the Commission, this observatory will increase the transparency on costs and margins in the chain by making data public, and exchanging information, with a view to building trust between the stakeholders and establishing a common diagnosis of the situation. It is expected to hold its first meeting this Summer.

Second, the Commission proposes options for **targeted improvements to the current legal framework set in the [Regulation establishing a common market organisation of agricultural products \(CMO\)](#).** These options include reinforcing the rules applicable to **contracts** that farmers

conclude with buyers in the food industry or retail, and strengthening **producer organisations** to allow farmers to cooperate and act collectively in a more effective way vis-à-vis other actors in the food supply chain. The aim is to help correct imbalances in the chain while preserving the fundamental principle of market orientation. In the same vein, **the Commission proposes the possibility of new rules on cross-border enforcement against unfair trading practices**. Currently, at least 20% of the agricultural and food products consumed in a Member State come from another Member State. There is a need to enhance the cooperation of national enforcement authorities, notably by improving the exchange of information and collection of penalties.

Third, the Commission will conduct a **thorough evaluation of the Directive on unfair trading practices in the food supply chain, in force since 2021**. A first report will be delivered in Spring 2024 presenting a consolidated state of play of the implementation of this Directive by Member States. This report will then feed into a more detailed evaluation that the Commission will present in 2025, which could be accompanied, if appropriate, by legislative proposals.

Discussions with Member States on these possible measures will take place in several formats, most notably the upcoming agriculture Council on 26 March.

## Background

**The Commission has worked hard to offer timely and concrete actions responding to farmers' concerns for reducing administrative burden.** This work has been conducted in close cooperation with farmers' representatives and Member States, with the valuable help of the Belgian EU Presidency. **It is now of utmost importance that co-legislators find an agreement on today's legislative proposal in a timely manner to reassure farmers that these new measures can apply as soon as possible.**

The conditionality system and budgetary ringfencing, alongside an array of other key tools of the CAP's green architecture, remain in place to ensure an overall higher level of ambition of the current CAP compared to the past. The changes proposed today will lead to a more predictable policy that does not require yearly derogations and disproportionate efforts from farmers.

Last year, the Commission already showed a flexible and pragmatic approach by providing [derogations on the conditionality on crop rotation \(GAEC 7\) and land lying fallow \(GAEC 8\)](#). This year, the [partial derogation on land lying fallow for EU farmers](#) for 2024 was confirmed on 13 February. In addition to this derogation, the Commission launched on 22 February a range of **short-term actions** that are currently ongoing or have already been implemented. For example, the change on the calculation of the area of permanent grassland was adopted on 12 March to take into account the situation of farmers converting from livestock to arable crops.

On 7 March, the Commission launched a [survey on simplification](#) directly targeted at EU farmers to identify the complexity stemming from CAP rules as well as other EU rules for food and agriculture. In parallel, an [online survey gathering the views of farmers and smaller suppliers on unfair trading practices](#) has been running and closed today, 15 March.

Member States play a key role in keeping the administrative burden for farmers limited and proportionate to achieving the objectives of EU legislation. It is essential that no requirements that go beyond what is requested in the CAP legislation are imposed. This is why any successful simplification exercise must be carried out in close cooperation with the national administrations and farmers themselves. The Commission will keep facilitating exchanges of good practices.

## For More Information

[Legislative proposal](#)

[Questions and Answers](#)

[The European Commission presents options for simplification to reduce the burden for EU farmers](#)

[The European Commission invites farmers to participate in online survey on simplification](#)

[European farmers exempted from rules on land lying fallow](#)

[Fighting against unfair trading practices: European Commission gathers views from farmers and operators in the food supply chain](#)

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Quotes:

*"The Commission is taking strong and swift action to support our farmers in a time when they are dealing with numerous challenges and concerns. Today's proposals - crafted in close cooperation with farmers, key stakeholders, our Member States and MEPs - offer targeted flexibilities to help farmers do their vital work with greater confidence and certainty. We are sending a clear message that agricultural policy adapts to changing realities while staying focused on the key priority of protecting the environment and adapting to climate change. The Commission will continue to stand steadfastly by our farmers, who maintain EU food security and serve at the frontline of our climate and environment action."*

Ursula von der Leyen, President of the European Commission - 15/03/2024

*"Today's proposals mark another strong step in the Commission's response to reduce administrative burdens for farmers and reinforce fairness in the food supply chain. The proposals embrace a pragmatic and targeted approach to enable the good work of our farmers and provide increased flexibility for Member States to achieve CAP objectives. Our work over the coming weeks and months is crucial, to ensure that the full potential of these proposals benefit farmers on the ground."*

Janusz Wojciechowski, Commissioner for Agriculture - 15/03/2024

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