

EUROPEAN COMMISSION

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## COMMISSION STAFF WORKING DOCUMENT

## EXECUTIVE SUMMARY OF THE EVALUATION

impact of the CAP on biodiversity, soil and water (natural resources)

{SWD(2021) 424 final}

The evaluation examined the effectiveness, efficiency, relevance, coherence, and EU added value of relevant support schemes under the common agricultural policy (CAP) as regards their impact on biodiversity, soil and water.

It contributes to the assessment of the 2014-20 CAP regarding its general objective of sustainably managing natural resources. It complements parallel evaluations on greening, forestry and climate  $action^1$ .

The CAP provides EU added value by setting a higher level of ambition than might be available under a purely national approach, and requiring minimum levels of financial support, and supporting knowledge sharing across Member States.

The relevance of the CAP's objective to address sustainable management of natural resources has been important throughout the observation period, with available indicators pointing toward continued pressure on biodiversity, soil and water resources.

The evaluation acknowledges the CAP's potential to effectively address sustainable management objectives by providing extensive protection through mandatory cross-compliance (on 84% of the EU's utilised agriculture area in 2019), greening obligations (80%) and more targeted voluntary commitments under rural development support (15% for agri-environment-climate measures (AECM) and 5% for organic farming supported by the CAP).

The CAP – in particular direct payments to farmers and support for areas facing natural constraints – can prevent land abandonment and slow down specialisation of farming systems, helping maintain diversified land use, farming and permanent grasslands.

Nonetheless, implementation choices play a pivotal role and Member States declined to allocate more funding to the most targeted measures (including AECM, Natura 2000 and conversion to organic farming), and/or chose a minimalistic approach for certain more generalised cross-compliance and greening conditions. Nor did the overall policy design address certain pressures and needs sufficiently (e.g. no targeted measures for soil compaction, soil biodiversity and pollution). As a result, the potential of the CAP to contribute to sustainable practices was not fully exploited.

The CAP instruments and measures with the greatest benefits for sustainable management (including cross-compliance) have the greatest administrative cost, but are deemed proportionate given the inherent complexity of some of the management practices and/or in view of the benefits obtained.

There is a good level of internal and external coherence between the CAP schemes and measures addressing sustainable management, but a limited number of inconsistencies were identified (e.g. risk of direct payments facilitating intensification with resulting biodiversity impacts).

The evaluation faced a number of inherent challenges and constraints, due to the limited availability of accurate, detailed, timely and homogenous data, the narrow observation period (given the slow, longer-term nature of environmental processes) and the prevalence of external factors distorting the precise identification of cause and effect for certain developments.

The evaluation validates relevant policy elements proposed for the post-2020 CAP, including the need for a more strategic approach to improve targeting, consistency of approach and overall performance and improved funding and incentives to allow improving the impact of the CAP on natural resources, in line with the Green Deal ambition.

<sup>&</sup>lt;sup>1</sup> SWD(2018)478, SWD(2019)389 and SWD(2021)115.