

MEACAP AND THE EUROPEAN POLICY AGENDA

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MEACAP
Impact of Environmental Agreements on the Common Agricultural Policy

EU Policy Streams

- **CAP and its supporting budget**
- **Climate Policy, eg ECCP 2 includes forestry and agriculture sectoral group, reporting 2006 with a Commission policy paper due under Austrian Presidency**
- **Biomass Action Plan and Biofuels Strategy with review of Biofuels Directive**
- **Biodiversity, countdown to 2010, funding of Natura 2000**
- **Wider agenda, trade, sustainable development strategy, research, etc.**



MEACAP End-Product

- **Key policy output from MEACAP**
- **An integrated strategy reporting in 2007**
- **Timeframe: medium-term**
From 2010 and beyond 2012 Kyoto commitment period and 2013 CAP budget period
- **Audience: policy and scientific community**



Strategy Vision

- **Aim to build climate goals and CBD into the CAP**
- **Integration of agricultural and forestry policy**
- **Can be approached via current Pillar 1, Pillar 2 structure, or through a new policy architecture**



Immediate Agricultural Policy Agenda

- **Pillar 1 includes sectoral issues, cross compliance, energy crop incentives, set aside and associated trade issues**
- **Pillar 2 includes forestry, farm investment, off-farm processing, training, agri-environment**
- **Related trade issues include market access in future, tariffs on biofuels/biomass, WTO Green Box definition, etc.**



Medium-Term Agricultural Policy Agenda: Post 2013

- **CAP budget and measures in place but new debate anticipated in 2008/09 with policy change thereafter**
- **Lifting budget limitations could allow much more ambitious approach in Pillar 2**
- **In addition to the CAP, other incentive mechanisms for biofuels exist**
- **Decoupling offers scope for purchasing public goods, rather than compensatory payments**
- **Policy divide between agriculture/forestry less relevant through a carbon lens**
- **Incentivising appropriate land use and management more important.**



Some Challenges for the Strategy

- **General trend towards agricultural liberalisation may imply a decline in our ability to incentivise specific forms of agricultural management**
- **Mainstream climate policy measures such as taxes and emissions trading do not fit readily in the agricultural domain**
- **But growing presumption that we need much more targeted schemes and higher levels of support for biodiversity**
- **Monitoring and verification more important than have been historically - with implications for choice of measures.**

