

Food security, sustainability and the new Common Agricultural Policy

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Topics

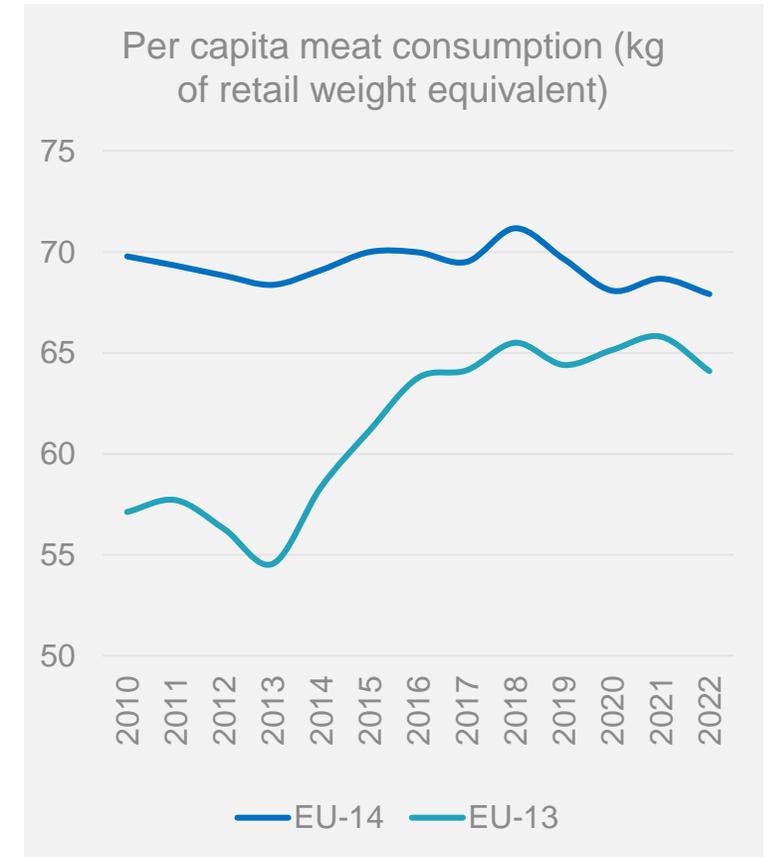
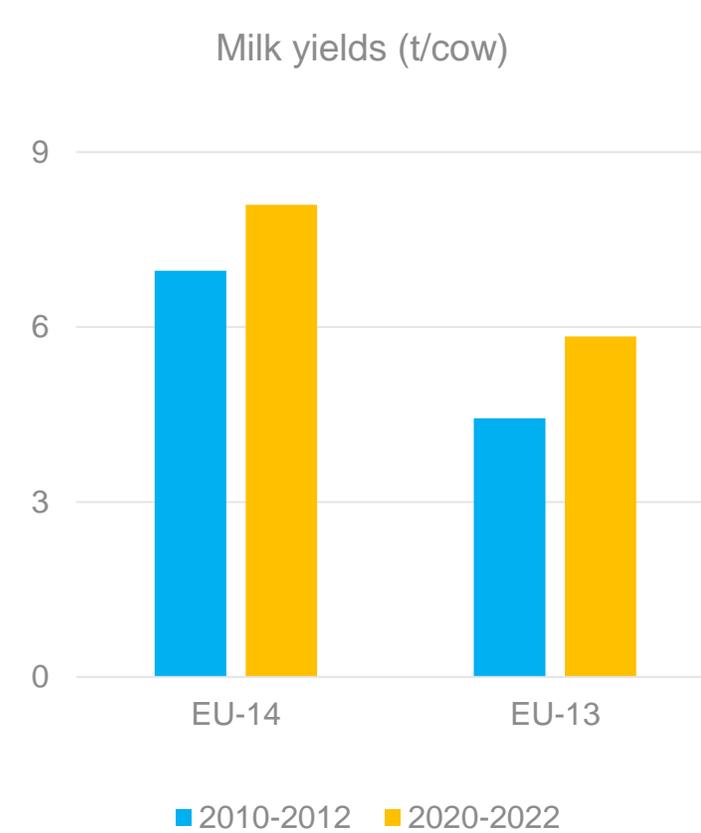
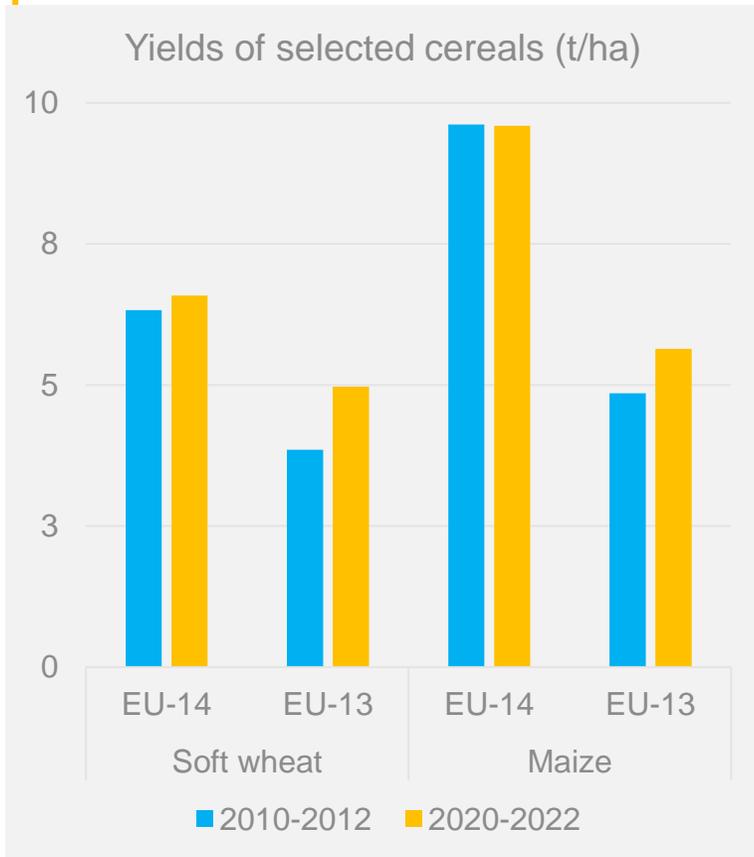
- 1) *EU market outlook 2032*
- 2) *Food Security*
- 3) *Framework law for Sustainable Food Systems*
- 4) *CAP Strategic Plans*



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Medium-term outlook report 2022-2032

EU agriculture: past and present



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EU outlook for crop market



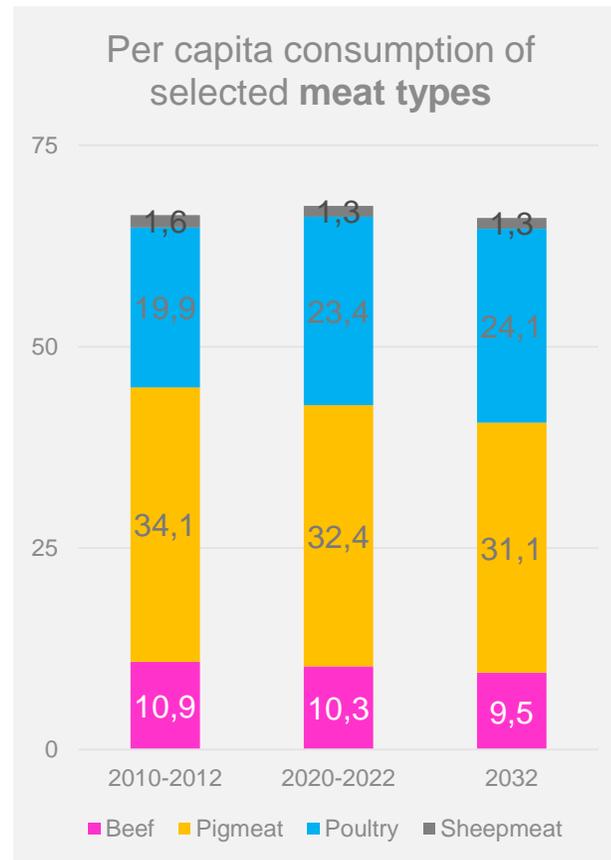
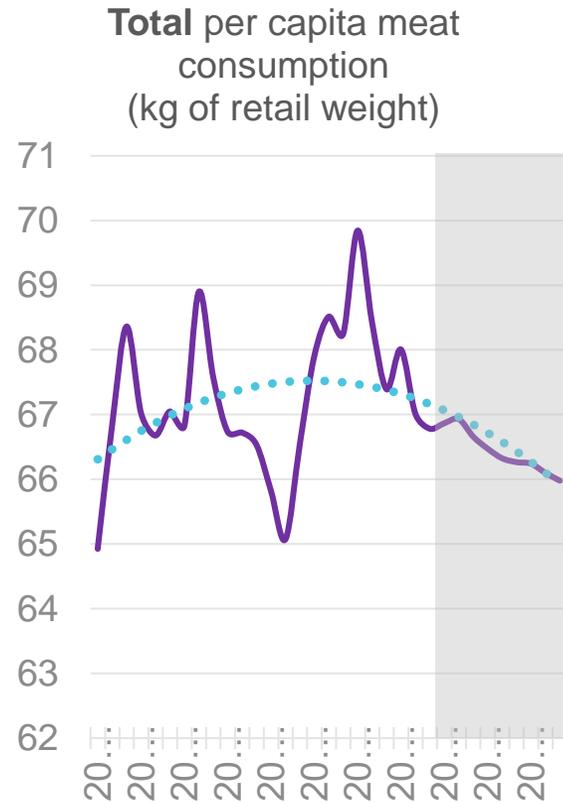
- **Cereals yields to stagnate:**
 - negative impacts of **climate change**
 - reduced use of **agricultural inputs**
 - move towards **lower-yielding farming systems**
 - **innovations and improved practices** to counteract dampening effects

