

Opinion of the Committee of the Regions on the 'Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on Directions towards sustainable agriculture'

(2000/C 156/07)

THE COMMITTEE OF THE REGIONS,

having regard to the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on Directions towards sustainable agriculture (COM(1999) 22 final) ⁽¹⁾;

having regard to the decision taken by the Commission on 29 January 1999, under the first paragraph of Article 198C of the Treaty establishing the European Community, to consult the Committee of the Regions on the matter;

having regard to the decision taken by its Bureau on 7 May 1999 to direct Commission 2 for Agriculture, Rural Development and Fisheries to draw up the relevant opinion;

having regard to the draft opinion (CdR 183/99 rev. 3) adopted by Commission 2 on 26 November 1999 (rapporteur: Ms Algudo; Mayor of Saint-Fulgent, F/PPE),

adopted the following opinion at its 32nd plenary session on 16 and 17 February 2000 (meeting of 17 February).

Preliminary comments

The European Commissioner responsible for agriculture and rural development, Mr Fischler, recently defined the concept of sustainability in the following terms: 'Development is sustainable if each generation can meet its own needs without depriving future generations of the means to meet their needs'. He went on to note that 'the challenge facing sustainable development is also to promote economic performance and social balance, at the same time safeguarding and improving the quality of nature and the environment and our cultural heritage' ⁽²⁾. This concept is highly relevant to agricultural production, and is endorsed by all members of the sector.

Recent events show that although the intention here is an honourable one, how it is to be achieved is still far from clear. There is sometimes even a paradox between this goal and economic and demographic requirements. The sustainability of agriculture could now be jeopardised by the weakening of its economic base. Agriculture is a vital part of the EU economy:

- according to the UN, world food production will need to increase by at least 75 % over the next 30 years in order to feed a world population that is set to rise from today's 5 000 million to 8 500 million in 2025;

- an increase in production, using modern methods while preserving natural resources, is therefore vital in order to stem the spread of malnutrition and hunger in the world;

- agriculture and forestry safeguard the socio-economic balance of the land and keep jobs in rural areas. They also help to maintain climatic balance, natural ecosystems and the landscape;

- agriculture is one of the oldest economic activities in Europe. It is the origin of our cultural roots and traditions. Abandonment of the countryside and migration to cities and to jobs in industry have impoverished the land to the extent that even the hydrogeological balance is disrupted. Over time this phenomenon has destroyed whole communities and the identity of many rural areas, undermining the delicate balance and harmonious relationship between town and country that is a fundamental element of the new EDSP policy.

The EU is not an autarky; it is open to the world, and has to accept the constraints which this imposes. Agriculture faces a real challenge: how to reconcile the needs of a burgeoning population with the capabilities of an 'ecological' farming sector which cannot or could not guarantee mass production.

The European model of agriculture is under threat. Over the years, the CAP and a variety of national policies have increasingly focused on productivity and the use of more intensive farming methods which have had adverse effects on

⁽¹⁾ OJ C 173, 19.6.1999, p. 2.

⁽²⁾ Speech by Mr Fischler at the informal agriculture council meeting in Dresden, 30 May to 1 June 1999.

the environment, employment, product quality and spatial development. Broadly speaking, the current trend is not conducive to sustainable agriculture, although major changes which are reversing this trend are taking place in some countries.

Agriculture is also a victim of industrial methods. It adopts a defensive posture even though it bears only limited responsibility.

The COR opinion must take all these questions and factors into account. The opening in Seattle of the World Trade Organisation (WTO) negotiations makes the opinion particularly timely. The EU must defend its agriculture model in Seattle with a single voice.

1. Introduction

1.1. Environmental considerations are a major concern of the common agricultural policy (CAP). This concern dates from the Single European Act of 1986. The Amsterdam Treaty makes sustainable development an objective of the Union, and the Vienna European Council in December 1998 stressed the need to ensure that environmental concerns were adequately addressed in the decisions to be made on agricultural policies in the context of Agenda 2000.

