



LV CONVEGNO DI STUDI

METAMORFOSI VERDE **AGRICOLTURA, CIBO, ECOLOGIA**

Complesso monumentale di San Pietro

Dipartimento di Scienze agrarie, alimentari e ambientali

PERUGIA 13-15 settembre 2018

Modifications of greening practices in the Omnibus regulation: an assessment of the impacts on arable farms in Italy

Raffaele Cortignani and Gabriele Dono, Dipartimento di Economia Agro-Forestale e dell'Ambiente Rurale, Università della Tuscia, Viterbo

Abstract

Over the last decades, the Common Agricultural Policy (CAP) has witnessed a shift from emphasis on price and market intervention to direct payments, partly conditional on environmental requirements. In 2013 the CAP reform introduced the greening criteria, which made the payment of thirty per cent of the direct payments dependent on compliance with three environmental requirements: crop diversification, maintaining permanent grassland and ecological focus area (Alons, 2017).

From February to May 2017, the European Commission held a public consultation on modernizing and simplifying the CAP (European Commission, 2017). Open to all interested EU organizations and citizens, it asked a series of questions about principles and priorities for the future CAP to inform a Commission Communication on the CAP post 2020, due in spring 2018. The results of the public consultation clearly demonstrate the important role the CAP is seen as playing and must continue to play with regard to maintaining and enhancing the environment in rural areas generally and on agricultural land specifically.

The mid-term review of the CAP 2014-2020 (Omnibus regulation) came into force on 1st January 2018 and the European Parliament has dealt mainly with simplifying some commitments to beneficiaries and to controllers that had become difficult to sustain. The Omnibus regulation also determine some changes to first pillar of CAP, including the greening practices (De Castro, 2017). In the present study the possible impact of the new rules of greening practices on a Farm Accountancy Data Network (FADN) sample of about 3,000 Italian farms was carried out using a Positive Mathematical Programming model. The analysis concerns the sector of arable crops in Italy distinguished by zones (north, center, south) and by altitude (mountain, hill, plain). The various impacts have been assessed through the use of various types of indicators (economic, environmental and social).

Main results show: an increase of forage legume crops (e.g. alfalfa) and a reduction of grain legume crops (e.g. soya); a reduction in the use of chemical inputs, in particular nitrogen; a

reduction of farm labor; limited economic effects. The results are analyzed and discussed distinguished by zones (north, center, south) and by altitude (mountain, hill, plain).

The Materials and Methods section describes the study area and the methodology. The Results section reports the simulated scenarios and the impacts on the use of land, inputs, and economic results. Discussion and Conclusions reports critical reflections about the study and presents the policy implications and some policy considerations for the future of the CAP.

Keywords: greening practices; Omnibus regulation; first pillar reform; positive mathematical programming

References

- Alons G. (2017). Environmental policy integration in the EU's common agricultural policy: greening or greenwashing?, *Journal of European Public policy*, Vol, 24 NO. 11, 1604-1622 <https://doi.org/10.1080/13501763.2017.1334085>
- De Castro P. (2017). Dall'Omnibus alla riforma di medio termine della Politica Agricola Comune: cosa cambia per l'agricoltura italiana, www.paolodecastro.it
- European Commission (2017). Modernising and simplifying the CAP Summary of the results of the public consultation, DG AGRI Brussels, 7 July 2017