



HIGH NATURE VALUE FARMING: THE KEY TO PROGRESS IN THE NEW CAP

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The Common Agricultural Policy (CAP) absorbs almost 40% of the EU Budget and drives land use on the majority of the EU territory. Among its objectives are to provide affordable food for EU citizens and a fair standard of living for farmers, to promote balanced territorial development and sustainable management of natural resources.

The new CAP should therefore support the farming systems that help to deliver these vital objectives for the sustainability of European society, and High Nature Value farming has a key role to play.

What are High Nature Value farming systems?

They are the **most valuable farming systems in Europe** for biodiversity, quality foods and climate. They are non-intensive farming systems, adapted to local environmental conditions and representative of our diverse territories and culture. **If we lose these farming systems then we lose our most threatened and irreplaceable wildlife habitats, species and landscapes** and with them our **resilience** against environmental risks such as pests and climate change. Part of our cultural **identity** would also be gone forever.

Examples of High Nature Value (HNV) farming include wood pastures, mosaics of low-intensity permanent crops such as traditional vineyards, olives and fruit trees, Iberian cereal steppes, traditional hay meadows and upland grazing systems.

HNV farming systems are not exclusive to any particular Member State, they are found throughout the EU. These systems require active farm management, and they create and maintain an economic fabric that provides diverse employment and business activity through quality food products that are intimately linked to rural culture and are recognised and valued by consumers. These activities and products are essential for promoting economic diversification and value-added at local level in rural areas, thus generating jobs and preventing depopulation.

HNV farming systems also make a key contribution to climate change mitigation and adaptation, as they require minimal inputs of fossil fuels and in many cases act as large carbon sinks, especially the vast area of semi-natural pastures that are maintained by HNV grazing systems.

Extensive grazing systems, such as goats and sheep in upland and mountain pastures and forests, provide an unquestionable public service in reducing the risk of massive wild fires by consuming combustible vegetation.

Furthermore, HNV farming is a highly efficient use of land in so-called *less-favoured areas* (Areas with Natural Constraints in the CAP), as these systems are adapted to fragile environmental conditions where either intensification or abandonment are likely to be highly damaging. This is a vital consideration for our rural areas most threatened with depopulation.

Why do we need HNV farming in the CAP?

In recent decades **the CAP** has encouraged agricultural intensification, directing most financial resources towards production systems that degrade the productive capacity of European natural resources, **putting at grave risk the sustainability of EU food production.**

This situation is apparent in increasingly worrying data about the state of our soils, water and biodiversity¹. At the same time the CAP has failed to halt the social deterioration of rural areas suffering from depopulation, from lack of farm succession and consequent abandonment.

On the other hand, EU policies for biodiversity (Natura 2000), for sustainable water use (Water Framework Directive) and our commitments to the Paris agreement on climate change all depend to a large extent on the CAP giving ambitious support to the farming and forestry systems that most contribute to the objectives of these policies.

But successive CAP reforms have failed to tackle these major challenges and attempts to integrate environmental and social considerations have been weak and ill-conceived, with certain exceptions. One example was the inclusion of HNV farming systems as an EU rural development priority in 2005, a valuable step forward on paper but which lacked the necessary commitment of resources and practical support to develop its enormous potential.

Now the Commission has removed all references to HNV farming from its proposed Regulation for the future CAP, a totally contradictory manoeuvre that clashes directly with the claimed objectives of this latest reform, as well as disregarding the wishes of EU citizens. This move suggests that the EU institutions don't listen to European citizens and take their decisions regardless of the legitimate interests of society that wants a fair and sustainable CAP².

HNV farming should continue to be highlighted as a priority in CAP Regulations after 2020, so that Member States maintain and expand their efforts to support these systems into the future, inspiring farmers and demonstrating to EU citizens the enormous public benefits that can be delivered by farming when it works in harmony with a fragile natural environment.

