

Common agricultural policy and environmental effects

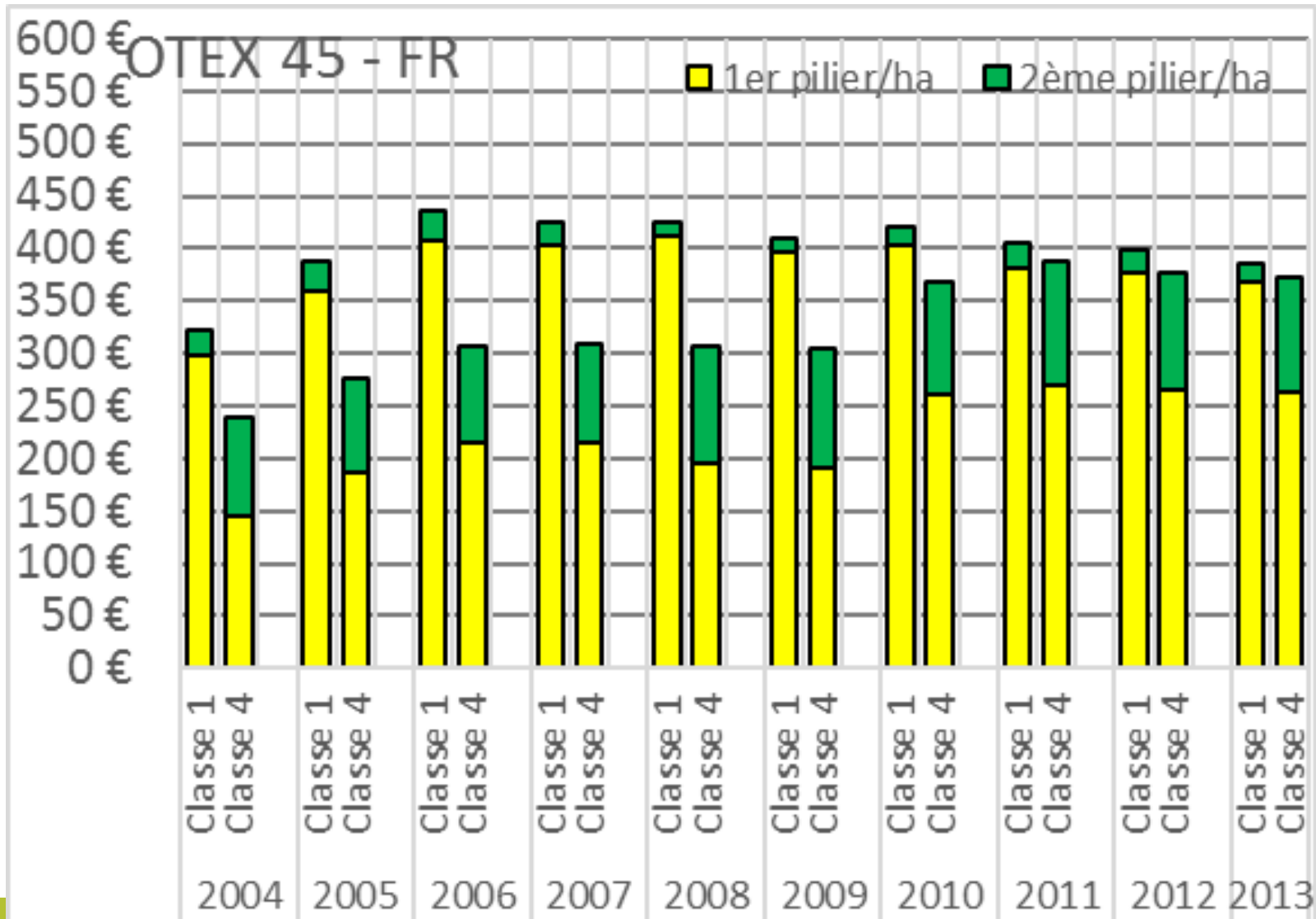