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EU outlook for meats



- **Dietary changes** reflected in **meat consumption decline** (in particular beef and pigmeat)
- **Lower meat production** in line with consumption trend and more sustainable production systems
- **Exports** of pigmeat to go down while other exports consolidate their net-trade position

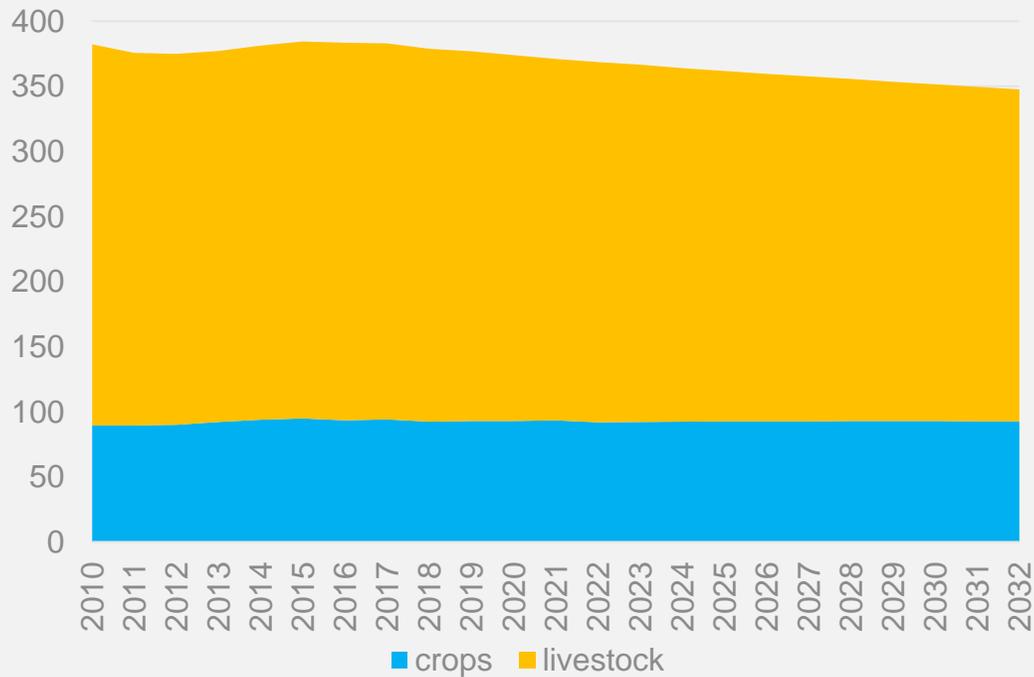
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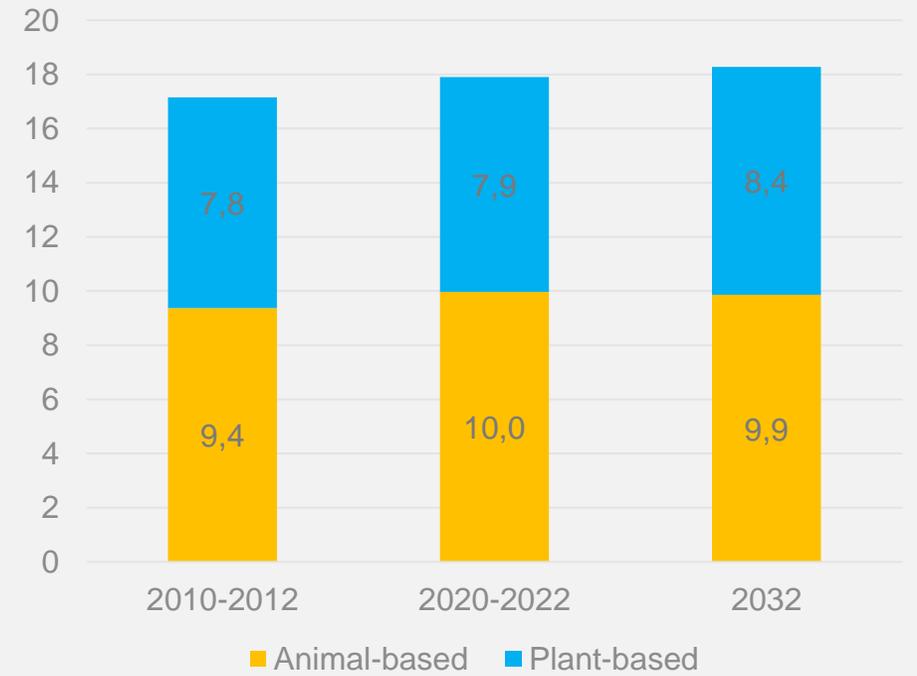
EVOLUTION OF GHG EMISSION

GHG emissions per type of production (million t of CO2 equivalent)

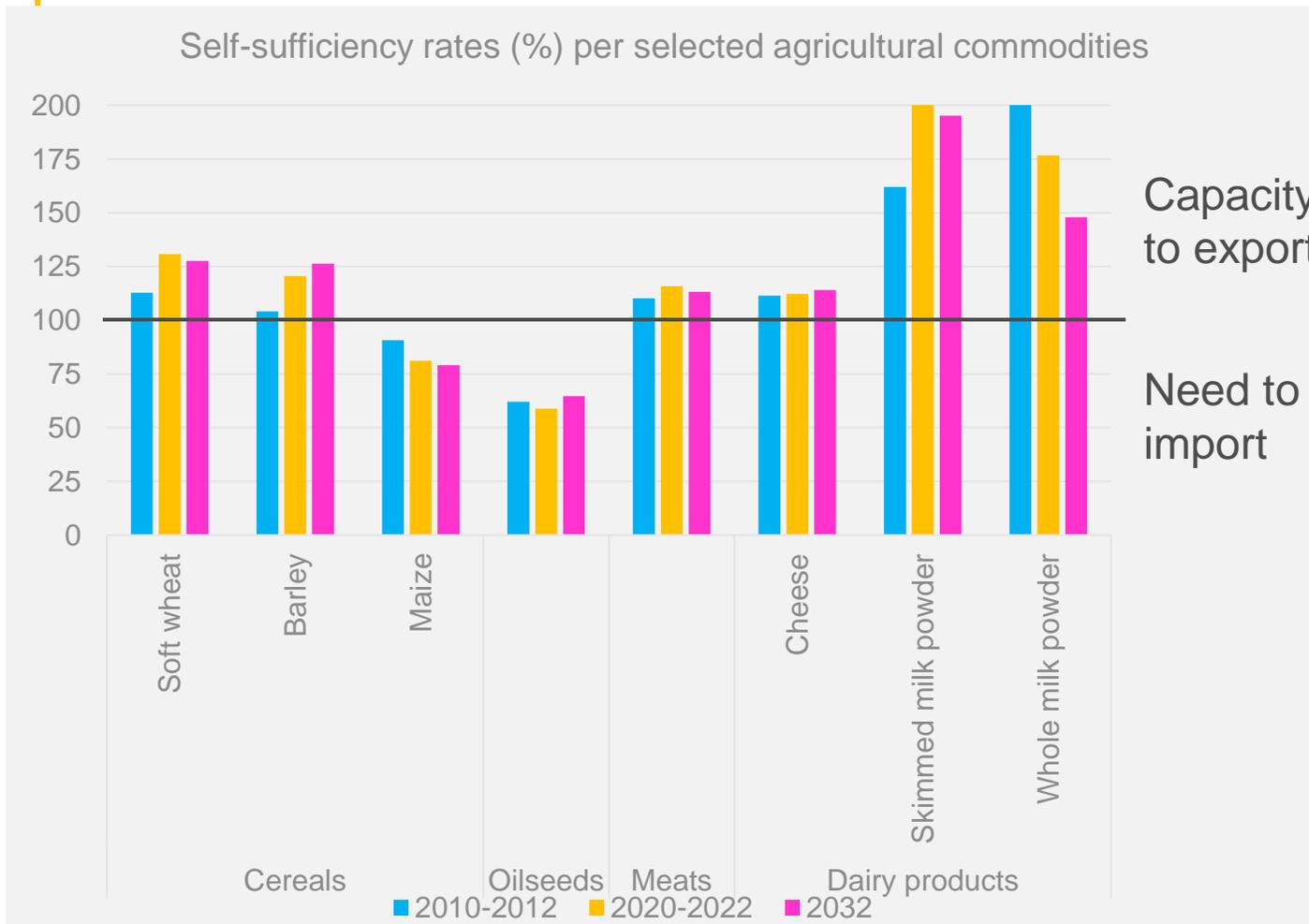


EVOLUTION OF PROTEIN SUPPLY

Distribution of protein in EU food consumption (million t/year)



What about food self-sufficiency?

