

EU CAP Network Magazine

This edition of the EU CAP Network magazine focuses on the economic, social and environmental dimensions of climate adaptation, highlighting the role of networking in supporting sustainable agriculture and rural responses to climate change.



Women-led innovation for a more inclusive green economy





Healthy ecosystems for climate and farm resilience



Measuring sustainable agricultural productivity



Update on EU CAP Network
Communication





Funded by the European Union



Social perspective



04

Women-led innovation for a more inclusive green economy



06

Climate change and the social fabric of rural areas

Environmental perspective



08

Promoting pollinator-friendly farming



 $\mathbf{I}(\mathbf{I})$

Healthy ecosystems for climate and farm resilience



12

Evaluation experts explored the role of results-based interventions towards the achievement of environment-climate objectives

Economic perspective



14

Skills and lifelong learning in a changing climate



16

Climate change and farming viability



18

Measuring sustainable agricultural productivity – A promising step forward in assessing the impacts of the CAP



20

Update on EU CAP Network Communication

Introduction

Climate change is one of the most pressing challenges of our time, and its impact on agriculture is profound. Shifting weather patterns, more frequent extreme events, and changing growing seasons are testing the resilience of our agricultural systems. For the European Union, where agriculture is not only a vital economic sector but also a cornerstone of rural communities, finding solutions to mitigate and adapt to climate change is crucial.

The EU's Common Agricultural Policy (CAP) is central to this transformation. It is built around three general objectives in economic, environmental and social spheres to improve the sustainable development of farming, food and rural areas. To meet these three main goals, EU Member States use a wide range of targeted actions, which aim to address each country's specific needs and make up CAP Strategic Plans. Traditionally focused on ensuring food security and supporting rural development, the CAP has evolved to incorporate ambitious environmental and climate goals. The CAP now offers a framework for integrating climate action into everyday farming, supporting farmers in making the transition to greener practices while maintaining productivity and rural livelihoods.

As a vital platform for collaboration, knowledge-sharing, and innovation, the EU CAP Network connects farmers, policymakers, advisors, researchers, environmental organisations and other stakeholders across Europe. By fostering the exchange of best

practices, strengthening knowledge exchange and disseminating innovative solutions, the EU CAP Network helps ensure that sustainable farming solutions are widely accessible. Through initiatives like the European Innovation Partnership for agricultural productivity and sustainability (EIP-AGRI), the EU CAP Network empowers farmers to adopt climate-smart practices, from precision farming and agroforestry to soil management and crop diversification.

In this third edition of the magazine, we are exploring how the agricultural sector and rural communities can meet the challenge of climate change, focusing on the role of the CAP and the support the EU CAP Network provides in sharing practical solutions. Enjou reading!



ANTONIA GÁMEZ MORENO
Head of Unit, Directorate General
for Agriculture and Rural Development,
European Commission





SOCIAL PERSPECTIVE

Women-led innovation for a more inclusive green economy

Women-led innovation is increasingly recognised as a vital force in tackling environmental challenges, such as climate change and preserving biodiversity. Women in rural areas do not only lead farm businesses, they also spearhead entrepreneurial ventures that contribute to environmental sustainability. Empowering women can foster more sustainable models of rural entrepreneurship, contributing to socioeconomic growth in rural areas and to the objectives of the European Green Deal.

Unlocking female potential in rural areas

Women contribute to vibrant rural areas, viable farm businesses and social inclusion. However, rural women face more issues with access to land, training and education, and equal treatment in terms of employment and payment. To counteract this, the 2023-2027 Common Agricultural Policy (CAP) stimulates opportunities for women to participate in the rural labour market, develop their entrepreneurial skills and unlock their innovation potential.

Several European projects show that female-led innovation can foster sustainable practices that align with conserving biodiversity and building climate resilience, paving the way for a more inclusive and resilient future for our planet.

