

Common Agricultural Policy 2023 – 2027

Regulation on the CAP Strategic Plans

The Council of the European Union led by the Portuguese Presidency and the European Parliament concluded political negotiations on the CAP reform on 25 June 2021. The new CAP regime should start in January 2023, according to the current schedule.

The political negotiations known as 'Trilogues' between the presidents of the Council, European Parliament and European Commission concluded with a compromise agreement on the final text of the regulation at the end of June 2021. The main negotiating actors during the final Trilogues were Maria do Céu Antunes, Portuguese Minister for Agriculture; Peter Jahr, MEP and Rapporteur for the file; and Janusz Wojciechowski European Commissioner for Agriculture from Poland.

The text of the agreement would have to be confirmed by the Council and the European Parliament's AGRI Committee in the coming weeks.

It would be then submitted for a plenary vote, expectedly in October or November 2021.

Once adopted by MEPs in plenary, the text would have to be formally approved by the Council. If approved by the Council, the procedure would be concluded at first reading and the legislative act would be published in the Official Journal and enter into force.

Analysis – The CAP Strategic Plans

The new CAP introduces a new way of working, where each Member State will draft a national CAP strategic plan describing how the CAP objectives as well as the Green Deal objectives as described in the Farm to Fork and Biodiversity Strategies will be achieved.

Member states will have to submit their draft national strategic plans for approval by the Commission until 31 December 2021.

The Commission will then have six months to assess and approve the plans, which will then enter into force beginning of 2023.

Analysis – The CAP & the Environment

The new CAP will support green payments through **conditionality** and **eco-schemes**.

The conditionality rules establish the minimum requirements that the CAP beneficiaries have to comply with to receive support. They refer to standards for good agricultural and environmental

conditions (GAEC) for air, water, soil, biodiversity, wetland and peatland and to existing environmental legislation.

Member States shall set, at national or regional level, minimum standards for farmers and other beneficiaries for each GAEC.

The main legislation subject to conditionality requirements are Directive 2000/60/EC on water policy; Directive 91/676/EEC on the protection of waters against pollution caused by nitrates from agricultural sources; Directive 2009/147/EC on the conservation of wild birds; Directive 92/43/EEC on the conservation of natural habitats and of wild flora and fauna.

Eco-schemes will be mandatory for Member States to offer.

This new voluntary instrument will reward farmers for implementing climate and environmentally-friendly practices (organic farming, agroecology, integrated pest management, etc.) as well as animal welfare improvements.

Member States must allocate at least **25% of their income support budget to eco-schemes**, a total of €48 billion of the direct payments budget.

The CAP budget 2021 – 2027 was approved in July 2020

The European Commission proposed that the CAP should focus on its core activities with € 286.2 billion allocated to the 1st pillar for direct payments and € 78.8 billion for the second pillar for rural development payments.

These agricultural funds should be complemented by additional funding from Horizon Europe, as the proposed envelope for this programme includes € 10 billion to support research and innovation in food, agriculture, rural development and the bio-economy.

In July 2020, EU Heads of State and Government agreed raise the CAP budget and allocate €343.9 billion for the agricultural policy in the years 2021-2027. In particular, they agreed to allocate €258.6 billion for Pillar I and €85.35 billion for Pillar II.

Following an agreement between the co-legislators, Pillar II appropriations also include €7.5 billion additional funds for rural development stemming from the EU Recovery Fund, which is meant to mitigate the economic impact of the COVID-19 pandemic.

Background information of the Trilogues compromise

The Council issued a [press release](#) following the Council meeting on 28 June 2021.

As previously reported, the negotiators from the European Parliament and the Portuguese Presidency managed to reach a compromise agreement on the CAP Strategic Plans Regulation, following intense negotiations during super trilogues held from 24 until 25 June.

Subsequently, EU Ministers for Agriculture analysed and confirmed the compromise deal during the Agriculture and Fisheries Council meeting on 28 June.

While the text of the agreement as a whole has not been made available yet, the Council has published [the results of the negotiations](#) from the final super trilogue. The latest available [compromise text](#) of the CAP Regulation on the CAP Strategic Plans was published on 11th June.

The Rapporteur and Shadow Rapporteurs of the European Parliament welcomed the political agreement on the CAP Strategic Plans Regulation with the exception of the Greens/EFA Groups that argues that the compromise is against the objectives of the green agenda.