1.2. The new CAP reform as presented in Agenda 2000 seeks to make the requisite structural adjustments to the principal market regimes, and to set in place a strong rural development policy as the second pillar of the CAP. This rural development policy should not just be beneficial for farming. It should involve the whole of rural society — notably the local and regional authorities — and should facilitate the establishment of regional development plans.

1.3. The high level of price support provided under the CAP so far has encouraged intensive agriculture and greater use of fertilisers and plant protection products. In some regions, the focus on intensive agriculture has caused water and soil pollution and destroyed certain important ecosystems, and the resulting high treatment costs have had to be borne by the consumer and the taxpayer. The intensification of agriculture has transformed rural landscapes, threatening their variety and biodiversity. Today, a farmer who opts for economically viable practices realises that this means sacrificing many features of the traditional landscape — removing stone or earth terraces and installing electric fences, pulling

up hedges, extending and consolidating plots. All this, in combination with farming practices, has an impact on soil, water and air. However, ceasing to farm land also poses a threat to landscapes and biodiversity.

1.4. Consequently, the challenges posed by both the intensification and abandonment of farming raise questions about the relation between agriculture and the environment and the basis on which the European model for sustainable agriculture will rest in future. Sustainability means managing natural resources so that their benefits are also felt in the future, and this is in farmers' interests too. The use of land and natural resources for agricultural production has also to be set against the value society attaches to protection of the environment and the cultural heritage.

1.5. The reform proposed in Agenda 2000 is essentially designed to develop a European model for agriculture that respects the environment, is socially acceptable and is economically viable for farmers. General sustainable development principles must be adjusted to the regional level by national and regional policies that take account of the region's particular situation and socio-economic features. To this end, such policies must bring about types of partnership with communities in upland areas and areas whose main economic activity is agriculture. Local organisations can promote the dissemination of new CAP approaches and the establishment of a new model of agriculture that is sustainable in environmental terms and from the perspective of farm profitability.

2. The Commission communication outlines the causes of the damage done to the environment by agriculture, and suggests remedies and how to finance them.

2.1. Except in regions where extensification is gaining ground, European agriculture is becoming more intensive and more specialised. Use of chemical fertilisers and plant protection products appears to be declining, partly thanks to the CAP, but it remains higher than it was a few decades ago. Fertiliser consumption increased from around 5 million tonnes in 1950 to peak at over 20 million tonnes in the 1970s and 1980s, and is now around the 16 million tonnes mark. The CAP could still have undesired effects because, although the volume of products used is falling, their active ingredients are now more concentrated and more specific. The toxic effect which these products have on the environment remains unclear. Plant protection products are already tested for ecotoxicity before they are placed on the market, but further research is still needed.

In order to reduce the use of plant protection products, other techniques should be developed and supported, such as rational fertilisation of the soil or the use of natural instead of chemical fertilisers. However, the use of natural fertilisers must also be controlled, as over-use of them would also upset ecological balance.

A further question for consideration here is the introduction of genetically modified organisms (GMO) in agricultural production. GMO would appear to have the potential to further reduce the use of plant protection products. However, research into their effect on human health does not appear to be sufficiently advanced yet. One requirement of sustainable agriculture is that it must produce healthy produce. For this reason, the use of GMO in agriculture must first be approved by the World Health Organisation, whose recommendations then apply worldwide. Admittedly, it is not currently feasible to make the WHO responsible for the scientific validation of new GM products and for monitoring the cultivation of GM crops as it lacks the necessary means, at least at present. However, consumer information could be improved by making the traceability of agricultural and agri-food products a general requirement; this method is already used in many sectors.

Furthermore, steps must be taken to ensure that mistakes by the agricultural industry, such as increasing the level of technical and economic dependence and a further reduction in the genetic variety of crops, are avoided when modern technologies, such as genetic engineering, are applied.