HNV farming systems are the “crème de la crème” of European farming when it comes to biodiversity, landscape and quality foods. The EU institutions should promote pride in their existence as a very special part of Europe's rural heritage and a reference point for how European farming can benefit the natural environment. We need to consolidate and build on the work of recent years, since HNV farming was introduced as a CAP priority, rewarding the farmers whose practices make up these systems and developing their potential through a new better-targeted CAP.

¹*Dramatic loss of grassland biodiversity: more than 75% of EU grassland habitats important for biodiversity are unfavourable condition or worse.* SOER 2015. Official EU data.

² Results of the European Commission's public consultation on the future of the CAP in 2017, and Citizen's Movement Living Land.

Now it is essential that the CAP is redesigned so that this public money offers true added value as demanded by EU tax-payers and is targeted towards those farming systems that are best able to counteract the serious sustainability problems affecting the dominant agri-food sector³. HNV farming must UNQUESTIONABLY be a part of this new vision.

HNV farming must be in the new CAP

HNV farming systems should be highlighted in the new CAP because they make a key contribution to achieving ALL of the objectives in articles 5 and 6 of the new CAP Regulation proposed by the Commission. Also because:

- They are critical farming systems for halting the grave loss of biodiversity from which Europe is suffering (loss of pollinators and birds associated with farmland, amongst others).
- Their adaptation to local agroclimatic conditions allows for a more efficient and sustainable use of natural resources (soil, water...).
- They contribute to improving the biological cycle, thus halting several of the principle threats to the EU farming system and improving our productive capacity. They are also a reserve of genetic material (animals and plants) threatened with being lost. Some 70% of species cultivated in the EU depend on external genetic resources⁴.
- They contribute to climate change mitigation and adaptation, reducing emissions and absorbing CO₂.
- They prevent wild fires in vulnerable landscapes at low cost, reducing the risk of considerable economic and environmental losses as well, most importantly, as losses of human lives.
- They provide sustainable employment and hubs for economic diversification in rural areas, helping to fight rural depopulation especially in the most marginal areas, such as mountains.
- They contribute to delivering other policy goals, such as those for sustainable development.
- They take advantage of synergies and help to put into practice the principles of the circular economy and bio-economy and efficient use of resources (for

³ As the IPBES pointed out “Higher biodiversity therefore increases the capacity of terrestrial, freshwater and marine ecosystems to provide nature’s contributions to people, such as soil formation, pollination, regulation of hazards, regulation of air and water quality”.

⁴ Source Newspaper article
https://elpais.com/diario/2006/06/12/sociedad/1150063201_850215.html

examples in HNV crop systems the stubbles, prunings etc. are recycled through grazing which simultaneously fertilises the soil thus closing the nutrient cycle).

HNV farming systems are a key tool for helping the EU to meet other legal obligations, both internal and international.

At the same time, **HNV farming systems are the most threatened with abandonment in Europe** and therefore **require special treatment in the CAP** and explicit support from the EU institutions who should see these types of farming as **CAP flagships for sustainability**. HNV farming is a perfect example of how to halt environmental degradation and as such it is a good-news story amongst all the negative aspects of intensive farming and food production.

HNV farming needs programmes of support founded on remuneration of the quantity of public goods it delivers. Support programmes should be designed to maintain the existing farming systems that are the most environmentally valuable and also the most threatened with abandonment. This approach is very different from the current CAP attempts at environmental integration consisting of generalised measures that try to reduce the negative impacts of intensive farming systems through a set of standardised rules (“greening” and cross-compliance), while failing to reward the most valuable systems. Even agri-environment-climate schemes, in principle a positive measure, are often used to encourage minor improvements to mainstream intensive farming rather than rewarding the systems that are already providing immense benefits but may soon disappear if they continue to be disregarded by the CAP.

HNV farming also needs a constancy of effort from public institutions over the long term, building on the foundations established over the past 15 years. A new, modern CAP giving added value to EU tax-payers cannot suddenly leave aside HNV farming, one of the cornerstones of sustainable rural development in Europe.

