

A sustainable agriculture and forestry



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The COVID 19-pandemic has disrupted economies around the world. Countries around the globe had to cope with interrupted supply chains, staff reductions and financial losses, with many of the economic consequences yet to be realised. At the same time, the pandemic has underpinned the systemic importance of European agriculture and forestry in ensuring food security, providing renewable raw materials and producing renewable energy.

On the upside, the pandemic also gives countries an opportunity to recover better in a more sustainable manner. Europe's recovery should meet the needs of the present without compromising the ability of future generations and thus building on economic, social and ecological sustainability.

Mitigating climate change and managing resources

Climate change, market distortions and global health emergencies exert enormous pressure on the agricultural and forestry sector. At the same time, agriculture and forestry hold the key to a number of the UN 2030 Sustainable Development Goals and have an important contribution to reaching the targets of the Paris Climate Agreement.

It is worth noting that about 50% of the EU's territory is covered by agricultural land, and some 30% by forest. Together with the food sector, farming provides 44 million jobs in the EU, while the forest-based sector, representing 420.000 enterprises, employs additional 3.5 million people. The sustainable management of land and natural resources is thus directly related to the vitality of large parts of the EU's territory and the livelihood of its citizens.

The European Union has committed itself to deliver on the Paris Climate Agreement and endorsed the ambitious goal of reducing its **greenhouse gas emissions by at least 55% by 2030** compared to 1990 in its endeavor of reaching climate neutrality by the mid of the century. To achieve these goals, it is evident that all sectors must contribute. Since 1990, **agricultural emissions** in the EU have **decreased by 23%**. But the EU cannot act alone. The effort must be global, and it is therefore encouraging that the US recommitted itself to the objectives of the Paris Agreement. The Agreement **clearly stipulates that low-emission development must be promoted in a manner that does not threaten food production**. In fact, globally, we need to produce more food with less input.

Precision farming brings huge benefits allowing increasing yields while **reducing emissions and environmental impacts**. Digitalisation and scientific research in new technologies will create further opportunities and reduce the cost of production.

In the EU, the European Green Deal introduces a series of objectives aimed at the agricultural and forestry sectors. The **Farm to Fork Strategy** constitutes a key element of the European Green Deal, addressing the areas in which agriculture and forestry may contribute towards reaching our joint climate goal. In addition, the new **Common Agricultural Policy** foresees that **40 % of its total budget contribute towards climate protection**. It is therefore crucial to carefully examine how both sectors can contribute in a realistic and achievable way. It is also worth noting that **European agriculture** already **produces under highest and strictest environmental standards in the world**. We must therefore carefully ensure that our efforts don't lead to the **externalization of environmental impacts**, commonly known as leakage effects.

In pursuit of climate neutrality by mid-century, we need to work and engage with farmers and identify key policies that will be needed to support the transformation. The agriculture sector provides a unique opportunity as it is the only sector which can not only emit less but also absorb more. The winning approach must take the respective capacity and potential of the sector, in a realistic and achievable manner, into

account. For example, the potential of agriculture and forestry to contribute to the decarbonisation effort by offering sustainable fuels for energy production and transport should be fully recognised. Moreover, nature-based sectors, agriculture and forestry are themselves particularly vulnerable to external factors such as climate change. Therefore, when discussing the sectors' contribution to a new EU climate target, we must adequately reflect and address all aspects in relation to the distribution of efforts, of fairness and cost-effectiveness. The role of the consumers should also not be underestimated and we should provide them with enough information to enable well-informed decisions.

Food security

Many of the challenges that we face are global. One of these challenges is that of food security. The Union has a **great responsibility in feeding a growing world population** with safe, nutritious, and affordable food, that is produced under the highest environmental standards.

The FAO has projected the necessity of a 60 % increase of agricultural production by 2050, compared to 2007. However, this is becoming more and more difficult considering the challenges arising from climate change.

We must consider how the objectives of the Green Deal will impact food security, not only the EU's but also at global level. Therefore, the cumulative impacts of all of the Green Deal's objectives on global food security must be carefully assessed.

Protecting Forestry and ownership rights

The EU's biodiversity strategy for 2030 suggests legally binding nature-restoration targets. An additional target is to put 10% of the EU's land under strict protection. An **exclusion of forest management**, especially in the form of sustainable forest management, would be a **serious and disproportionate interference with ownership rights**. Such exclusion would also interfere with the **principle of subsidiarity**. The requirement to place 10% of the land area under strict protection must not be to the detriment of forest-rich Member States or in general to the detriment of the forestry sector. Neglecting socio-economic aspects would by definition not be sustainable.

Member States must be given appropriate leeway in their contribution to achieving the objectives of the EU Biodiversity Strategy. This includes, in particular, establishing definitions and their implementation at national level (e.g. definition of "strict protection"). Forestry may well be compatible with a strict protection regime if they are done in a sustainable manner. This must be defined in particular through the management plan of the individual protected area.

Therefore, any possible **restriction of management practices must strictly follow the principles of proportionality as well as financial compensation** (property rights, small business structures, ecosystem services). We call upon the Commission to take the above into account and clarify its definition of "strict protection" while taking the above points into consideration.

EU-Forest Strategy: Finding the right balance

Forests, and the forest-based sector, are of key importance for the achievement of the objectives and priorities of the European Green Deal, including on climate neutrality, biodiversity, the bio- and circular economy, and providing clean energy as well as sustainable alternative fuels for transport. Sustainable forest management measures must therefore ensure long-term environmental, social and economic benefits.

It is crucial that the new EU Forest Strategy recognises the socio-economic co-benefits that forests provide while **striking the right balance** between carbon storage, supply of raw material, biodiversity conservation and provision of other services (recreational functions and protection against natural hazards). The EU Forest Strategy must ensure that, in addition to the ecological orientation of forest management, the necessary socio-economic protections are also in place.

We believe that all dimensions of sustainability (environmental, economic, and social) should be balanced, taking into account the **multifunctional aspects forests** and the wide variety of forests and their conditions. The concept of Sustainable Forest Management (SFM) is widely agreed and should be utilized also in the context of the Taxonomy Regulation. Moreover, it is urgently necessary to **coordinate all policy areas** related to the new Forest Strategy **in the Standing Forestry Committee as a central platform**, in order to avoid parallel structures and to ensure targeted exchange of forest-relevant policies.

Need for win-win solutions and new business models

To overcome the challenges the agricultural and forestry sectors are facing, win-win solutions should be prioritized and encouraged. This will demand innovative solutions, knowledge, technical capacity, expertise, and strong coordination between all actors. Improving the uptake of new technologies, especially by the small and medium-sized farmers, is crucial to further improve the environment and climate performance of the sectors and to increase resilience for farmers and forest owners. Particular attention should be given to attracting young farmers and fostering generational renewal in the rural areas.

The **bioeconomy** offers great potential for jobs generation and is a driver for climate-smart development in rural areas, which can also provide new and reliable income. It is the rural areas that can produce the food, feed and fibers to enable the transition towards a low-carbon and climate friendly economy. This must be a key aspect of the EU's long-term vision for rural areas, which the Commission is currently working on.

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