



## Press Release

Luxembourg, 12 December 2017

### Greening the CAP: income support more complex and not yet environmentally effective, say EU Auditors

Payments designed to encourage farmers to “go green” are unlikely to enhance the Common Agricultural Policy’s environmental and climate-related performance significantly, according to a new report from the European Court of Auditors. The auditors found that the new payments added more complexity to the system but had led to changed farming practices on only about five per cent of EU farmland.

Greening is a new type of direct payment introduced with the 2013 reform of the Common Agricultural Policy (CAP). It was designed to reward farmers for having a positive impact on the environment which would otherwise not be rewarded by the market. It is the only direct payment whose main stated objective is environmental.

The auditors examined whether greening was capable of enhancing the CAP’s environmental and climate performance in accordance with EU objectives. They conducted interviews with the authorities in five Member States: Greece, Spain (Castile and León), France (Aquitaine and Nord-Pas-de-Calais), the Netherlands and Poland.

*“Greening remains essentially an income support scheme,” said Mr Samo Jereb, the Member of the European Court of Auditors responsible for the report. “As currently implemented, it is unlikely to enhance the CAP’s environmental and climate performance significantly”.*

The auditors found that the European Commission had not developed a complete intervention logic for greening payments. Nor did it set clear, sufficiently ambitious environmental targets for greening to achieve. Furthermore, the budget allocation for greening is not justified by the policy’s delivery of environmental and climate-related objectives. They also found that greening was unlikely to provide significant benefits for the environment and climate, mainly because a significant share of the practices subsidised would have been undertaken anyway without the payment. The auditors estimate that greening led to changes in farming practices on only around five per cent of EU farmland.

Finally, they found that the policy’s results were unlikely to justify the significant complexity which greening adds to the CAP. Part of this results from overlaps between greening and other

*The purpose of this press release is to give the main messages of the special report by the European Court of Auditors.*

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CAP environmental requirements.

The auditors recommend that the Commission develop a complete intervention logic for the CAP's contribution to EU environmental and climate objectives in the next CAP reform. In its proposals for the reform, the Commission should follow the following principles:

- farmers should only have access to CAP payments if they comply with a set of basic environmental norms. Penalties for non-compliance should be sufficient to act as a deterrent;
- agricultural programmes to address environmental and climate needs should include performance targets and funding which reflect the costs incurred and the income lost as a result of activities going beyond the environmental baseline;
- when Member States can choose among options for implementing the CAP, they should have to demonstrate that their selected options are effective and efficient in achieving policy objectives.

## Notes to Editors

The EU spends €12 billion per year on the new green payment, representing 30% of all CAP direct payments and almost 8% of the whole EU budget. For farmers, this translates into an average rate of around €80 per hectare per year. When greening was introduced, the European Parliament and the Council shifted the greening funds over from other direct payments. The total budget for CAP direct payments has therefore remained relatively stable.

Greening is under shared management, with the European Commission retaining overall responsibility for the execution of the EU budget but delegating implementation tasks to the Member States.

Special Report No 21/2017: "Greening: a more complex income support scheme, not yet environmentally effective" is available on the ECA website ([eca.europa.eu](http://eca.europa.eu)) in 23 EU languages.