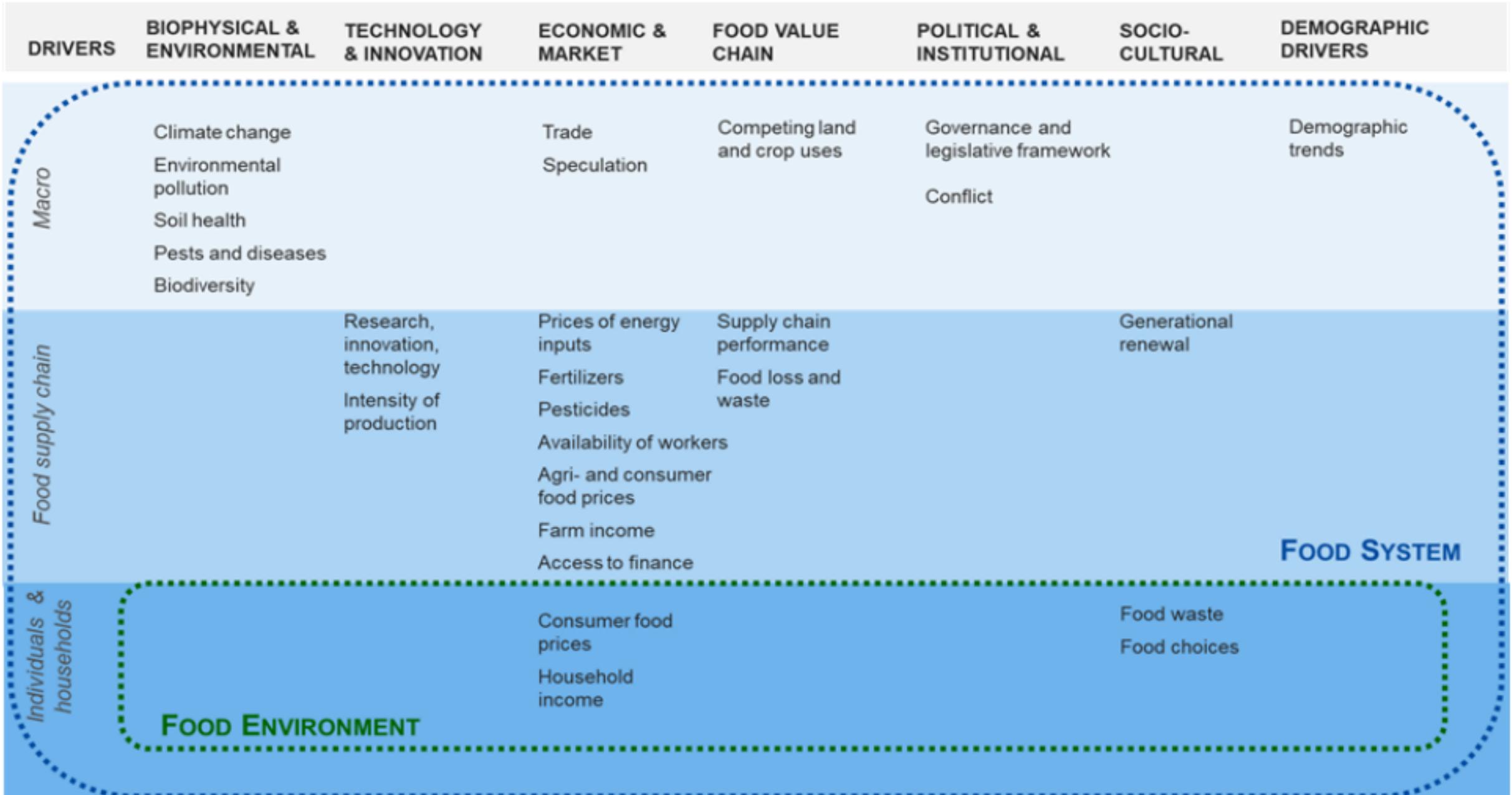


- Sustained self-sufficiency in **wheat and barley**
- Increasing self-sufficiency in **oilseeds**
- **Meat and dairy** self-sufficiency sustained
- The EU will reinforce its positive **net trade position**
- Still capacity to export

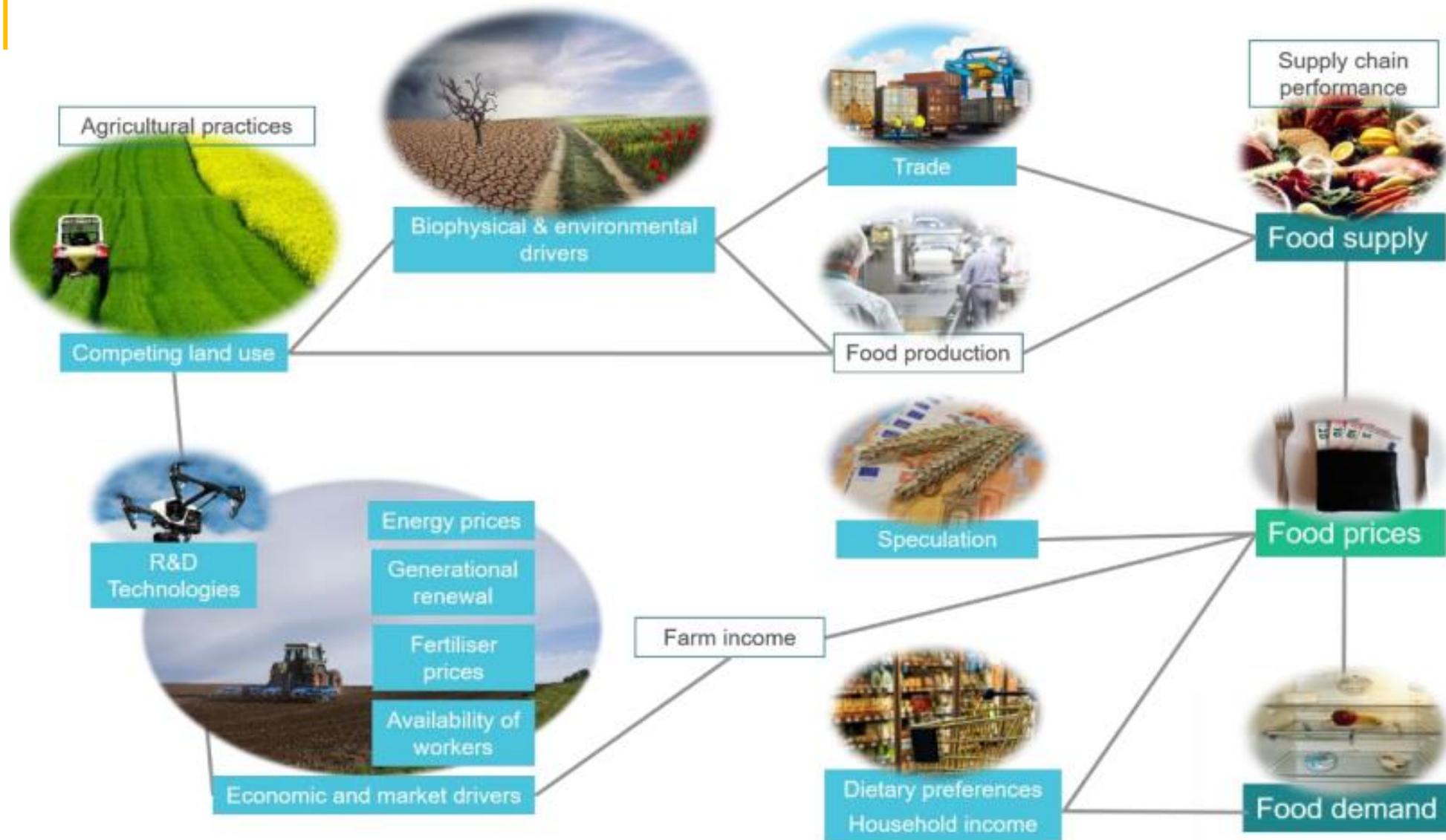
Food security



Conceptual framework on the Drivers of food security (SWD (2023) 4 final)



Interlinkages between the different drivers (SWD (2023, 4 final))



Drivers of Food Security: general assessment

- The availability of food is not at stake in Europe today, but the affordability of food is a growing concern for an increasing number of low-income households.
- **Availability, access (affordability), utilisation, and stability cannot be taken for granted in the short or the long term**, and some of these drivers may become risks for food security and expose vulnerabilities in our food system, if not properly addressed.
- Current pressures on production costs and producers' income in a context of a growing decline of the farming population need to be taken into account to guarantee production capacity.

