



EDA Trade & Economics Committee

CAP Task Force

EDA offices, Brussels (Belgium)

7 March 2023 – 14:00 – 15:30



CAP Task Force

Agenda

- 1) Opening and welcome
- 2) Anti-trust and data protection statement
- 3) Approval of the agenda and the minutes of the last meeting (*ref: 2022/036/EDA/CAP/ILT*)
- 4) Common Agricultural Policy post-2023
 - Updates on the possible Revision during 2023 of the EU's Multiannual Financial Framework (MFF) and its implications for the current CAP budget.
 - Proposal for the process to come to an EDA CAP post-2027 vision.
- 5) **Green Deal & Farm to Fork Strategy**

Updates on the Farm to Fork Strategy – Trade & Economics Committee Tracker

 - Changes in the TEC Tracker
 - Due Diligence
 - Regenerative agriculture
 - Updates in the EDA TEC selected actions from the strategies' annex
 - Revision of the EU School Scheme
 - Revision of the EU Marketing Standards
 - Revision of the EU Promotion policy
 - Short update on Carbon Certificates
- 6) AOB – Date of next meeting/video conference
- 7) End of meeting

CAP Task Force

EDA Antitrust & Data Protection Statement

- Participants are reminded that they cannot and should not enter into any discussion or engage in any conduct that may amount to an infringement of any relevant competition law.
- In particular and by way of example, the participants will not disclose or discuss any commercially sensitive information on prices, on customers and or investments.
- Participants agree that EDA processes their personal data within the remit of the mission of EDA as an European trade association.
- There data are kept within the EDA secretariat.
- Participants acknowledge that they can ask EDA by email to share their respective personal data set with them and that they can ask for deletion.

CAP Task Force

Common Agricultural Policy post-2023

Revision of the EU's Multiannual Financial Framework (MFF)

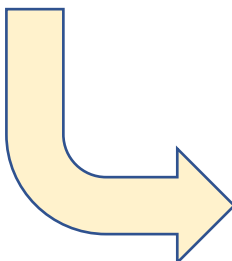
MFF is at risk due to the current high inflation
EU Commission announced its revision in Q2 2023
Updated MFF published in the summer of 2025

Implications for the current CAP budget

Direct payments and the overall budget need to be adapted
Commissioner Wojciechowski will try to achieve more budget
Regarding the Strategic Plans, what will happen with the adopted new practices?

Next Steps

- Update of the MFF in Q2 2023
- CAP Post-2027: discussion of the priority lines (TEC + EDA Board)



EDA's CAP post-2027 vision

Discussion in the TEC of the priorities which should guide the new CAP Post-2027 Revision
All plans were finally delivered last 18th March

EDA's Board to discuss new CAP Post-2027 Revision in the process

In June 2023 in Brescia EDA's Board will discuss the new CAP's priorities which should guide the new CAP's Revision process in the next Legislative Term.

Carbon Border Adjustment Mechanism (CBAM)
Regulation (EU) 2021/0214(COD)
Last update: June 2022 – ILT

Revision on Geographical Indications
Regulation (EU) No 1151/2012 / Proposal for Regulation 2022/0089 (COD)
Last update: June 2022 – ILT

Revision of the EU School Scheme
Regulation (EU) No 1307/2013, Regulation (EU) No 1308/2013, Regulation (EU) 2017/39, Regulation (EU) 2017/40
Phase II of the Revision process (public consultation)
Last update: June 2022 – ILT

Summary
Proposed by the European Commission as part of the Green Deal and published last July 2021, the CBAM aims at reducing carbon leakage, ensuring that the price of imports in the EU reflect more accurately their carbon content. Carbon leakage occurs when regulations c

Summary
The Euro dairy terr as Geogr European the rich c

Summary
The school scheme supports the distribution of milk and certain milk products. The EU school milk scheme plays an important role in communicating to future generations the benefits of dairy products. This scheme is important to both the long-term sustainability of the dairy sector and the healthiness of the diet of the young generation.

The European Commission launched a revision of the EU school scheme in July 2021. EDA contributed to the first phase of the consultation process on the 26th of July and currently is working in its contribution to the Phase II for June 2022. The revision of the EU School Scheme is part of the Farm to Fork strategy as annex action number 25.