2.2. Community measures are helping to develop organic farming, which benefits the environment and is growing fast. The number of organic farms rose from 35 476 in 1993 to 93 830 in 1997. In certain countries with a stronger gastronomic tradition, such production is increasingly being promoted by local authorities, which see the development of local quality products as a way of boosting the economy of the region and local communities, and also as a requirement for stimulating investment to modernize and innovate the sector. However, organic farming remains marginal; in 1997 it still only accounted for around 1,6 % of the total UAA and 1 % of farms in the EU-15. This trend may be expected to continue, not least thanks to the EU financial support provided under Agenda 2000. This support should be backed by steps to promote demand for organic produce and provide consumers with information (which should be stepped up, as in the case of GM products). Whether the content of the information is good or bad, the consumer has a right to be informed.

As organic produce is more costly and is produced on a small scale, it will continue to form a small percentage of food production for some time. If organic agriculture is to retain its qualities, it is bound to be incompatible with mass production. It is in this sense that organic farming is to be considered 'marginal'.

Consumers are greatly drawn to the idea of 'organic' produce, and for this reason the Commission is considering the introduction of a special logo for such produce. It is vital that the Commission clarify this initiative. The logo should only be granted to producers who meet precise specifications and can afford their cost. Moreover, the scheme should be open to all Member States, so that organic farming is subject to the same quality criteria and is recognised on the same terms throughout the EU. This would make the concept of organic produce clearer for the consumer, and would improve the relation between the area farmed organically and the volume of produce marketed. Rather than a logo, what is needed is a real quality labelling system that is used throughout the EU.

A further way of recognising the quality of agriculture is to introduce arrangements for tracking a product from its origin to final consumption and detecting any shortcomings in the chain. However, such measures cost money. This raises the question of who is to finance them.

2.3. Some traditional cultivation methods also deserve to be recognised as a feature of sustainable agriculture, as they make little use of plant protection products and respect the capabilities of the land. Such methods are often used to grow traditional local and regional products on small family-run farms where they provide a source of extra income. The original features of these products should be identified, the relevant standards harmonised, and a quality label introduced using common labelling for the same type of product. The farmer's expertise and professionalism will be recognised and promoted.

Agricultural enterprises of all forms play a vital socio-economic role in maintaining and even developing rural communities. Until now, EU aid has mainly gone to large farms. The modern mechanised farming methods which these farms have had to adopt — because of the economic arguments in favour of intensification and the need to adapt production to consumer demand — are partly to blame for the drop in agricultural employment. In order to ensure that rural areas retain their function, the Common Agricultural Policy should give particular support to small farms which help to protect the environment. The horizontal regulation, which provides a bridge between market policy and rural development policy, enables Member States to play their part too.

2.4. Irrigation in the EU's arid and semi-arid regions has traditionally developed in harmony with the environment and has promoted sustainable development among social groups and societies whose current well-being stems from the establishment and improvement of irrigation methods. In these places, water has become a crucial factor in production and in combating desertification. Water management for agricultural purposes complies with the sustainability required in current EU legislation provided that the emphasis is on rational use of this resource, ensuring it is available where it is needed, encouraging policies promoting support for research into non-conventional water sources such as desalination and re-use, enhancing the culture of efficient saving and distribution, and involving the user communities in management tasks.

Safeguarding the public water supply should be the responsibility of society as a whole and not just a government activity. In this context, inefficient irrigation, marine intrusion in coastal aquifers, alteration of water tables, eutrophication, and the alteration of water quality should be eschewed and policies protecting biodiversity should be developed.