What is wrong with the current CAP?

HNV farming faces three main problems with the current CAP:

- There are many perverse elements in the design of the current CAP that have the effect of penalising the systems and practices of HNV farming. These include the “historic model” for calculating direct payments, still maintained in some Member States, which penalises less intensive farmland; the eligibility rules for permanent pastures which penalise pastures with trees and shrubs, and rules defining permanent pastures that incentivise farmers to regularly plough their grasslands to keep them in the “arable” category. These, and other, design faults need correcting in order to create a policy framework that is systematically and economically favourable to HNV farming systems and practices, rather than biased against them.
- Generally there is insufficient use of Pillar 2 measures to target support specifically at HNV farming systems (some Member States are doing well,

but there are some with large areas of HNV farming receiving no agri-environment-climate support, for example Spain and Greece).

In Spain not all the actions supported under the agri-environment-climate measure (M10) have positive effects for HNV farming.

In fact only 45% of the M10 budget in Spain has possible benefits for HNV farming, and this represents less than 5% of the total Rural Development spending. Not only that, but less than 30% of the HNV farmland in Spain can receive support from these measures.

Not only agri-environment-climate measures are important for HNV farming, there is an urgent need to target these systems for other types of support, such as funding for producer groups, diversification, increased value-added through on-farm processing and direct sales, etc. Packages of such measures will help to maintain HNV farming and thus also the environmental and cultural values associated with these systems⁵.

- There is very limited use of innovative local/regional approaches to supporting HNV farming. Some very successful projects exist (see end of this document), but they are small dots of light in a generally dark European landscape. There is an urgent need to spread these innovative local approaches much more widely, using measures like the “Cooperation” article of the rural development regulation (Pillar 2) so that all HNV farming systems have the opportunity of innovative support, adapted to local conditions and with the necessary human resources to work with the farmers to help solve their problems (proactive advisers specialised in HNV farming).

PROPOSALS FOR KEEPING HNV FARMING IN THE NEW CAP

The European Commission’s proposals for a new CAP, published on June 1st in COM(2018) 392 final, declare great ambition in terms of environmental objectives and propose a broad set of objectives to be included in the Strategic Plans of Member States, including “contributing to biodiversity protection, enhance ecosystem services and preserve habitats and landscapes”.

Although HNV farming systems meet ALL the objectives set out in articles 5 y 6 (Title II) of the new proposed CAP Regulation presented by the Commission, the texts make no explicit mention of these systems as a tool for meeting the objectives.

The CAP and Member States have invested time and money in working on HNV farming systems.

- In 2005 the HNV farmland indicator was made obligatory for rural development programming. Many Member States have invested significant resources in developing this indicator over the years, and in some cases it is now being implemented with positive effects.
- In the period 2007-2013 the EU strategic guidelines for rural development highlighted HNV farming as a priority (Council Decision 2006/144/EC).

⁵ Report: SAVN y Programación Desarrollo Rural 2014 – 2020 en España. GANNIK, SEO/BirdLife y WWF España (unpublished)

- The CAP Health Check of 2009 introduced biodiversity as one of the new challenges facing the CAP (Council Regulation (EC) n° 73/2009).
- In the period 2014-2020 HNV farming was again confirmed as relevant for the whole CAP and the restoration and preservation of biodiversity in areas of high natural value was included among the six EU priorities for rural development. HNV farmland indicators (Context Indicator 37 and Impact Indicator 9 of the Common Monitoring and Evaluation Framework - CMEF).

After 13 years during which the CAP has included HNV farming in its priorities and indicators, Europe's most environmentally valuable farming systems have suddenly been dropped from the proposed regulation for the **CAP programming period 2021-2027**.

The fact is that **the policy was starting to work** in some regions (see examples at the end of this document) and now is the time to **reinforce the effort and spread good practice** further in the new programming period.