The EU school milk scheme plays an important role in communicating to future generations the benefits of dairy products. This scheme is important to both, the long-term sustainability of the dairy sector and the healthiness of the diet of the young generation. A review of the School Scheme in the perspective to enhance its contribution to sustainable, is est economically, socially, and environmentally sustainable, agri-food production and consumption is guaranteed due to the European dairy production and processing methods, which meet the highest sustainability standards for dairy of the world. The importance of dairy in children's diets is highlighted by the separate and high daily dairy recommendations around Europe, on average the recommendation is 3-4 servings/day. In fact, in 18 of EU Member States do not even achieve the dairy uptake recommendations. There is therefore a clear underconsumption of all dairy products in 18 out of 23 countries – see our EDA Factsheet on Daily Dairy Recommendations.

- The European Union must unlock the full potential of the scheme all over Europe. The review of the policy should be focused on reducing the administrative burdens in order to facilitate as broad as possible the uptake of EU scheme across the union.
- The review of the school scheme policy of the EU must be used to achieve two goals:
 - To educate EU next generation in terms of healthy eating habits and nutrition and on the EU farming and food system,
 - To suggest improvements to the current organization of the School Milk Scheme that can contribute to a better functioning in those Member States where it currently runs suboptimal.

Timeline

29 June 2021 Phase I: Inception impact Assessment
27 July 2021 Roadmap: Feedback period
5 May 2022 Phase II: Public consultation
1 January 2022 French consultancy review process
Phase III: European Commission's adoption
Planned for Q4 2023

Further Process

- EU Commission published the Phase II of the Revision process on the 5 May of 2022 (questionnaire)
- In parallel to this process, we have known that the European Commission hired a French consultancy on environment and development to review the scheme in all countries participating on it and they are said to have the results by the end of 2022
- Adoption of the new revision is expected for the fourth quarter of 2023

EDA Actions

- 26/07/21: EDA sent its contribution on the Phase I of the Revision of the scheme
- 27/04/22: EDA interview for the European Parliament's report on the scheme
- June 2022: EDA contribution to the Phase II of the Revision of the scheme

Dossier Contacts: DG AGRI
Policy rapporteur: ILT/LVD/AB

The TEC Tracker composes our desks' new topic classification system

Each of our working areas of our task forces are represented with all that you need to know

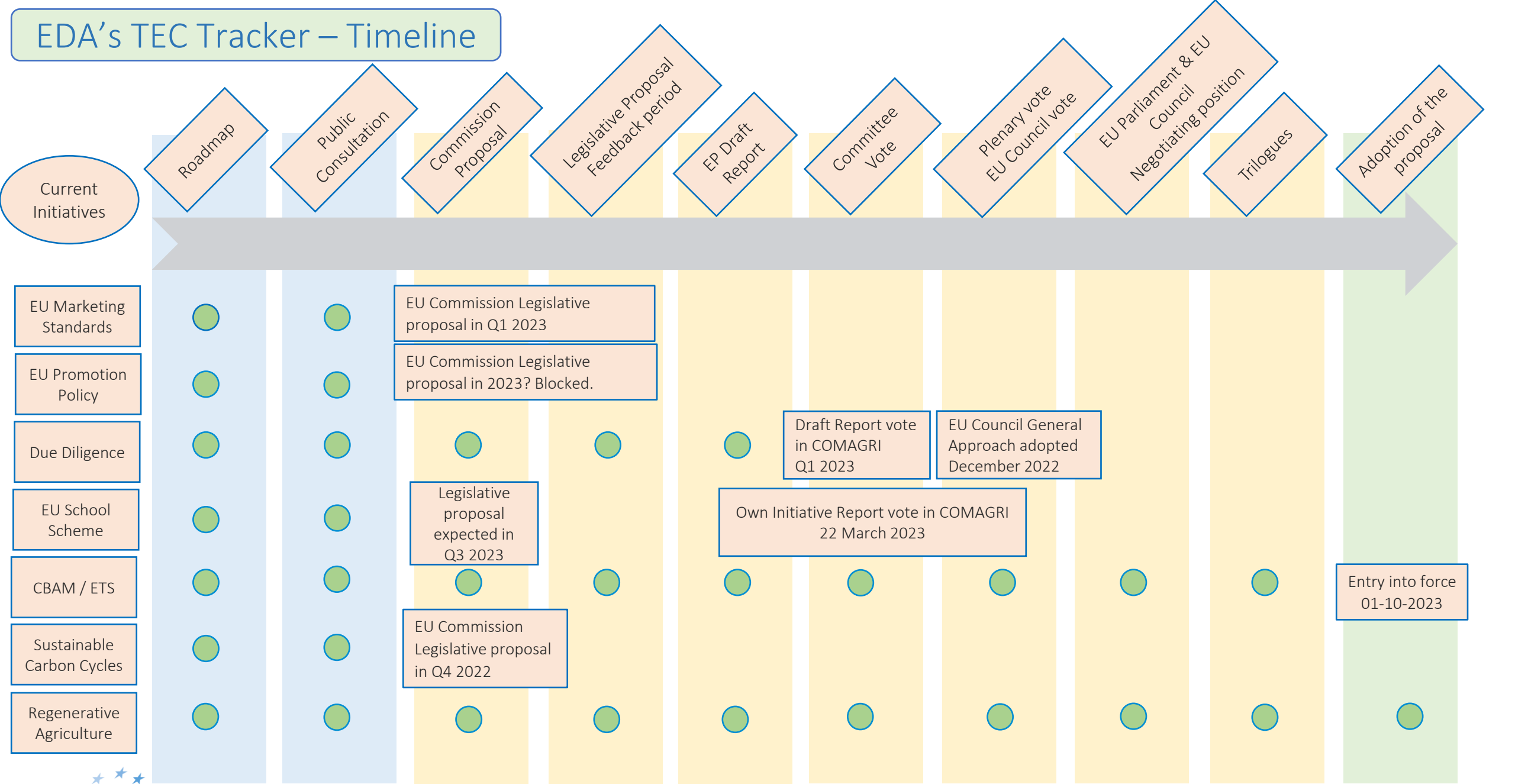
- A brief summary
- Policy timeline
- Actions done by the EU institutions/relevant stakeholders in the dossier
- Actions conducted by EDA in the policy
- Dossier contacts information