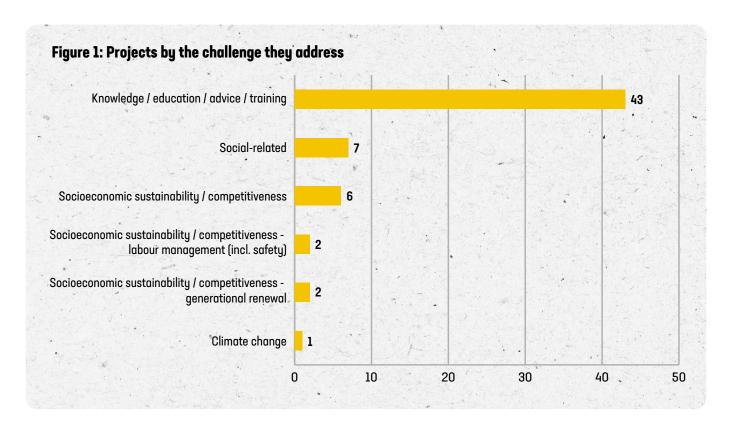
Knowledge and training to support sustainable entrepreneurship

The EU CAP Network has analysed 61 projects focusing on innovation, knowledge exchange and EIP-AGRI for women in EU agriculture, forestry and rural areas.

The majority of these projects concentrate on knowledge, advice, education and training (**Figure 1**), illustrating the importance of digital and green entrepreneurial skills in rural areas. The **DEMETRA** project, for instance, educates women on sustainable models of agricultural entrepreneurship, while **GREENWORAL** stimulates green entrepreneurial skills through training and mentorship.

While only one project (ADAFARM) tackles climate change as its main focus, many others address climate change, biodiversity, sustainable entrepreneurship or green skills. Several Erasmus+ projects highlight education and training to become skilled in ecological beekeeping practices (BeeB) or STEM-based solutions to tackle environmental challenges (Ipazia). Some support women-led innovation in agroecology or organic farming, such as Agro4SDGs and SWIFT.





Local innovation with global impact

One of the key outcomes of the EU CAP Network workshop 'Womenled innovations in agriculture and rural areas' (April 2024) was a call for better networking opportunities and mentorship programmes that foster collaboration and knowledge exchange among female innovators.

"Innovation is not just about technology, it's about community, perseverance and the will to break traditional moulds. Women in agriculture are the real change-makers, paving the way for sustainable practices that balance economic viability with ecological responsibility."



MARTA YONKOVA Workshop Task Manager

Several projects show that local innovation can have a global impact and that supporting women's rural leadership can drive long-term environmental and economic benefits.





Erasmus project <u>NOW-SEE</u> raises awareness of good female-led practices in sustainable environmental entrepreneurship. Through e-learning platforms and workshops designed to inspire women's engagement, NOW-SEE fosters an environment that lets innovative ideas flourish, particularly in the realm of climate action and green economies.

→ Read more



While climate change exacerbates social and economic challenges in rural communities, policy support, skills and collaborative mindsets can help rural communities envisage new opportunities. The EU CAP Network involves Common Agricultural Policy (CAP) stakeholders in exploring strategies for rural societies to adapt to and thrive in a complex and changing world.

Climate change is a crucial challenge for rural areas as it directly affects rural livelihoods, biodiversity and economic prospects. **Coordinating policy instruments and actors** is necessary to provide integrated support across these diverse areas and to address climate change-related challenges.

Climate change and adverse weather conditions have been identified as urgent challenges which must be addressed to maintain the mental well-being of agricultural workers and farming communities.

An effective approach in this sense means equipping farmers with the necessary tools and knowledge to adapt to new (and constantly changing) conditions, enhancing farm competitiveness while promoting resource efficiency. **Skills development**, continuous learning and knowledge exchange within the agricultural sector - in line with the interactive innovation model promoted by the CAP - are critical for agricultural workers to respond to societal demands for a low-carbon, climate-resilient future - and align with broader EU strategies for sustainability, such as the European Green Deal and Fit for 55 package.

As climate becomes increasingly unpredictable and climate change is acknowledged as a key obstacle to generational renewal, young

farmers are at the forefront of new approaches to manage natural resources effectively and make farming more viable and sustainable. They search for new and innovative solutions to unprecedented situations while also requesting better recognition from society and a better life-work balance. The **Gen Z: Leading Generational Renewal in Farming** background paper stresses the need for access to funding, knowledge and education on climate change adaptation.

"We can't expect change to come solely from the efforts of a few passionate individuals. Stronger policies and more involvement are essential to support the agroecological transition, transforming it into a collective movement rather than just a personal journey for a handful of farmers."