Consistency in policy required...

- The ability to ensure food security in the long term requires consistent policy interventions that reinforce sustainability and resilience of the food system.
- **Access (affordability):** special attention needs to be paid to low income households that are not able to access diverse, healthy, and nutritious food due to the expected persistence of high levels of food prices and high energy prices
- **Concentrations of power upstream and downstream** have reduced efficiency and fairness of food supply chains, with primary producers and consumers bearing the costs.
- A well-functioning food system that also integrates in the value chain environmental/health externalities will require action in particular by empowering consumers.

International dimension

- Although mainly oriented towards the export of high value-added food products, the EU also plays a major role in supplying staple food, such as wheat, to import-dependent third countries, in particular developing countries.
- In an increasingly interconnected world, **there is a need to ensure effective multilateralism, support diversification, increase market transparency, and avoid trade-restrictive policy measures.**
- Leading by example, using its **internal market and its global trade relations and partnerships to leverage global standards**, the EU can promote ambitious food systems strategies through partnerships across the world.

Legislative initiative on a framework law for a sustainable food system

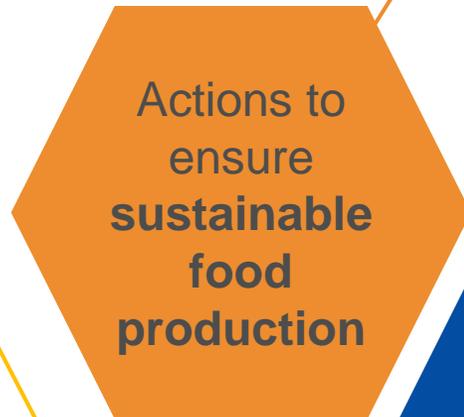
Proposal scheduled for September 2023

European Union



Farm to Fork Strategy

Key initiatives



- **Recommendations** to Member States on sustainability in Common Agricultural Policy national Strategic Plans 
- Action plan for the **organic sector** 
- **Revision of Sustainable Use of Pesticides Directive** 
- Action plan for **integrated nutrient management** 2023
- Revision of existing **animal welfare** legislation 2023



- Proposal for a **sustainable food labelling framework** 2023
- Review of the **EU promotion programme** 2023
- Review of the **EU school scheme** 2023
- Proposal for a harmonised **mandatory front-of-pack nutrition labelling** 2023
- Legislation and targets on **food waste** 2023



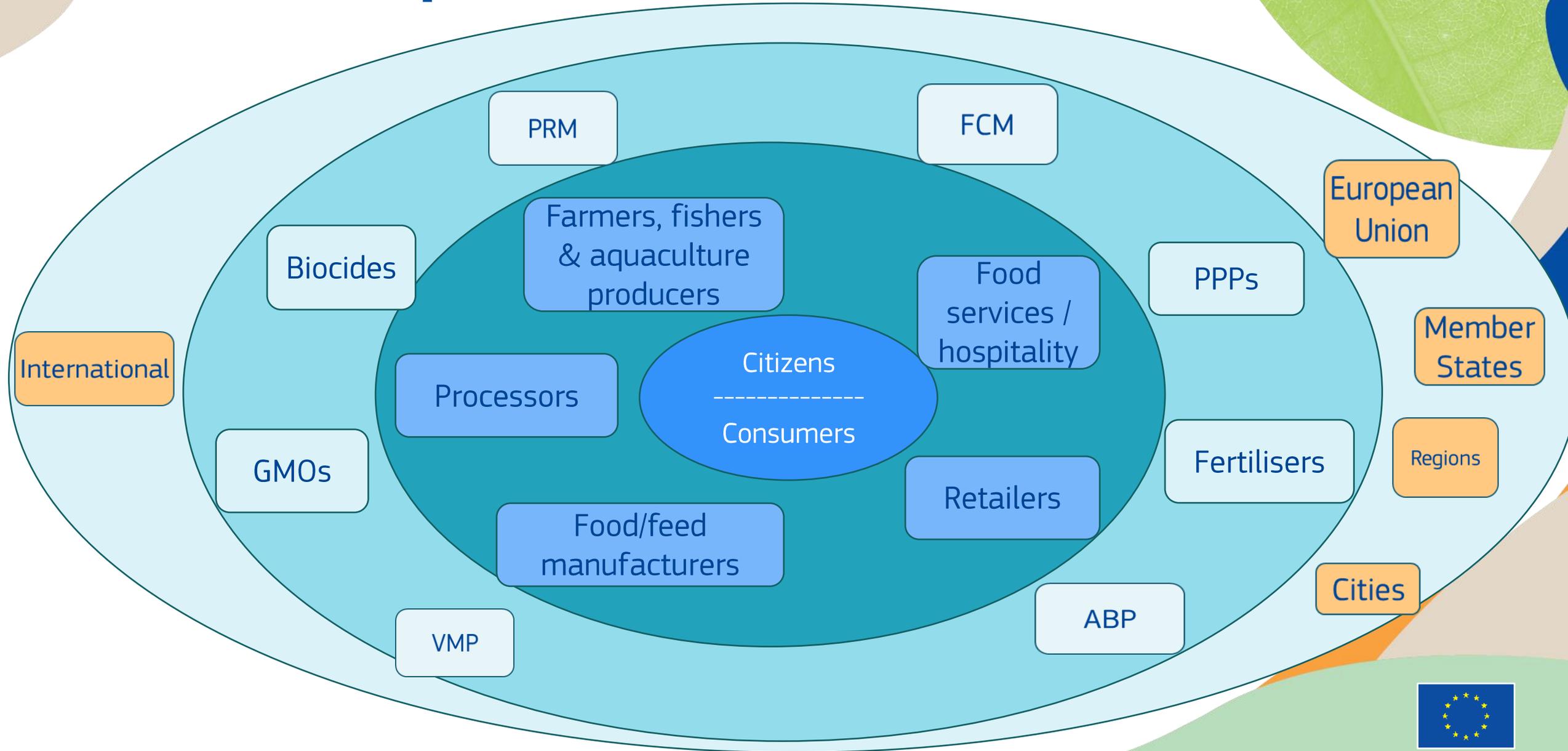
- EU code & monitoring framework for **responsible business and marketing conduct** in the food supply chain 
- Strengthen the legislative framework on **geographical indications** 
- Enhance coordination to tackle **Food Fraud** 
- Revise **EU marketing standards** 2023