Development of the project

The TEC Tracker is regularly updated

- In the next slide you can see our TEC task forces and the topics in each of them

EDA's TEC Tracker – Timeline



CAP Task Force – TEC Tracker update in each policy dossier

Current Initiatives

EU Marketing Standards

EU Promotion Policy

EU School Scheme

Sustainable Carbon Cycles

Regenerative Agriculture

Summary

The European Commission's legislative proposal was published on the 23rd of February

- It aims to force the largest companies to eliminate negative human rights and environmental impacts in their supply chains

A company covered by the Directive will have to monitor potential adverse impacts in its own operations, those of its subsidiaries, and operations in its supply chains carried out by *“entities with which the company has an established business relationship”*.

- Targeted companies will be required to identify, prevent, and remedy adverse human rights and environmental impacts. They will have to develop a policy, put in place action plans, make investments, etc.

Due Diligence

Next steps

European Parliament vote on the Draft Report Q1 2023



CAP Task Force – TEC Tracker update in each policy dossier

Current Initiatives

EU Marketing Standards

EU Promotion Policy

Due Diligence

EU School Scheme

Sustainable Carbon Cycles

Summary

Regenerative agriculture is an approach to farming that aims to enhance the farm ecosystem by restoring agricultural land.

- Implementing regenerative agriculture practices leads to healthier farm ecosystems while maintaining or improving the overall farm profitability and income.
- Regenerative agricultural practices include cover crops, crop rotation, no-tillage, nutrient management, reduced plant protection products use, etc.

Through private schemes, the food and drink industry incentivizes farmers to engage in the transition and provides them with technical and agronomic assistance.

- There are existing financial arrangements, such as cost-sharing and loans, supporting the investment in such transition, for adapted farm equipment, for example.

Regenerative Agriculture

Next steps

Questions to be answered: Will CAP Post-2027 cover these practices?
And by the FSFS?



Timeline

Regenerative Agriculture practices: part of the CAP post-2023. Among others, in Eco-Schemes in the Strategic Plans.

Uncertainty: will these practices count on funding in the next CAP post-2027?

Current CAP:
2023-2027

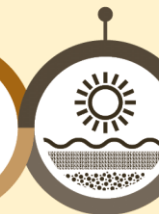
Next legislative
term: 2024-2029

5 Core Principles of REGENERATIVE AGRICULTURE

MINIMIZE SOIL DISTURBANCE



KEEP THE SOIL COVERED



INTEGRATE LIVESTOCK



MAXIMIZE CROP DIVERSITY

MAINTAIN LIVING ROOT YEAR-ROUND

CAP Task Force – TEC Tracker update in each policy dossier

Current Initiatives

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Regenerative Agriculture

Summary

The school scheme supports the distribution of milk and certain milk products. This scheme is important to both the long-term sustainability of the dairy sector and the healthiness of the diet of the young generation. The European Commission launched a revision of the EU school scheme in July 2021.