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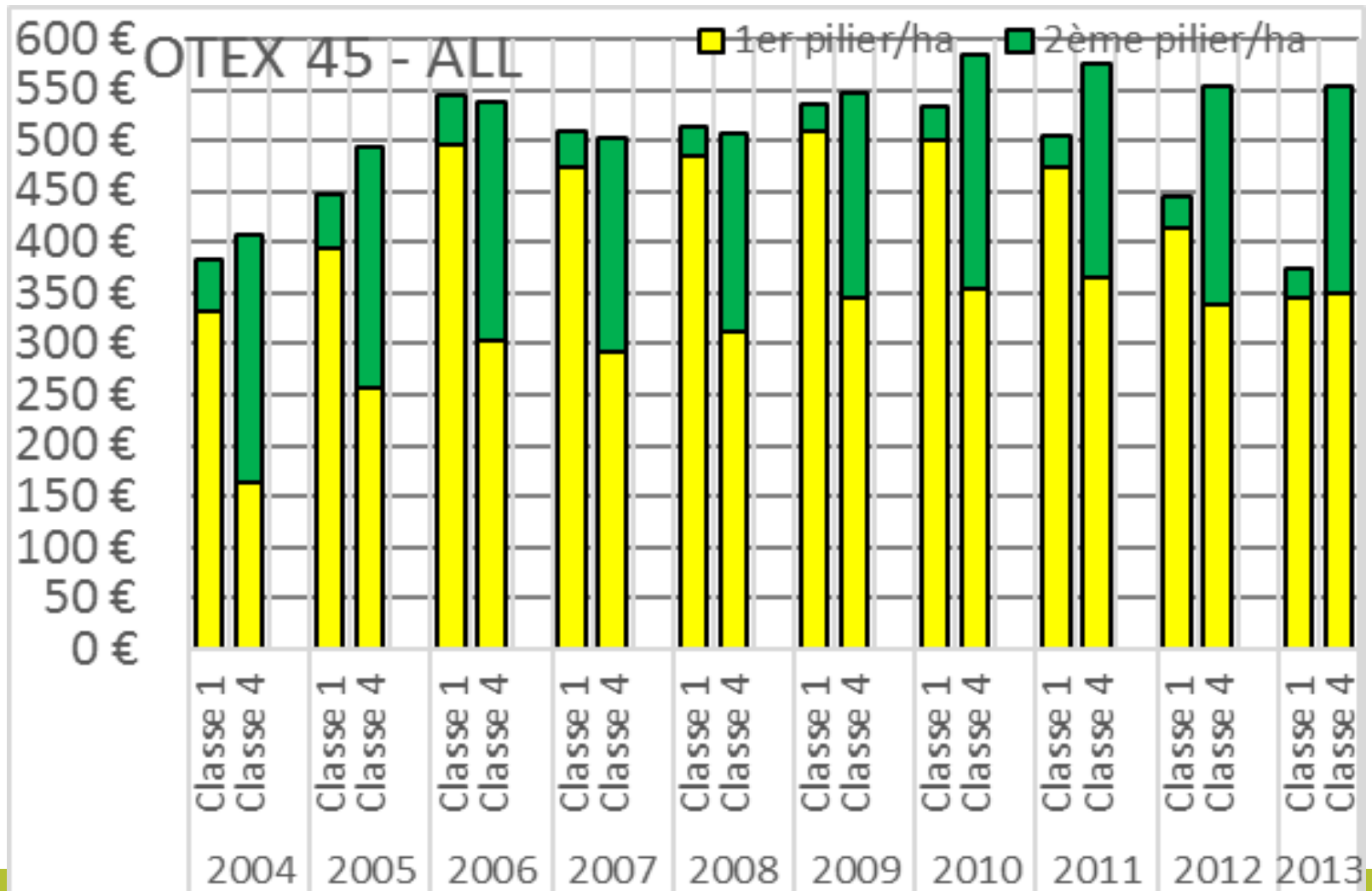
Distribution of direct subsidies (1st pillar)