CRISTINA LAURENTI

Junior scientist, Research Institute of Organic Agriculture (FiBL) - coordinator of Agroecology Europe Youth Network, member of the Thematic Group Gen Z: Leading Generational Renewal in Farming Skills and knowledge – together with creativity and optimism – can help find new employment opportunities created as a result of climate change. Nature-based services, ecological farming and high-quality jobs linked to renewable energy represent potential opportunities, particularly for **rural youth employment**, that can foster the long-term economic resilience of rural areas. Rural communities are also rising to new challenges, developing initiatives for climate resilience and identifying opportunities that can make their local areas more attractive for residents and tourists alike.

"When we talk about generational renewal, don't think that's aimed only at old and young farmers and their families, generational renewal is about young families, young people in politics, in education and other institutions. Let's make rural areas and farming attractive for young families. And remember, when there are discussions about climate, farming and rural areas, don't forget to talk with us."



SANDRA EIMANE

Chairwoman of the Board of the Latvian Young Farmers' Club, member of the Thematic Group Gen Z: Leading Generational Renewal in Farming



Finnish villages sequestering and storing carbon

Over 30 villages implemented experimental climate actions that integrated change into their daily life while leveraging local expertise and traditional knowledge. This community-led initiative is part of a broader strategy to engage rural populations in combating climate change, from awareness to action.

→ Read more

As we look at the future, all stakeholders – from policymakers to local communities – must recognise their roles in the necessary collective effort to ensure a united front against the challenges posed by climate change. Aligning policies and empowering local actors is key to building climate resilience and the CAP offers valuable opportunities to mitigate the effects of climate change. By focusing on policy coordination, skills development, generational renewal and sustainable practices, rural communities can not only adapt to climate change but also find ways to thrive, while achieving resilience and promoting equality.



Lapland Shepherd Holidays

This project aimed to promote sustainable village tourism and the diversity of agricultural environments in Finnish Lapland while increasing the competence and knowledge of residents in local villages in restoring cultural landscapes. The project had a particular emphasis on local young people and women.

→ Read more



ENVIRONMENTAL PERSPECTIVE

Promoting pollinator-friendly farming

Bees, butterflies, hoverflies and other pollinators are an integral part of healthy ecosystems. Their alarming decline in recent decades calls for concrete actions to protect pollinator populations, given that around four in five crop and wild-flowering plant species in Europe depend, at least to some extent, on insect pollination.

Biodiverse landscapes for better climate resilience

The EU Biodiversity Strategy for 2030 and the EU Pollinators Initiative highlight the importance of pollinators for agricultural production and food security. Farm practices that promote biodiversity and protect pollinators help maintain healthy ecosystems with better soil health and water quality and higher resilience to drought, floods, heatwaves and other climate challenges.

Protecting pollinators through innovation and collaboration

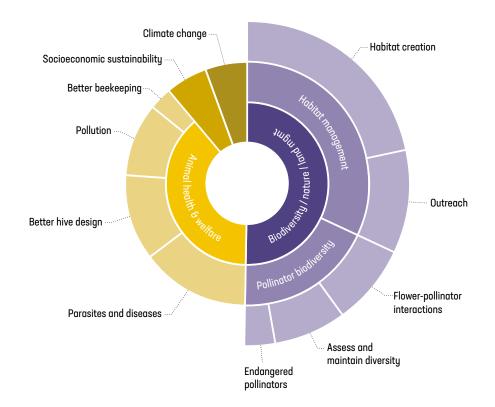
The EU CAP Network has analysed 165 innovative projects addressing pollinator decline from nine funding sources. The majority focus on biodiversity and land management, further divided into habitat

management and pollinator biodiversity (**Figure 2**). Habitat management involves the promotion of pollinator habitats in rural, natural or urban settings, while other projects explore ways to educate the general public about the importance of pollinator habitats. Pollinator biodiversity includes themes of flower-pollinator interaction, ways to maintain pollinator biodiversity and building populations of rare or endangered pollinator species.

A second important cluster on animal health and welfare features parasites and diseases, pollution and beehive design. All projects that explore good beekeeping practices zoom in on sustainable ways to increase the economic viability of beekeeping. Only a few projects focus on climate change adaptation strategies, such as increasing crop diversity, perhaps because it is difficult to get long-term data that proves their effectiveness in stabilising pollinator populations.