The review of the policy should be focused on reducing the administrative burdens in order to facilitate as broad as possible the uptake of EU scheme across the union.

- The review of the school scheme policy of the EU must be used to achieve two goals:
 1. To educate EU next generation in terms of healthy eating habits and nutrition and on the EU farming and food system,
 2. To suggest improvements to the current organization of the School Milk Scheme that can contribute to a better functioning in those Member States where it currently runs suboptimal.

EU School Scheme

Next steps

EU Commission Legislative proposal in Q3 2023



CAP Task Force – TEC Tracker update in each policy dossier

Current Initiatives

EU Promotion Policy

Due Diligence

EU School Scheme

Sustainable Carbon Cycles

Regenerative Agriculture

Summary

Marketing standards and common product definitions have proven very instrumental in assuring concise and transparent consumer information, guaranteeing a level playing field within the market competition and in facilitating trade. The European commission launched a revision of the EU Marketing standards in January 2021 for enhancing its contribution to sustainability.

On Friday 27 January 2023 we met with the Swedish Presidency of the EU Council to catch up on the dossier and exchange views on the upcoming Revision.

- As I already mentioned, thanks to our work on the dossier, the Swedish Presidency confirmed that no significant changes are expected in the text concerning our sector, therefore keeping the current *status quo*.
- The Presidency indicated that, at present, it is expected to be published at the end of March 2023.
- On the timeline, the Swedish Presidency expects to reach a General Approach on the upcoming legislative proposal in the EU Council by Summer.

EU Marketing Standards

Next steps

EU Commission Legislative proposal in Q1 2023



Timeline

19 January 2021

Phase I: Inception Impact Assessment

16 February 2021

Roadmap : Feedback period

08 June 2021

Phase II: Public consultation

31 August 2021

Phase III: European Commission's proposal

On 8 June 2021, the European Commission launched the second phase of the process with the opening of a public consultation.

Q1 2023



CAP Task Force – TEC Tracker update in each policy dossier

Current Initiatives

EU Marketing Standards

Due Diligence

EU School Scheme

Sustainable Carbon Cycles

Regenerative Agriculture

Summary

The EU promotion policy was created with the aim of ensuring the competitiveness of EU agricultural products within the EU and in third countries. Regarding the Revision, it is blocked.

- Timmermans' office is asking for impossible amendments to the Proposal that Wojciechowski's office refused. Timmermans is thus blocking the proposal. Therefore, considering that it is a controversial topic, we don't know if it will make it in this legislative term.
- On the other hand, regarding the negotiations of the Annual Working Program of the Promotion policy, our work finally paid off. The European Commission approved on Friday 16th of December the 2023 Annual Working Program (AWP).
- I am happy to confirm that following the vote on the 28th of October, DG AGRI finally decided to delete the discriminatory award criteria present in 2022's AWP.

EU Promotion Policy

Next steps

EU Commission Legislative proposal: Blocked

2022

Contribution of the proposed information provision and promotion project in respect of the objectives of the climate and environmental ambition of the CAP, the Green Deal, Farm to Fork Strategy, in particular concerning the sustainability of food production and consumption. *For proposals targeting the internal market, alignment with the objectives of Europe's Beating Cancer Plan, in particular encouraging the shift to a more plant-based diet, with less red and processed meat and other foods linked to cancer risks (e.g. alcoholic drinks).*

2023

Contribution of the proposed information provision and promotion project in respect of the objectives of the climate and environmental ambition of the CAP, the Green Deal, Farm to Fork Strategy, in particular concerning the sustainability of food production and consumption.



CAP Task Force – TEC Tracker update in each policy dossier

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EU Promotion Policy

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Regenerative Agriculture

Summary

The European Commission wants to create direct incentives for the adoption of “climate-friendly” practices. Such practices that sequester carbon from the atmosphere into the soil could generate “carbon credits” (equal to “negative” emissions).

- These credits could become an additional “product” that land managers can sell together with their traditional products (food and biomass), in the context of a voluntary carbon market. The credits could be bought by operators/individuals willing to reduce/offset their emissions.
- A Commission’s Communication on sustainable carbon cycles, focusing on the upscaling of carbon farming, was published in December 2021. A legislative proposal on the certification of carbon removals is expected by end 2022.