- in France, still in favor of farms with less positive environmental effects (Kirsch, Kroll, Trouvé, 2017)
- Linked to the reform of the CAP in 1992 then in 2003
- With a compensation by the 2nd pillar subsidies (especially for the less advantaged areas)... which is not sufficient
- Contrary to Germany, which chose the complete harmonization of amounts of direct subsidies

Distribution of direct subsidies according to « environmental » classes of farms (French FADN). Case of milk farms (Kirsch, Kroll, Trouvé, 2017)



Distribution of direct subsidies according to « environmental » classes of farms (German FADN). Case of milk farms (Kirsch, Kroll, Trouvé, 2017)

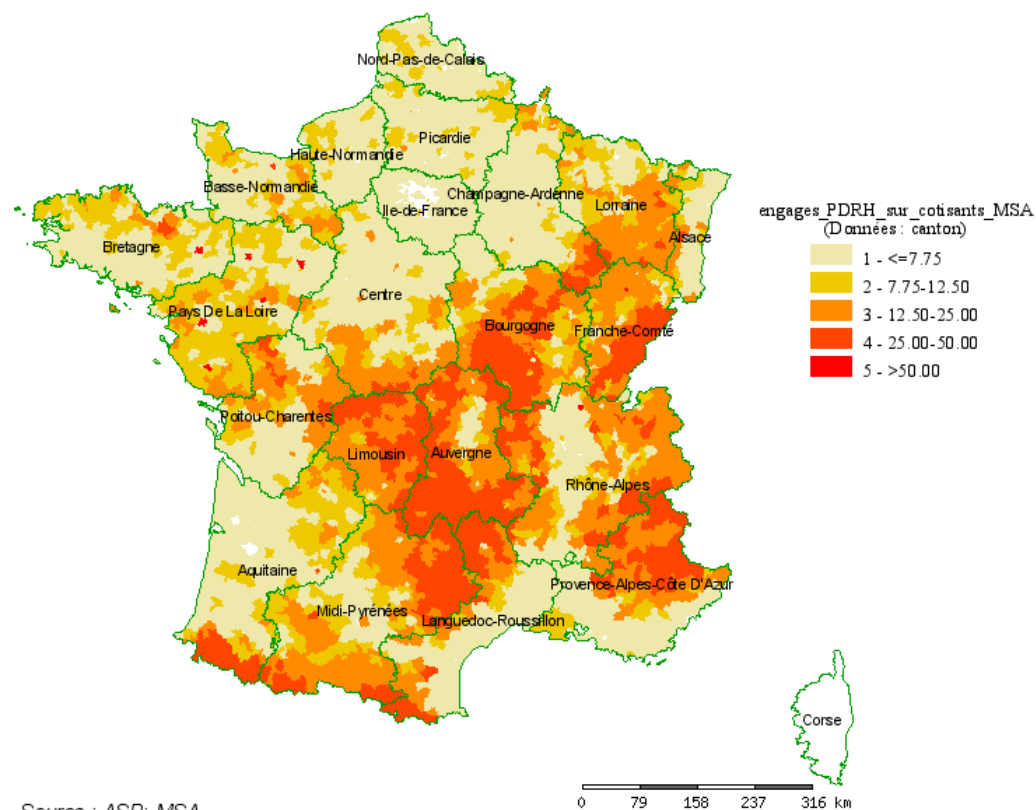


Some remarks on the French 2nd pillar and more generally the « greening » of CAP

- 2nd pillar subsidies
 - Focus on regions and farms already « environmental-friendly » (see below)
 - with insufficient amounts for encouraging whole changes of practices (see national assessments)
 - Subsidies per ha, which are clearly insufficient in some little farms (e.g. organic farming in market gardening)
 - Some subsidies clearly not for environmental-friendly farms
- New CAP in France : some positive and negative points
 - « Green payments » : some big arrangements (e.g. for mais producers in favor of monoculture, for soya production with fertilizers in ecologic areas...)