The nitrates directive⁽¹⁾ sets out the 'polluter pays' principle and this is a principle which must be adhered to. It is regrettable that all Member States with the possible exceptions of Denmark and Sweden have not yet properly implemented the various stages of application of the directive, or are behind schedule in doing so. All those Member States which have not yet fully implemented Directive 91/676/EEC should do so as soon as possible, completing the following stages of application:

- transposition of the directive into national law (by December 1993);
- monitoring of the quality of fresh and sea water (same deadline);
- designation of associated 'vulnerable zones' (drainage basins with intensive farming or high livestock density). Same deadline, and revision every four years;
- establishment of a national code of good agricultural practice, to be applied voluntarily;
- in each vulnerable zone, framing of an action programme (making code mandatory) — first programme to be established in 1996 at the latest and revised in 1999;

- report, every four years, on the water situation, revision of zones, and evaluation of the effectiveness of the action programmes.

If Member States do not all comply fully with the obligations laid down in the directive, this could give rise to unfair competition between EU producers, since farmers in countries which apply the directive are penalised if they do not comply with its rules, while farmers elsewhere are 'free' to choose their farming methods even if these harm the environment.

The Commission must use all available means — supplementing them if necessary — to ensure that the obligations established in Directive 91/676/EEC are effectively enforced throughout the EU. At present, such means take the form of checks and the establishment of a tax. Without such action, application of the 'polluter pays' principle would create inequalities between farmers with easily foreseeable consequences both for farmers' financial situations and for the whole future of farming.

2.5. Regulation (EEC) 2080/92⁽²⁾ establishes a Community aid scheme for forestry measures in agriculture. It seeks to encourage alternative use of farmland for afforestation and the development of forestry activities on farms, thereby helping to reduce soil erosion.

2.6. Other steps can also be taken to help protect the environment, such as the cultivation of crops for non-food purposes in order to encourage the use of products derived from renewable raw materials, and the use of renewable energy sources (biomass/biofuels). In addition to the aid provided for afforestation, the development of the non-food sector should be backed by fiscal measures (to be decided). Here account must be taken of total energy and the eco-balance sheet.

2.7. The European Council has introduced a number of sectoral measures to improve protection. Agri-environmental measures encourage ways of using agricultural land that are compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic resources. These are to be supplemented by measures for disadvantaged areas, with a view to keeping viable communities on the land and supporting sustainable farming and the sustainable management and development of woodlands. Maintaining and supporting agricultural enterprises of all forms, as mentioned in 2.3 above, is crucial for sustainable agriculture and for the sustainability of local communities.

⁽¹⁾ Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (OJ L 375, 13.12.1991, p. 1-8).

⁽²⁾ Council Regulation of 30 June 1992 instituting a Community aid scheme for forestry measures in agriculture (OJ L 215, 30.7.1992, p. 96-99).

2.8. The array of agri-environmental measures proposed by the Commission does not appear to be any more binding than the current measures. However, the CAP reform under Agenda 2000 makes direct payments from the CAP conditional on respect for certain environmental requirements decided by the Member States. The Member States should take control of these eco-requirements so that the EU does not systematically adopt measures which might not be suited to certain national circumstances.

The CAP instruments are only one aspect of Community policy for protecting the agricultural environment. Most Member States have other measures of their own for preventing pollution and preserving their natural heritage.

To face the challenges that lie ahead, farmers must make a careful analysis of their methods and make better use of production factors, without intensifying production or abandoning land. It is necessary to steer EU agriculture towards sustainable development by establishing an EU model of agriculture that respects the environment and is economically viable and socially acceptable, and where local bodies can be expected to play an active and proactive role in terms of providing support and encouragement for sustainable local development.

Farmers must be ready to observe basic environmental standards without compensation. However, if they deliver a higher level of environmental service, it is only fair that this service should be remunerated by appropriate agri-environmental measures.

The horizontal regulation laying down common rules for direct support schemes under the CAP would apply to the payments granted directly to farmers, with the exception of those provided for under the rural development regulation. Member States are to take the agri-environmental measures which they consider appropriate 'in view of the situation of the agricultural land used or the production concerned'.