- **Legislative framework for sustainable food systems** 2023

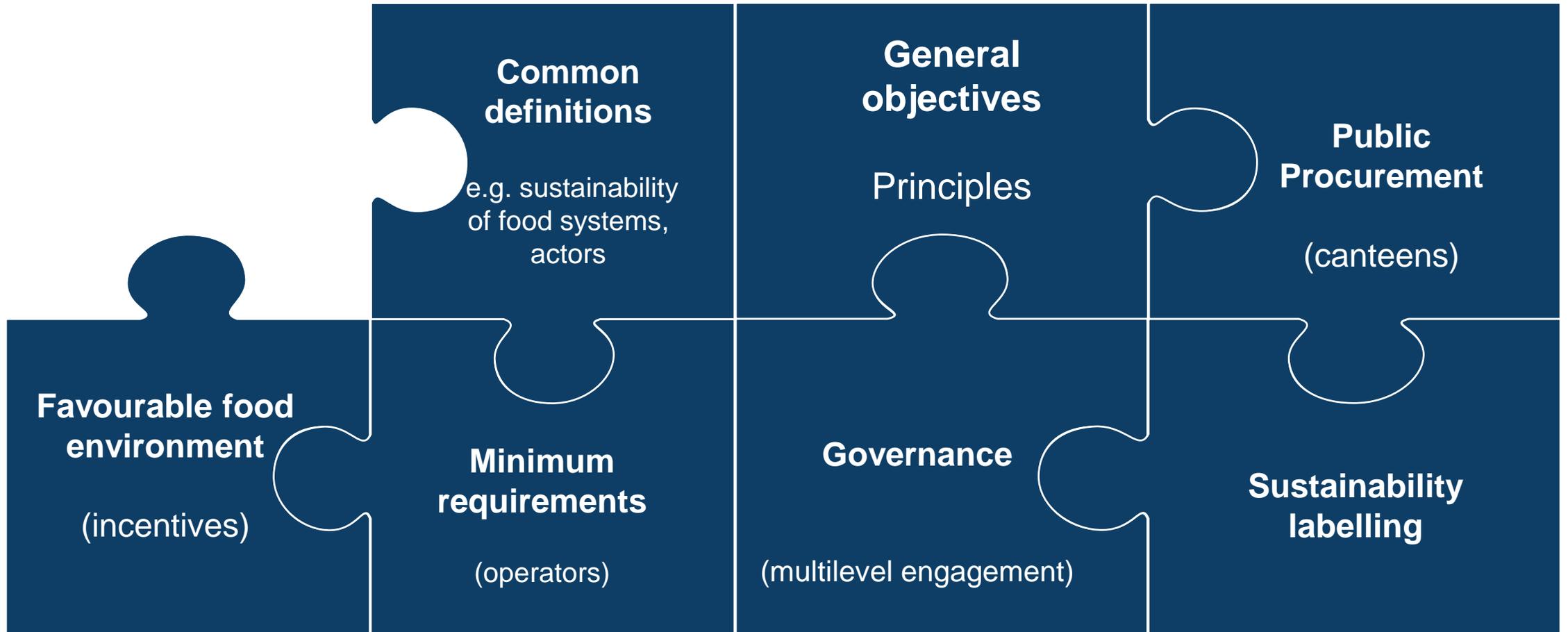
Objectives of the Framework Law

1. Promote **policy coherence** at EU and MS level
2. **Mainstream sustainability** in all food-related policies
3. **Strengthen the resilience** of the food system (food security)
4. Ensure a **food environment** where choosing healthy and sustainable diets is easier for consumers and at an affordable price;
5. **Avoid externalisation** of unsustainable practices;