Proportion de bénéficiaires Programme de développement rural hexagonal (PDRH) / nombre de cotisants MSA 2007-2010 par canton (%)

Source : L. Barbut, 2013



Source : ASP; MSA

Produit le 07/03/2011 par Carto Dynamique INRA 2005

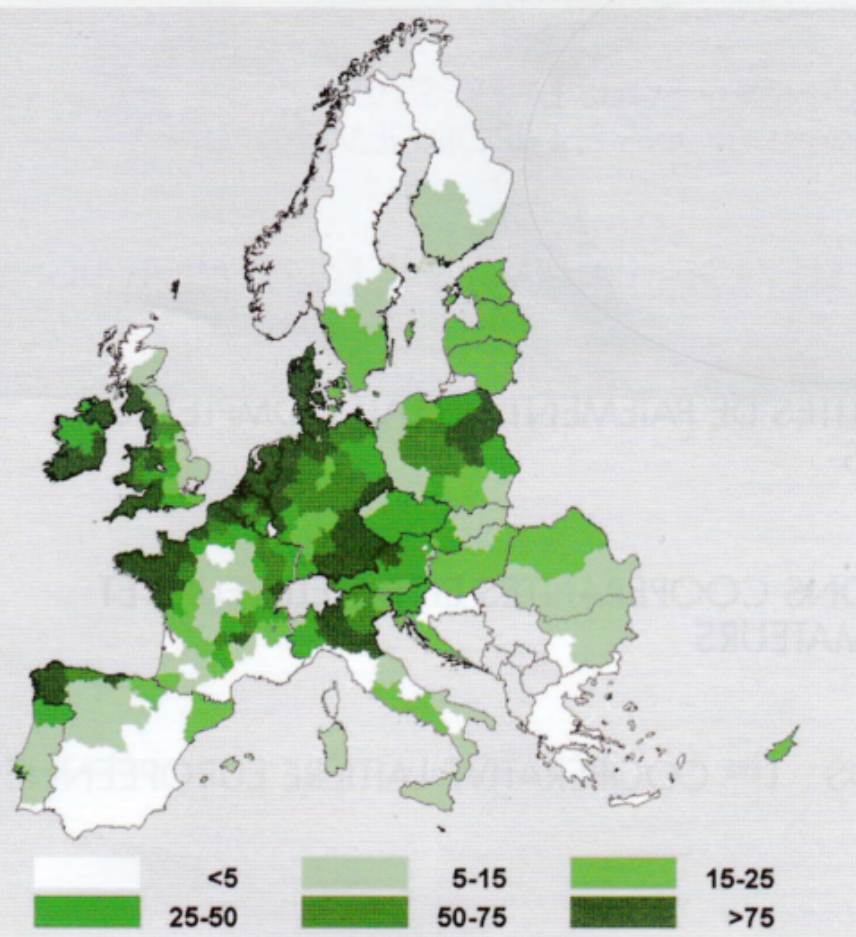
Regulation of agricultural markets and environnement (1)

- Case of the compromise with USA in the 60' and 90' → abolition of tariffs on oleaginous crops
 - sizeable imports of oleaginous crops from South America, with GMO's
 - intensive livestock production in Europe, based on maize and soya, to the detriment of grassland
- Case of the transatlantic free trade agreements (Gerstetter et al., 2013 ; Bureau et al., 2014 ; Trouvé et al., 2017)
 - risks on weakening the EU's environmental and food safety policies and the EU's right to regulate
 - higher risks for some productions which present environmental services (case of cattle production and grassland)