By adding flowering plants, creating nesting spaces, and reducing pesticide and fertiliser use, EU farmers can enrich their farming landscapes and offer more opportunities for pollinators to survive as viable populations. While farmers ultimately need to implement such changes, everyone can get involved. People can plant flowers in their gardens, volunteer to help restore habitat areas or teach children about the importance of pollinators.

Figure 2: Projects by the challenge they address



The EU CAP Network workshop 'Promoting pollinator-friendly farming' (2024) highlighted how plant biodiversity can support pollinators. Good farming practices and establishing natural corridors such as flower strips, hedgerows, stonewalls or field margins along waterways can offer food, shelter and nesting sites for pollinators. They connect habitats and limit the distance between nesting and foraging habitats, providing short-distance food sources for pollinating insects.

→ Learn more in the event report.

"The key to success in promoting pollinatorfriendly farming is clear communication. By stimulating cooperation between farmers and identifying simple actions that make sense to the farmer, you can instil a love of nature in many farmers."



RACHEL CREIGHTON
Farmer, Operational Group 'Protecting
Farmland Pollinators', Ireland



Operational Group 'Bee smart, bee healthy' has tested a smart monitoring and alert tool to identify diseases in beehives.

→ Read more in the EIP-AGRI Innovation Awards 2024 brochure.







Healthy ecosystems for climate and farm resilience

The Common Agricultural Policy (CAP) is a major to issues that require actions at second

The Common Agricultural Policy (CAP) is a major source of funding for supporting the management and restoration of biodiversity in rural areas. There are many opportunities within the CAP toolbox for Member States to design schemes that support nature-based solutions. However, given the increasing frequency of extreme weather events, continuing soil degradation and biodiversity loss, there is still much more that should be achieved. Current farming approaches can also be small-scale and fragmented but transitioning to a sustainable food system requires a more systematic, landscape-wide shift.

Healthy and functioning ecosystems play a critical role in the long-term sustainability of food production, as they are essential for the pollination of crops, pest and disease control, soil and water quality, and climate change mitigation. However, continuing declines in biodiversity, alongside other environmental degradation are compromising these ecosystems, making them more vulnerable and, in turn, undermining the resilience of agricultural systems.

The European Commission's <u>communication on managing climate</u> <u>risks in Europe</u> and <u>the EU Adaptation Strategy</u> highlights the important role of nature-based solutions to improve the resilience of farming systems and rural areas to the effects of climate change.

Solutions supported via the CAP are often small-scale and fragmented, however, some Member States are developing more land-scape-focused approaches, bringing land managers together to address shared problems and threats. These types of approaches can enhance biodiversity and ecosystem services by improving the-connectivity of habitats between farms, as well as finding solutions

to issues that require actions at scale, such as peatland or wetland restoration. Working collaboratively – between farmers and with other practitioners, including advisers and NGOs – can also lead to creative solutions to address these issues.

"The magnitude of the climate challenges faced are such that action is now required at a far greater scale and should be considered as part of a long-term strategy for the sustainable transition of the agricultural sector, especially as the benefits may take several years to achieve."



KALEY HART
Policy Analyst, EU CAP Network

→ Find more information on pollinator-friendly farming.

Some consistent messages have come from the EU CAP Network's Thematic Groups on <u>Green Architecture</u>, <u>Landscape Features</u> and <u>Biodiversity on farmland for improved resilience</u> about the factors that need to be in place to enable a shift to more sustainable and resilient farming systems and the role of biodiversity in this transition:

- Member States should consider using the full toolbox of CAP interventions when designing schemes to deliver most effectively at the scale required. Commonly used interventions, such as eco-schemes and agri-environment-climate measures, can be combined with support for investments and funding to promote collaboration. For example, Ireland has put in place a collaborative agri-environmental scheme targeting priority areas throughout the country (ACRES Cooperation).
- 2. New approaches should be piloted before being rolled out more widely so that authorities and stakeholders can experiment with innovative approaches and address difficulties at an early stage.
- 3. Developing capacity and knowledge is essential for all those involved in the design, implementation, monitoring and evaluation of schemes, from farmers to government officials. This includes knowledge sharing not just on management changes required, but also on alternative business models and how to transition and adapt to these new models. The Austrian Farming for Nature and Biodiversity on my farm projects show the value of peer-to-peer learning.
- 4. It is crucial to find ways to explain and demonstrate the essential role that biodiversity and healthy, functioning ecosystems have in sustaining the long-term resilience of farming systems. Reinforcing the value of nature and finding ways of using nature to generate income through diversification, adding value to products and private financing opportunities will be essential to foster change.