Timeline



Sustainable Carbon Cycles

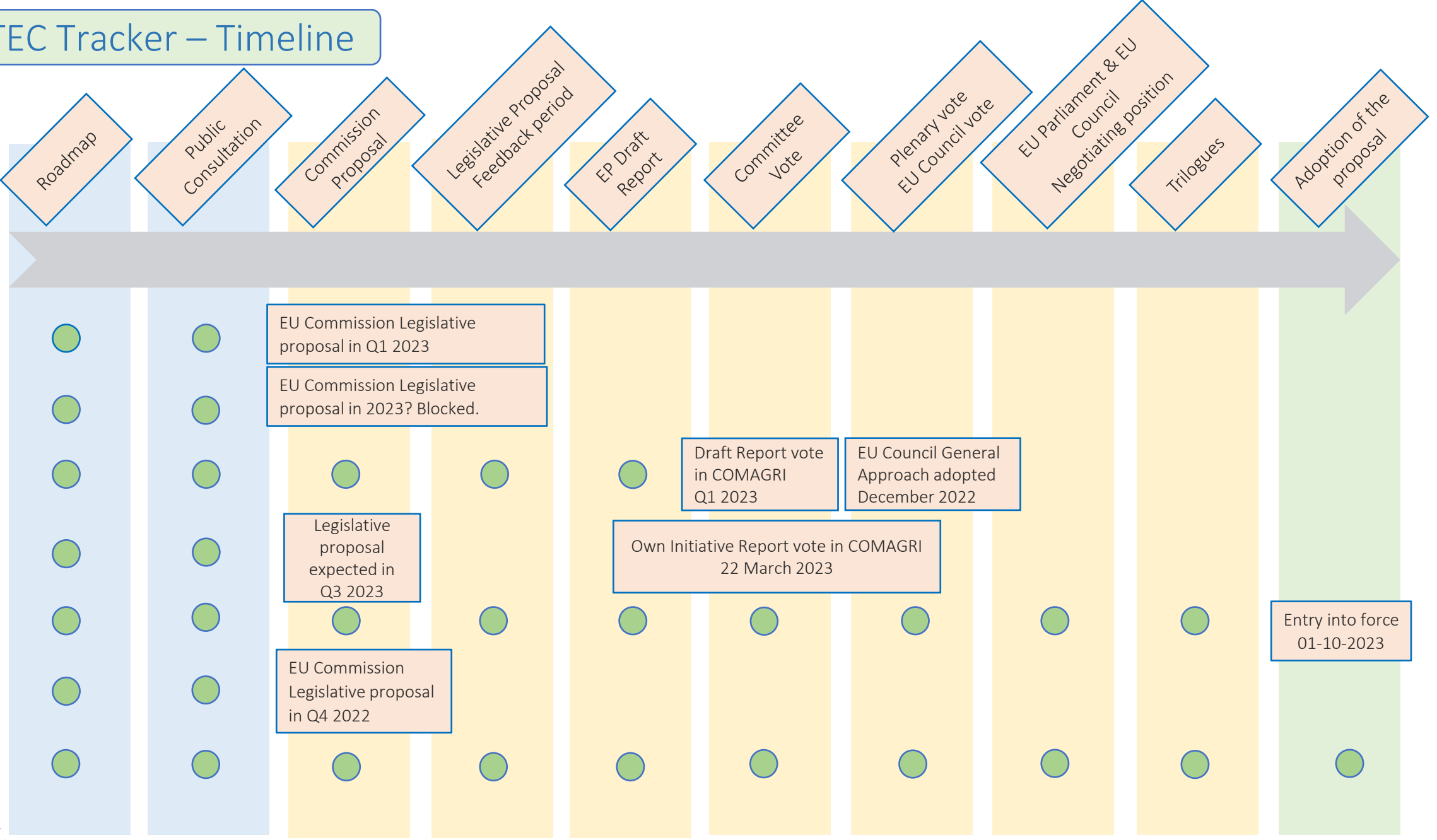
Next steps

EU Commission Legislative proposal in Q4 2022

EDA's TEC Tracker – Timeline

Current Initiatives

- EU Marketing Standards
- EU Promotion Policy
- Due Diligence
- EU School Scheme
- CBAM / ETS
- Sustainable Carbon Cycles
- Regenerative Agriculture



CAP Task Force

Thank you for your time and consideration