Broad scope



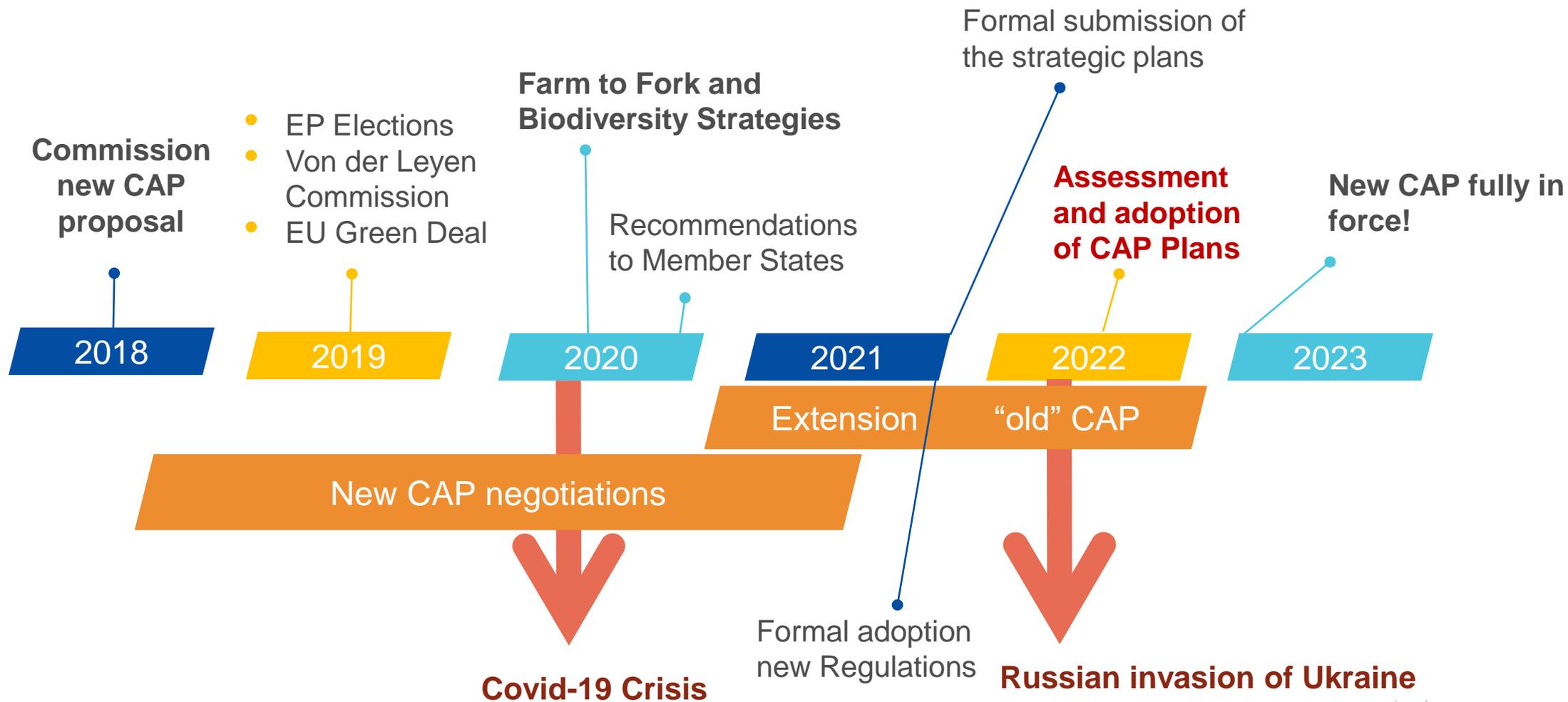
Building blocks



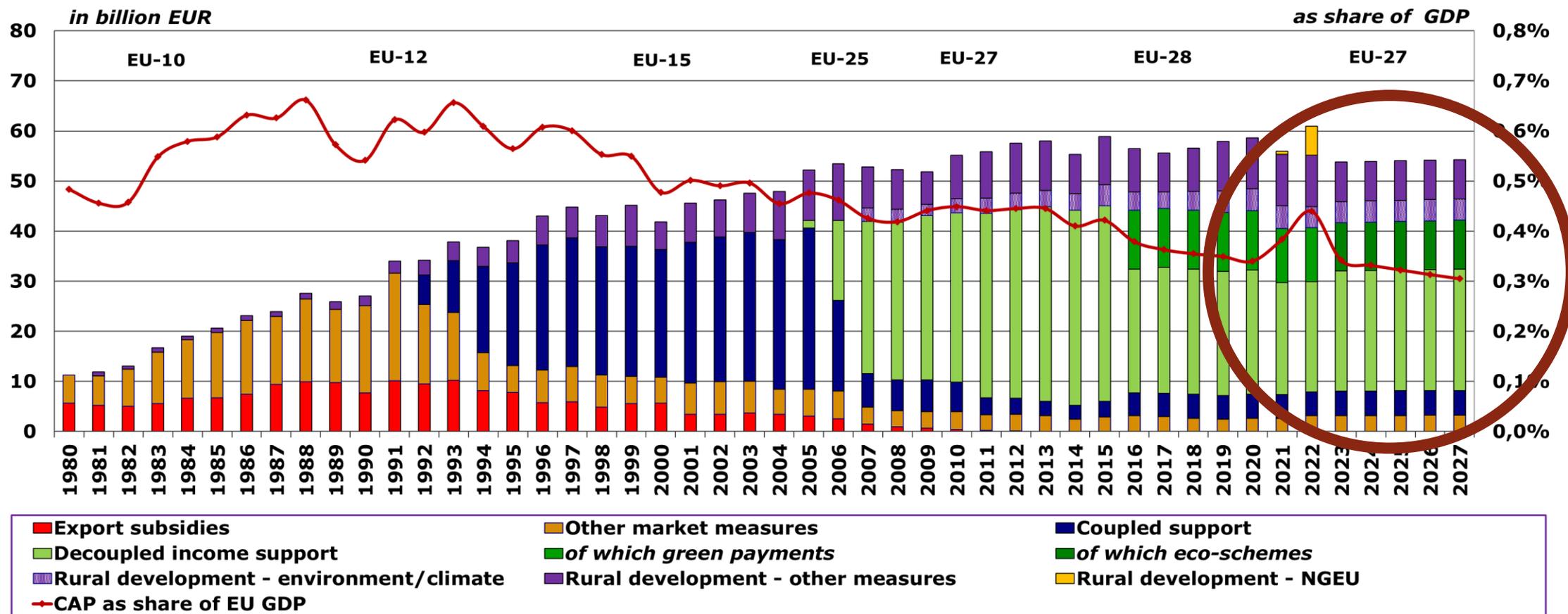


CAP Strategic Plans

The new CAP - policy and timing



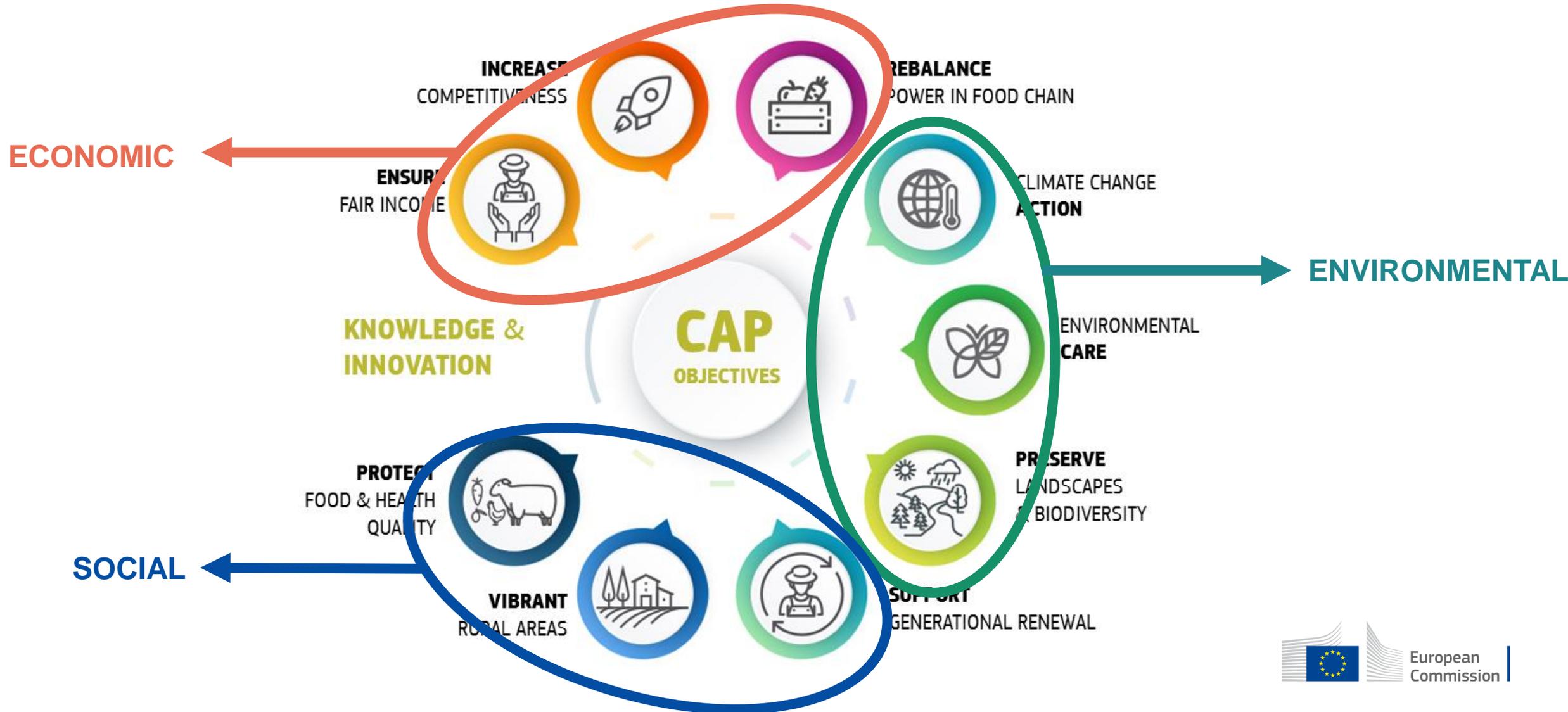
The budget of the CAP Strategic Plans in perspective...



Source: EC-DG AGRI.

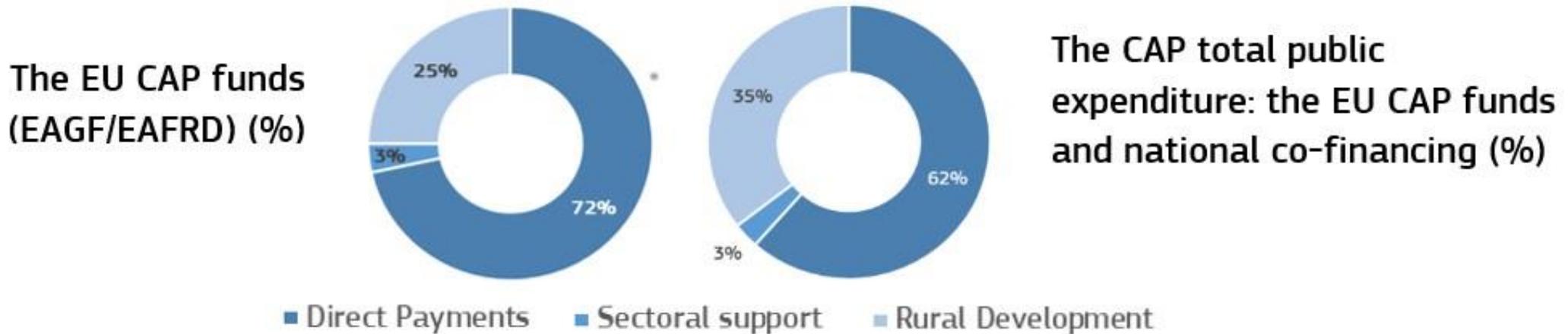
Note: Budget figures are in current prices, actual until 2020, budgeted for 2021, and programmed for 2022-2027, and based on the [21 July 2020 European Council Conclusions](#) for MFF 2021-2027.

CAP Objectives & sustainability dimensions



Overall financial distribution of funding on EU level

Distribution of the planned expenditure under the CAP, %, 2023-2027⁵ (Source: Approved CAP plans)

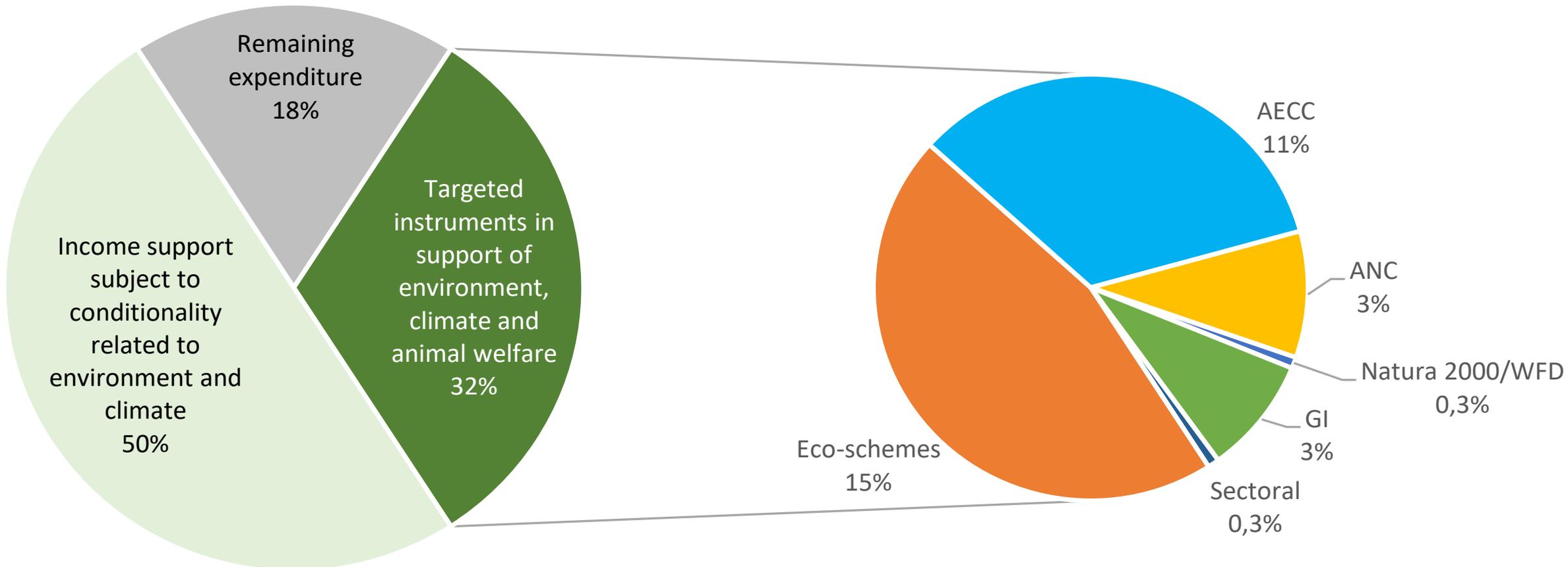


For CAP plans: EUR 264 billion of EU resources; **EUR 307 billion** of public expenditure.