Many of these messages are not new. The tools available within the CAP to make the necessary changes and many of the **good practices** shared via the EU CAP network show the CAP's potential.



Farming with, and for, biodiversity on lowland farms (Slovenia)

This CAP-funded project designed new conservation measures for three bird species, which also improved the production potential of farms and their resilience to climate change.

→ Read more



Farming for Nature (Austria)

With support from the CAP, farmers act as ambassadors for biodiversity and nature-friendly farming, sharing their perspectives and motivations with other farmers and the general public.

→ Read more



ENVIRONMENTAL PERSPECTIVE

Evaluation experts explored the role of results-based interventions towards the achievement of environment-climate objectives

The role of evaluation in improving their design, implementation and assessment.

Result-based interventions (RBI) are considered strategic tools to achieve EU climate targets.

RBIs provide a payment to beneficiaries – or at least a component of a payment – directly linked to and dependent on the achievement of defined and verifiable results. This definition was agreed upon by experts who participated in the Thematic Working Group 'Assessment of results based interventions', organised by the EU CAP Network, with the support of the European Evaluation Helpdesk for the CAP, from February to October 2024.

Results are measured parameters with a direct link to the CAP objectives that the intervention aims to contribute to e.g. biodiversity. Results can also be measured, reflecting a reduction of environmental pressures or threats.

This means that RBIs can be designed to accommodate a whole farm approach that compensates beneficiaries for the total environmental services they provide, contributing to more than one objective. The complexity of designing interventions targeting

multiple objectives and co-benefits requires careful planning for both beneficiaries and administrators. Scorecards can be valuable tools for linking payments to results, enabling comprehensive and holistic assessments across environmental objectives.

The analysis of applied examples during the Thematic Working Group on the 'Assessment of results based interventions' has shed light on good practices in the CAP Strategic Plans of several Member States that could inform the future design, implementation and evaluation of RBIs.

Most of these examples contribute to maintaining or improving biodiversity. Payments depend on indicators that reflect the presence and abundance of certain groups of plant species, landscape elements, birds or their nests and more complex concepts, such as vegetation structure and habitat quality.

In some cases (e.g. Ireland and Portugal), a combination of indicators that go beyond biodiversity and include metrics of pressures or threats to water and soil quality are used. These indicators are organised in groups (e.g. scorecards) and allow a more holistic rating of the environmental services provided by each parcel.





In Finland, an RBI grants payments that contribute to animal welfare if at least 95% of the animals (pigs) observed have intact tails.

In France, another intervention implemented at the regional level is focused on improving water quality. Payments are based on reducing the use of pesticides, as measured by the 'Treatment Frequency Indicator'. Other interventions in the French CAP Strategic Plan focus on climate change mitigation with payments to participating farms contingent on their farm carbon balance estimated using modelling techniques.

Beyond the CAP, several result-based payment schemes have been identified that are financed by the private sector.

"Many private sector initiatives already support carbon farming and some work is still needed to establish adequate staking of private and public support compatible with the CAP and other international regulations. Carbon farming RBIs are also new for Managing Authorities and would require significant investments in designing the interventions and deploying effective monitoring, reporting and verification systems."



Training for farmers, advisors and administrators is essential. Collaborating across groups of farmers or communities can address large-scale environmental challenges, improve resource efficiency and reduce monitoring costs. Cooperation projects, as seen in Ireland's **ACRES programme**, enhance knowledge sharing and strengthen social networks.

Indicators should be understandable, measurable and sensitive to agricultural management changes, but stable over time to reduce risks for farmers. Environmental results, such as improvements in water and soil quality, may require long-term monitoring. Prioritising catchment-level approaches and indicator systems that can evolve over time is essential.

For water quality, this could mean that during the early years of implementation, payments can be based on indicators capturing the level of risk to the quality of natural water bodies, while direct impact indicators, like the levels of nutrients in surface and ground waters, can be phased in later. For soil quality, exploring satellite data and earth observation technology can enhance monitoring frameworks and ensure better data availability.