In addition to the powers available under the horizontal regulation, several specific environmental measures are proposed for the common market regimes. These concern the conditions under which direct payments are delivered. For beef and veal, extra assistance would be given to extensive farms with a maximum stocking density of 1.4 LU/ha, based on the total number of adult bovine animals and sheep and goats. The basic premium is only for animals up to 2 LU/ha.

Aid for the beef and dairy regimes will be granted on an area basis to the Member States, who will distribute it to promote the environmentally compatible types of production which they wish to support. In the arable sector, the Commission proposes to retain the set-aside measure, allowing voluntary set-aside for up to 10 % of the base area for up to five years.

In line with the conclusions of the Cork conference on rural development, regions are invited to draw up integrated programmes for the sustainable development of rural areas. The agri-environment measures would form a compulsory part of these programmes. The programmes will encourage the introduction of environmental measures which go beyond basic respect for the environment, will help to diversify economic activities (e.g. tourism), and will provide specific support for farms that show concern for the protection of the environment. The measures will also include training for farmers in how to protect the environment better and to use production methods compatible with the preservation of the countryside.

The present opinion must not overlook the 'human resources' aspect, as this is an essential part of the new rural development policy. Support for the transfer of farms will continue via the measures for helping young farmers entering the sector, who must also be involved in the discussions, and via the measures for encouraging early retirement. These measures, in combination with training schemes, will help to make the most of the human potential in rural areas.

The agri-environmental programmes offer payments to farmers who undertake on a contractual basis to provide environmental services and maintain the countryside. The payments are based on the costs incurred and income foregone by the farmer in carrying out the environmental activity.

The agri-environmental measures cover ways of using farmland which protect the environment and all its features (fauna, flora, soil, water, landscape, etc.). However, aid is only granted for measures which go beyond the application of good farming practice, which implies that the farmer already respects basic environmental requirements.

3. Conclusions

Sustainable agriculture is postulated on respect for the environment. The Commission's proposals offer Member States and regions the instruments they need to ensure that basic environmental standards are respected and to promote the conservation and improvement of Europe's unique environ-

mental heritage. Agriculture fulfils a number of roles: provision of food, occupation of the land, upkeep of the landscape and the natural environment. Sustainable development will only be possible if the economic viability of agriculture is guaranteed and if environmental concerns are taken into account in a manner that is compatible with the economic prospects of the sector.

The COR considers that the whole of European agriculture must be compatible with the environment. Some key principles must be introduced and respected. To achieve this goal, European agriculture must:

- a) apply 'green' techniques to its farming methods (rational use of fertilisers, preference for natural fertilisers, extensive agriculture, crop rotation, etc.), especially in river catchment areas;
- b) in cooperation with European or world health bodies, test the ecotoxicity of plant protection products before they are placed on the market. Farmers will then have a list (ideally, an exhaustive list) of the products that they can use without harming the environment;
- c) provide a precise definition of 'organic agriculture', by drawing up a detailed list of specifications and making regular checks that they are respected;
- d) supplement organic agriculture by recognising traditional local speciality products;
- e) adopt a common agricultural policy which respects the environment and recognises the professional skills of farmers, offering them a decent income rather than meeting the requirements of sectoral organisations and agricultural, agri-food and financial lobbies. All food produced and imported into the European Union should be of the highest hygiene and welfare standard. All countries within the Union should adhere to and comply with these standards;
- f) reduce the use of nitrates in soil treatments;
- g) establish proper constraints and provide financial compensation if these exceed what is normal, so that farmers will continue with their initiatives and will want to stay in the sector;
- h) oblige all Member States to adhere to Community measures concurrently. Those who fail to do so should be subject to financial penalties;
- i) not forget farmers when devising and financing social policies (support for small farms, replacement of farmers who retire, maintenance of social infrastructure for rural communities, training for farmers);
- j) use agricultural production methods that help to conserve natural resources: soil (soil conservation techniques), water (irrigation methods entailing low water consumption, action to prevent pollution of surface waters, etc.), fauna and flora.

Brussels, 17 February 2000.

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of the Committee of the Regions*
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