Instead the environmental focus of the Commission's proposed regulation is centred on correcting the degradation caused by intensive farming and trying to make intensive farming less unsustainable. The texts do not mention the great environmental values and sustainability of existing and quite widespread HNV farming systems. They talk about the need to incentivise improvements in agricultural management (reducing the ecological footprint of intensive farming) rather than rewarding the existing good practices and public goods provided by HNV farmers.

For many years conservationists and farmers have worked hard to explain to policy makers that there is also a positive narrative about the relationship between farming and the natural environment, and nowhere is this clearer than in the case of HNV farming systems. Just as the CAP should correct the impacts of intensive farming, it should celebrate, support and maintain the systems that already bring huge environmental benefits and whose greatest challenge is to be fairly rewarded from public policies for the public services they deliver.

The only indication that could be connected with HNV farming is in the preambles that introduce the proposed CAP Regulation, which say (paragraph 17) "The CAP should continue to promote production with specific high value characteristics". There is also mention of organic farming and agro-ecology, but none of HNV farming or of its crucial importance for biodiversity conservation in Europe.

It is essential that the CAP INCLUDES HNV farming and gives priority to these systems.

How to avoid losing years of work and progress by keeping HNV farming in the CAP?

Summary of proposals:

- Design a Budget that is balanced between the two Pillars without allowing transfers from Pillar 2 to Pillar 1. And ensuring that at least 50% of the

Budget is targeted on environmental objectives, with explicit and measurable support going to HNV farming systems.

- Transition towards a model of direct payments that supports the production of public goods and is not based on historic payment rights that penalise HNV farming systems.
- In the preambles of the new CAP Regulation on Strategic Plans, make explicit reference to the need to prioritise HNV farming systems, emphasising their importance and their inspirational role.
- Include HNV farming systems in the new objectives, by citing them in the objective on biodiversity and ecosystem services (Title II article 6 1.f) (*contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes*).
- Require the Strategic Plans of Member States to include an adequate analysis of the state of HNV farming systems in their territories, with a description of the main practices that characterise them and identification of the associated natural values, challenges faced by the systems and opportunities for their development, concrete objectives for their maintenance following the SMART methodology, all to be reviewed and approved by the European Commission.

By 2021 identify and characterise the main HNV farming systems and the practices that sustain them. Based on this analysis, develop proposals for measures to support the systems identified.

For 2027 ensure that the extent of HNV farming systems previously identified is at least maintained, along with the practices that sustain the system.

- Ensure that Member States set up effective programmes of measures to support the socio-economic viability of HNV farming systems while maintaining the practices that generate their natural values, taking advantage of the opportunities in both Pillars of the CAP. Include targeting of measures in support of HNV farming at a large scale, for example the new eco-schemes under Article 20 of the proposed CAP Regulation; and innovative measures at local level, following the example of schemes established by local partnerships of conservationists and farmers (locally led schemes) in Ireland, supported by agri-environment-climate payments, non-productive investments, training and targeted advice.
- Include CAP result and implementation indicators for HNV farming systems to enable assessment of whether the support measures implemented by Member States are a sufficient response to the needs of HNV systems as identified in the analysis.

Build on methodologies⁶ already successfully developed in some countries, such as Denmark, Estonia, Germany, and in Navarra (Spain)⁷, using tools such as GIS combined with sample surveys to identify natural values in the field, and including a characterisation of the practices and elements that maintain natural value.

- In the article on “Cooperation” make specific mention of locally led schemes established by conservationists, farmers and other partners in order to support HNV farming systems (as in Ireland – the example of the Burren programme is presented at the end of this document).