"Evaluation plays a significant role in all stages of result-based interventions. In the design phase, it can be used to understand and find ways to mitigate beneficiaries' and administrations' perceived risks and make the interventions more appealing, considering also any potential unintended effects. Costs of the implementation and the efficiency of these interventions can also be assessed."



COSTAS APOSTOLOPOULOS
Evaluation Manager of the Evaluation
Helpdesk and coordinator of the Thematic
Working Group

In conclusion, evaluation can show how RBIs contribute to corresponding objectives and how measured results can be used. They also complement **performance monitoring and evaluation framework (PMEF) indicators** and better demonstrate the performance of the CAP in protecting the environment and helping fight climate change.



ECONOMIC PERSPECTIVE

Skills and lifelong learning in a changing climate

While climate change requires urgent action, mitigating and adapting to climate challenges can be complex. By developing the right skills and gaining access to training and lifelong learning, farmers and advisors can become better equipped to respond to current and future climate challenges.

Building skills to cope with fast-changing challenges

Climate challenges evolve rapidly, requiring farmers, foresters and rural communities to continuously adjust and adopt new approaches that can help make their businesses more sustainable and climate resilient. The skills they need to build have to accompany these changes, making lifelong learning necessary. Skill development and training can underpin a learner's confidence in how to respond to evolving challenges – particularly in relation to issues such as climate and biodiversity.





Five promising learning approaches

At the EU CAP Network seminar 'Skills and lifelong learning for agricultural advisory and training service providers' (February 2024), participants discussed tools and good practices for effective training and skill development. The discussion was oriented towards skills to address climate change and biodiversity loss in the context of the green and digital transitions.

Learning approaches that are tailored to diverse learner groups, that foster either learner-led or peer-to-peer learning, and that incorporate interactive innovation were seen as very effective. In addition, experimental learning, particularly through cross-visits, emerged as a very promising approach. Overall, active listening, communication and other soft skills were deemed especially valuable in stimulating learning, creating a sense of trust and finding common ground to enable innovation to tackle climate change.

→ Find out more on the seminar event page.

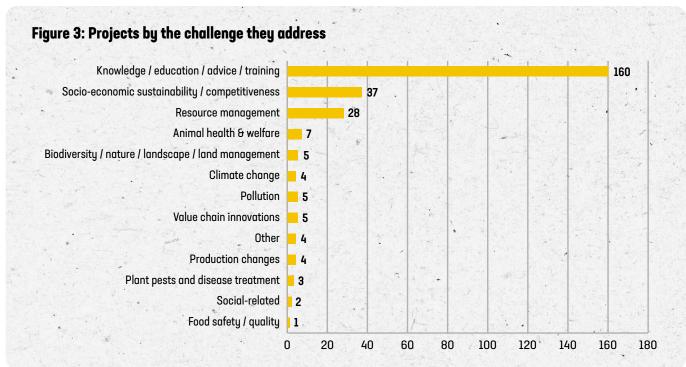
Fostering skills through innovation and collaboration

Many EU-funded projects focus on improving skills, training and learning in agriculture, forestry and rural areas. The Erasmus programme, for instance, has funded hundreds of projects in this domain. Several Horizon projects, especially multi-actor projects and thematic networks, have also prioritised knowledge exchange and capacity building for farmers and advisors.

In an analysis of 266 innovative projects that deal with skill building and learning, the majority of projects address knowledge, education, advice and training (160 projects), socioeconomic sustainability (37) and resource management (28) (Figure 3). In comparison, climate change and biodiversity do not receive much attention as a primary focus (nine projects in total).

Nevertheless, across all challenges and topics, 19 projects were found to foster skills that can help farmers and advisors tackle issues related to biodiversity or climate change. Many of them focus on agroecological, agroforestry or organic farming approaches. Quite a few of them are funded by the EU Interreg programme, such as the project 'Food education for the future', which raises awareness of climate change through learning hubs, real-life learning sites and school gardens.







Training 10 000 advisors to accelerate the shift to climateresilient farming

To meet the demands of a changing climate, the Horizon Europe project ClimateSmartAdvisors is setting up an EU-wide network to boost European agricultural advisory services and promote the widespread adoption of climate-smart farming practices among farmers.