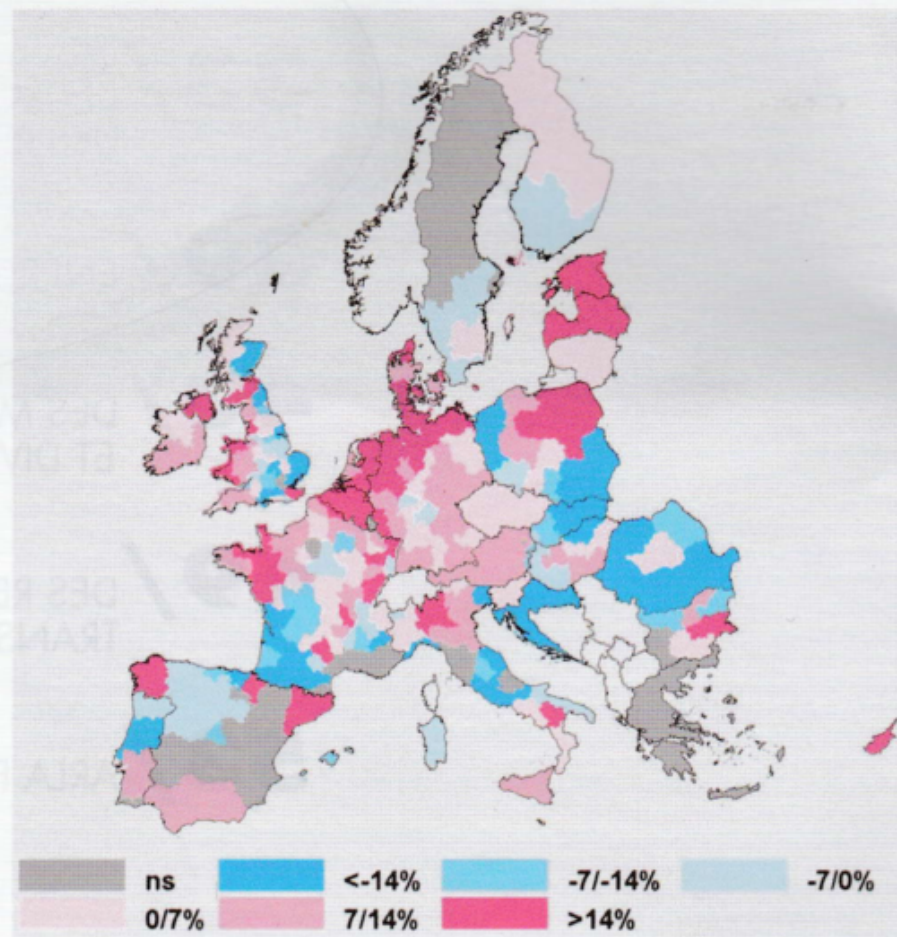
Regulation of agricultural markets and environnement (2)

- The case of European dairy production (Trouvé et al., 2016)
 - rapid and recent deregulation of dairy markets, with removal of milk quotas
 - geographic concentration of milk production in EU (see below)
 - with problems of effluents pression
 - Weakening the complementarity between crops and breeding
 - Encouraging the rise of production in some regions → increasing number of animals/ha, less pasture... (+ overproduction)
- More generally, big difficulties to demand to farmers strong changes...
 - ... when prices and revenues are so variable and in many cases very low
 - difficulties for long term investments

Production de lait de vache en 2014 (tonnes/km²)



Variation de la production de lait de vache entre 2007 et 2014



Source : Economie de l'élevage n° 460, sept. 2015

Some proposals for another CAP (Bazin, 2015)

- Tools for regulating markets
 - storage and prices management, at least direct subsidies according to the farm revenues
 - Regulating production volumes
- Keeping strong border measures
- Strong environmental conditions for receiving subsidies →
- Subsidies allocated par worker (and not per hectare)
- Strong subsidies for changing farm practices, organic farming, direct short supply chains... especially for the school meals