EXAMPLES OF SUCCESSFUL SUPPORT TO HNV FARMING THROUGH THE CAP

The biggest strength of HNV farming is that **it works**. The success of the Burren Farming for Conservation Programme in Ireland, and others presented below, show how farmers, conservationists and citizens converge in their appreciation for collaborative initiatives to maintain these traditional systems producing nature and

Ireland

The [Burren](#) in the west of Ireland, encompasses several Natura 2000 sites and a National Park. Several hundred farm families live and farm in the Burren, producing excellent livestock while sustaining Ireland’s greatest heritage landscape. Key challenges include the polarization of agricultural activities into more intensive practices, on one hand, and abandonment on extensive grasslands and heaths, on the other. The ageing farm population and change to part-time farming threaten labour-intensive traditional practices. The area has been a learning ground for HNV farming innovations for about 20 years, starting with the award-winning Burren LIFE project and then leading the way in the design and implementation of agri-environment schemes in partnership with the farmers and based on the principle of paying farmers for biodiversity results. Key to the Burren success story has been collaborative working over the long term between farmers and a local team of dedicated advisors.

The success of the Burren Programme is now being extended to other parts of Ireland, with the establishment of “locally led projects” that are set up by local farmers’ groups in selected HNV farming areas and funded under the Cooperation measure of the rural development regulation. The new CAP Regulation should highlight the option, and the importance, of establishing ambitious locally led projects in HNV farming areas in all Member States.

⁶ Preparing the assessment of High Nature Value Farming in Rural Development Programmes 2014-20: Practices and solutions https://enrd.ec.europa.eu/evaluation/good-practice-workshops/preparing-assessment-high-nature-value-farming-rural-development_en

⁷ Sistemas Agrarios de Alto Valor Natural en Navarra monitorización 2008-2013 <http://www.navarra.es/NR/rdonlyres/86815038-FE6D-404A-9A29-3C27FCCBF013/371833/SistemasdeAltoValorNaturalenNavarra2013.pdf>

Approach for implementing the HNV indicator in Navarra https://enrd.ec.europa.eu/sites/enrd/files/gpw-02_4-3_spain_iragui-yoldi.pdf

France

Several aspects of CAP implementation in France are favourable to extensive livestock systems. An important example is the system of eligibility of permanent pastures for receiving CAP direct payments, which explicitly recognises that trees and shrubs are part of the forage resource on many types of extensively used pastures, and should not be penalised. The new CAP Regulation gives Member States the opportunity to design their own eligibility rules, adapting these to real farming circumstances, but the regulation needs to emphasise the importance of adaptation in the case of HNV farming.

Bulgaria and Romania

Both these Member States implement ambitious agri-environment-climate programmes targeted explicitly at HNV farming on a large scale.

The initiatives in Bulgaria, Ireland and Romania (as well as in several other Member States) have been developed thanks to the fact that since 2005 the EU Regulations on rural development have highlighted HNV farming as a priority and have included an HNV farmland indicator in the CMEF.

A successful multi-fund example

Spain

The system of territorial farming contracts implemented by [GOB Menorca](#), and environmental NGO, has demonstrated how land stewardships by farmers and other land managers can combine agricultural productivity with the production of healthy local foods and innovation and education to promote effective nature conservation.

The key ingredient is a “contract of sustainable agricultural practices” agreed between GOB and the Farmer, in which both sides agree to undertake a series of measures on the farm and in the local community to promote the farm’s produce and to improve the natural values of the production system. The priorities for each farm are agreed from a menu of 38 possible measures which generate socio-economic and socio-environmental benefits. The livestock measures include night-time irrigation of forage crops, local native breeds and commitment to at least part of the feeding time in extensive grazing. These measures contribute to soil fertility, animal biodiversity, and more sustainable use of scarce water resources, while guaranteeing the output of quality products.

Here there are **clear lessons for the future CAP** through which agreements based on delivery of results could be established with public authorities to produce a range of public goods, in return for payments from CAP funds currently dispensed through Pillars 1 and 2.

Now is NOT THE TIME FOR THE EUROPEAN COMMISSION TO ABANDON HNV FARMING. On the contrary, Member States need continued encouragement, especially those with vast HNV farmland areas like Spain, to be inspired by, learn from and imitate the successes achieved in recent years in many countries.

Many farmers need to be publicly recognised for their work in favour of biodiversity conservation and maintenance of our European farming heritage as typified by HNV farming.

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