→ Read more

ECONOMIC PERSPECTIVE

Climate change and farming viability

Extreme weather events, shifting growing seasons and resource scarcity threaten agricultural productivity and the economic stability of rural areas. The EU CAP Network is exploring how CAP-funded strategies can bolster the resilience of farming practices in the face of climate change and improve the viability of farming.

The agricultural sector contributes significantly to rural livelihoods, cultural heritage and food security with around ten million farms core to the vitality and viability of rural and island communities across the EU, directly supporting around 40 million jobs.

Farming faces significant economic challenges with issues such as price volatility, rising input costs and increasing competition from global markets, all contributing to a complex environment for European farmers. These challenges are particularly acute for smaller farms and farmers in economically disadvantaged or geographically challenging regions. Such businesses are also extremely vulnerable to shocks, particularly through the increased frequency and intensity of extreme weather events resulting from climate change.





Opportunities



increased co-operation



freater market transparency



increased consumer demand

10M farms

core to the vitality and viability of rural and island communities across the EU



The Common Agricultural Policy (CAP) provides Member States with the possibility of using various mechanisms for farm businesses to adapt to or tackle climate change with a focus on helping farmers be more resilient and able to respond to or anticipate challenges. Mechanisms include direct payments, productive and non-productive investments, and risk management tools.

Recent EU CAP Network activities have highlighted various ways in which producers and others in the value chain can strengthen environmental actions and capitalise on their green credentials by utilising the CAP. These activities include Thematic Groups on sustainability agreements, organic supply chains and the Forum on Best Practices in the Agri-Food Supply Chain.

Cooperation is a recurring theme, with experts, practitioners and policymakers recognising the need to apply an integrated approach that builds business resilience and promotes collective actions with sustainability objectives, including climate change. Successful integrated approaches rely on clear business benefits derived from the sustainable use of natural assets in the locale while also boosting the circular bioeconomy.

Consumers have a key role, they need to fully understand (through effective communication and clear labelling) how sustainability agreements, organic certification and others can support the transition to sustainable food. This means ensuring the value chain has robust, credible, fair and transparent sustainability standards which clearly demonstrate how businesses are boosting environmental performance in a culture of continuous improvement.

There is no doubt that increased market transparency in this arena (alongside profit margins and price transmission) can foster the capacity of the supply chain to enable consumers to increase the consumption of sustainable foods. This transparency can foster trust, confidence, cooperation and long-term relationships between food chain stakeholders, which are fundamental to making the transition to sustainable food systems viable.

Knowledge exchange, peer learning and innovation brokerage are critical in supporting the ongoing development and implementation of collective sustainability actions. Within this space, advisors and researchers can drive the adoption of technical, social and digital innovations, particularly in the context of the circular economy, where there are significant opportunities for business through the valorisation of by-products and the creation of innovative products.

The current EU CAP Network Thematic Group on the **Economic Vulnerability of Farming** recognises that smaller farms and those in areas with natural constraints are particularly affected by challenges. Limited economies of scale, reduced access to finance and technology, and a higher dependency on subsidies make them particularly vulnerable to economic, environmental or climate-related shocks. There are many factors influencing vulnerability, with many associated challenges such as price volatility, rising input costs, increasing competition and climate change. Key solutions can include utilising data to determine the need for income support, risk management and new ways of working.



Optimising the development potential of Producer Organisations for Spain's fruit and vegetable sector

A fruit and vegetable Producer Organisation in Spain used CAP funds to help improve its members' environmental performance, focusing on energy and waste actions. Their operational programme helped to strengthen food security, business competitiveness, resource efficiency and social impact.

→ Read more

Risk management tools for agricultural enterprises

The Czech Institute of Education in Agriculture launched a series of 11 regional educational seminars to explore ways to gradually reduce the dependence of Czech farms on area-based payments as a safeguard against unexpected events and market collapse.

→ Read more



New progress towards sustainability monitoring

The recent EU CAP Network workshop on Farm Sustainability Data Network (FSDN) marked the first exchange between liaison agencies, CAP managers and evaluators about this new initiative to collect farm-level sustainability data across the EU. The FSDN builds upon the pre-existing Farm Accountancy Data Network (FADN) that has been the basis of economic and accounting information on EU farmers for 60 years and includes more comprehensive data on the environmental, social and economic sustainability of farms.