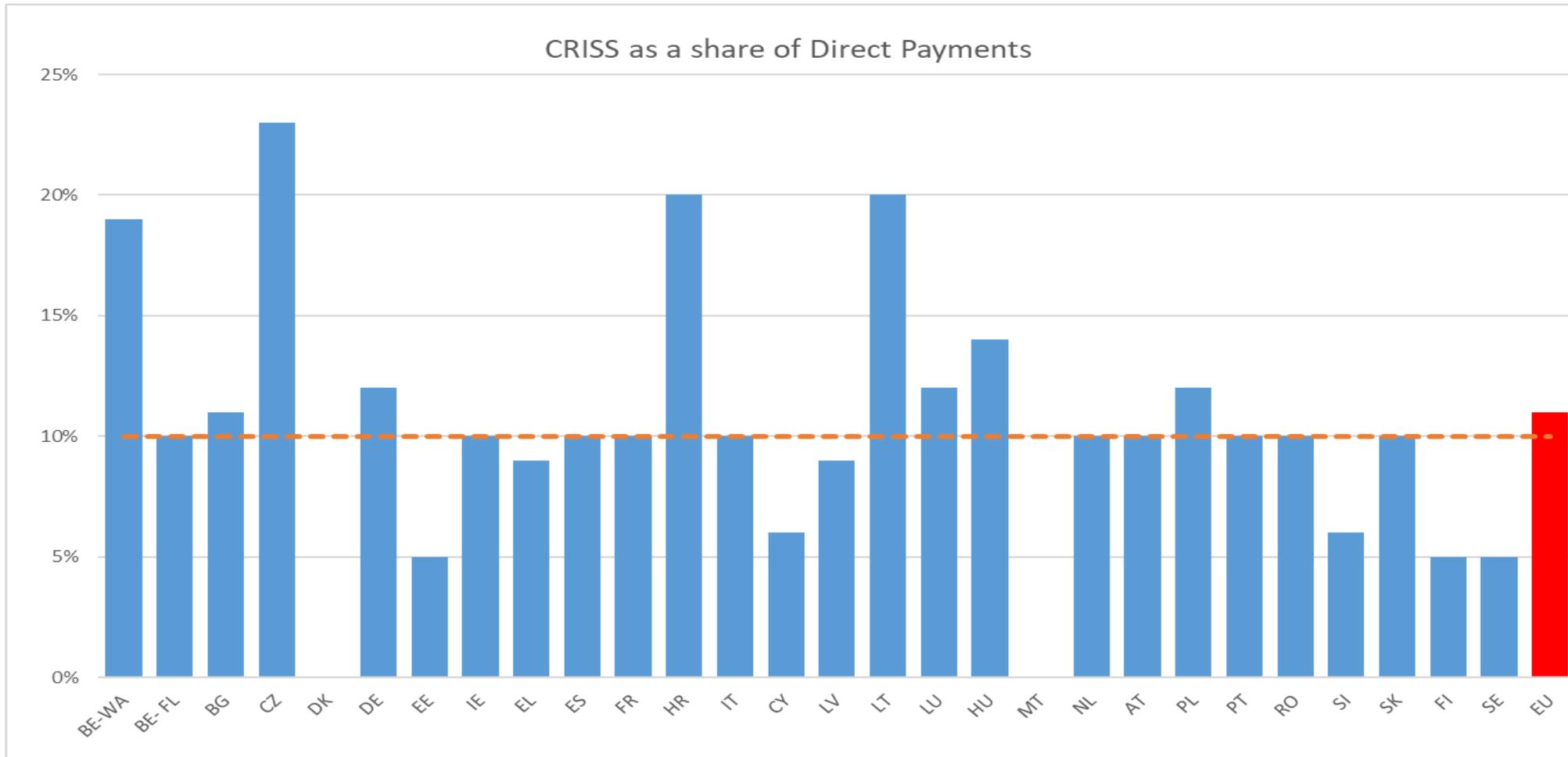
EUR 378.5 billion EU-funds to CAP spending programmes.

Environmental and climate sustainability

- 32% of total public CAP funding dedicated to deliver environment/climate benefit and to encourage practices that go beyond conditionality



Viabie income – redistribution

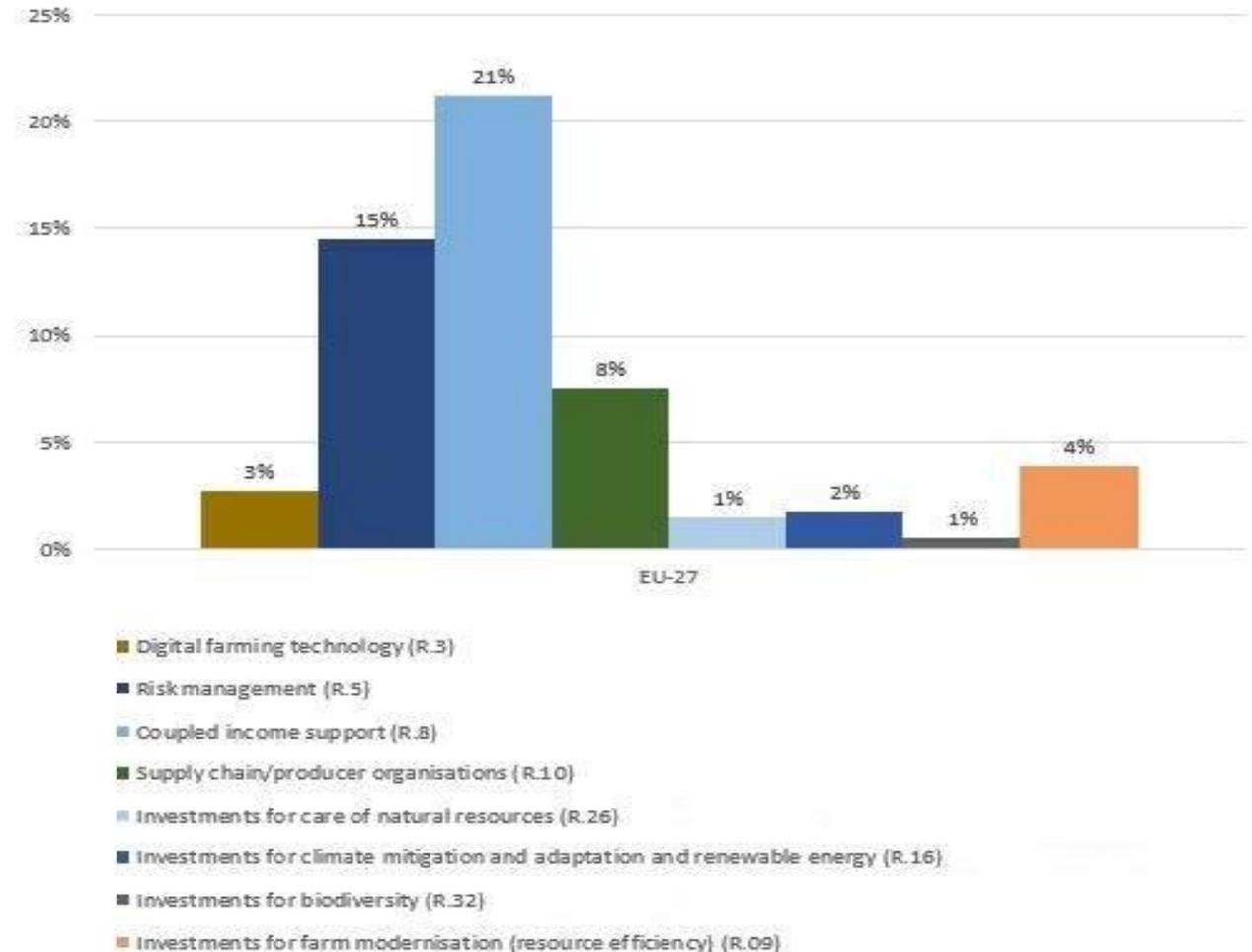


Increased competitiveness and improved position of farmers in the supply chain

Targeting farms through:

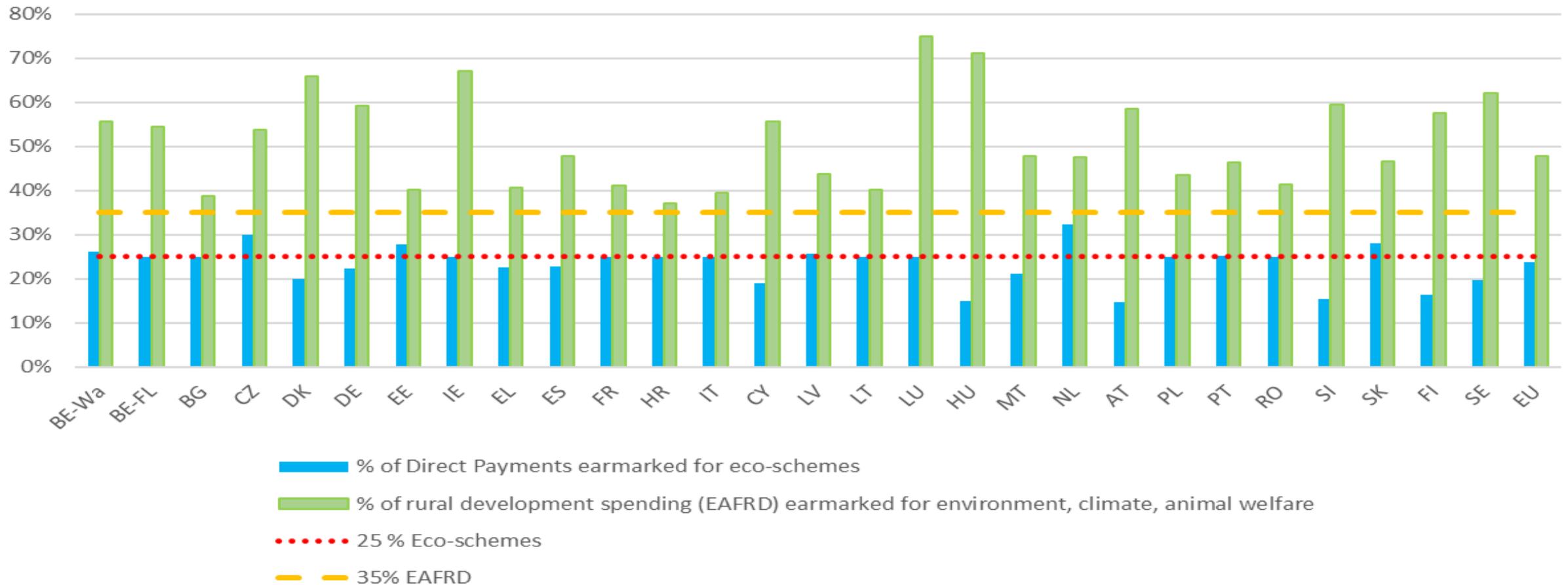
- Multiple instruments (**Coupled Income Support, sectoral support, investments, risk management**)
- On average **around 2.1 million farms** to benefit from coupled income support, close to **400 000 farms** with productive investment, close to **1.5 million farms** for managing and covering risks

Share of farms benefiting targeted to benefit from support enhancing competitiveness

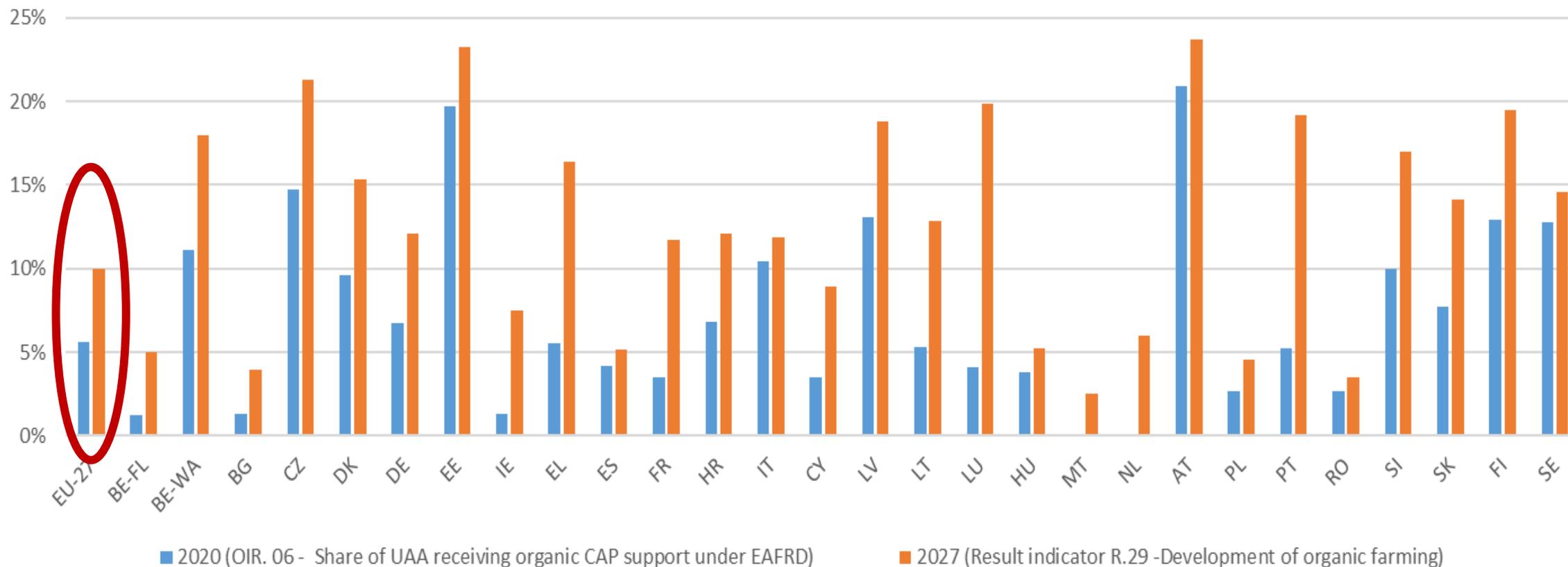


Environmental and climate sustainability: mandatory spending requirements and allocation of EU funding per MS

Budget allocations for environment, climate and animal welfare according to ring-fencing obligations (% , 2023-2027)

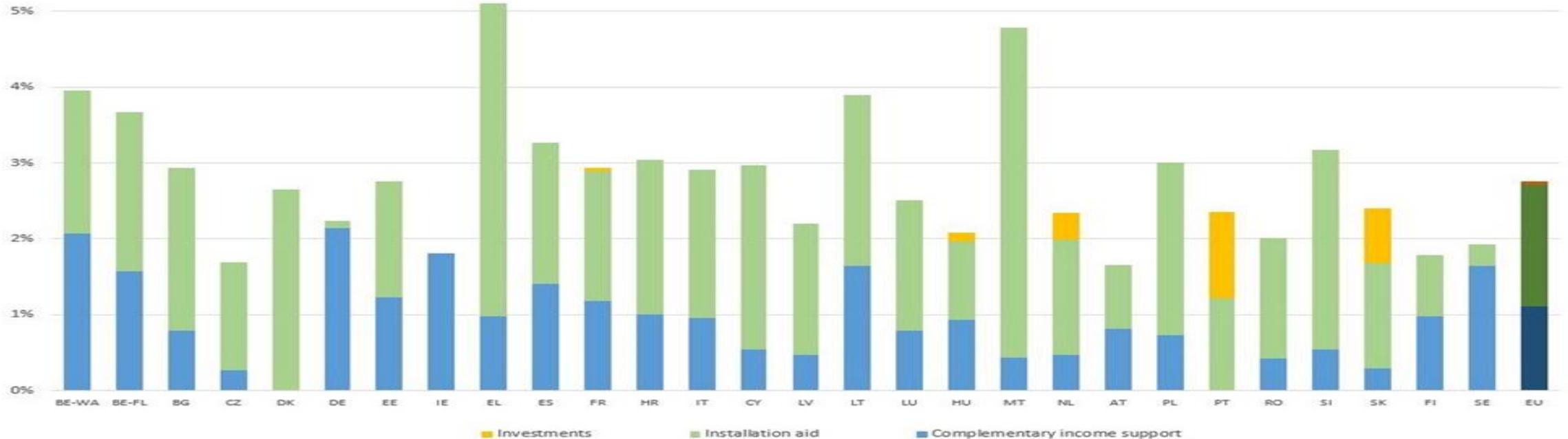


Share of UAA supported by the CAP for organic farming (conversion and maintenance) in 2020 and for 2027



CAP support for organic production in 2027 will almost double

Support to generational renewal



- Increase in the support: 8.5 billion of support (2023-2027) , with 377 000 new Young farmers expected to set-up
- 26 CAP strategic plans provide for the complementary income support for young farmers (1.8% of DP)
- 27 strategic plans will aid young farmers through support for setting up (5.2 % of RD)
- 5 Member States schedule support for investments with higher rates exclusively for young farmers.
- In addition 6 MS support farms transfers through the cooperation intervention

The Treaty on the functioning of the European Union

Article 39

The objectives of the Common Agricultural Policy (CAP):

- (a) to increase agricultural productivity by promoting technical progress and by ensuring the rational development of agricultural production and the optimum utilisation of the factors of production, in particular labour;
- (b) thus to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture;
- (c) to stabilise markets;
- (d) to assure the availability of supplies;
- (e) to ensure that supplies reach consumers at reasonable prices.