ECONOMIC PERSPECTIVE

Measuring sustainable agricultural productivity – A promising step forward in assessing the impacts of the CAP

Traditional measures of agricultural productivity consider marketed inputs and outputs bought and sold on markets. The concept of sustainable productivity integrates the sector's environmental and social performance into this analysis.

In 2024, the EU CAP Network, supported by the European Evaluation Helpdesk for the CAP, organised a **Thematic Working Group** that gathered evaluators and researchers to discuss appropriate methodologies to measure sustainable productivity and assess the Common Agriculture Policy's (CAP) contribution to sustainable productivity growth.

"Sustainable productivity must ensure that agricultural production is achieved at the lowest possible cost and using the fewest possible resources," highlighted Franz Sinabell, senior economist at WIFO (Austrian Institute of Economic Research), who participated in the Thematic Working Group. He added that "we need a broader definition of costs and outputs" to attain this.

Farmers have always sought to improve productivity by minimising their costs and maximising the efficiency of their production, avoiding wasting any resources. However, sustainable productivity goes one step further by considering the environmental and social outputs generated by the production process. It reflects the triple economic, environmental and social challenges facing the agricultural sector today.

economy society sustainability environment

"This is particularly true where climate change is concerned: 10% of greenhouse gas (GHG) emissions are generated by agricultural activities, while the sector is directly exposed to the consequences of climate change. In this context, sustainable productivity should make it possible to maintain production while mitigating the impact of agriculture."



HERVÉ DAKPO
Researcher at the French National Institute for Agriculture, Food and Environment

Farms have demonstrated their capacity to adopt new practices and equipment to enhance productivity while reducing negative effects on the environment. Specific farming systems (e.g. agroecology, organic farming) or farm practices (e.g. integrated pest management or precision farming) have allowed farmers to reduce chemicals and enhance natural habitats and biodiversity.

Hervé Dakpo pointed out: "Implementing these sustainable practices can be challenging and costly for farms, as they can be labour- and knowledge-intensive and require the adoption of new technologies. Path dependency can also create some form of resistance to the adoption of new practices/technologies."

When asked if sustainable farming systems can be economically attractive, Franz Sinabell explained that all farms operating today have been productive in recent years.



"Farmers have invested in training and education to improve their managerial skills while using more sustainable technologies that also make them more productive."



FRANZ SINABELL Senior Economist at Austrian Institute of Economic Research (WIFO)

CAP Strategic Plans (CSP) aim to foster sustainable productivity growth, support knowledge transfer, adopt innovative technologies and implement sustainable practices. Indicators measuring sustainable productivity reveal the progress achieved. However, approaches to assess the contribution of the CSPs to sustainable productivity growth require significant data and specific advanced methods.

As demonstrated by the guidelines developed by the experts during the Thematic Working Group, different indicators exist to measure sustainable productivity. In particular, partial indicators relating a measure of impacts (e.g. amount of GHG emissions) to product (e.g. livestock units) can help monitor progress. These indicators have shown that **GHG emissions per unit of output have been decreasing** in practically all EU Member States.

More interestingly, Hervé Dakpo explained that "accounting for environmental or social output while measuring agricultural productivity provides a basis for comparing different types of farming activities". For example, a farmer dedicating more effort to enhancing carbon sequestration or improving the working conditions of his employees could report a lower 'standard productivity ratio' compared to other farms if the resources devoted to these pillars of sustainability are not taken into account in a productivity calculation.

However, as highlighted by Franz Sinabell, "only a few Member States might be able to calculate sustainable productivity indicators, as in many cases the data is currently lacking".

Various initiatives have been implemented by Member States to collect data on environmental and social outputs to support the assessment of sustainable productivity.

Ireland, the Netherlands and Denmark have set up a reporting system for the environmental impact of the agricultural sector. Information is collected about nitrogen and phosphorus surpluses, GHG emissions and the impact of pesticides, especially on water and biodiversity. In Germany, farmers' organisations help farmers collect data that is compatible with sustainable reporting standards. Austria is also setting up a similar reporting system, but it is not yet operational.

Although efforts have been made to measure **environmental performance**, social impacts remain challenging to define and measure. They may relate, for instance, to working conditions, the difficult nature of the job, the number of days off or leisure hours.

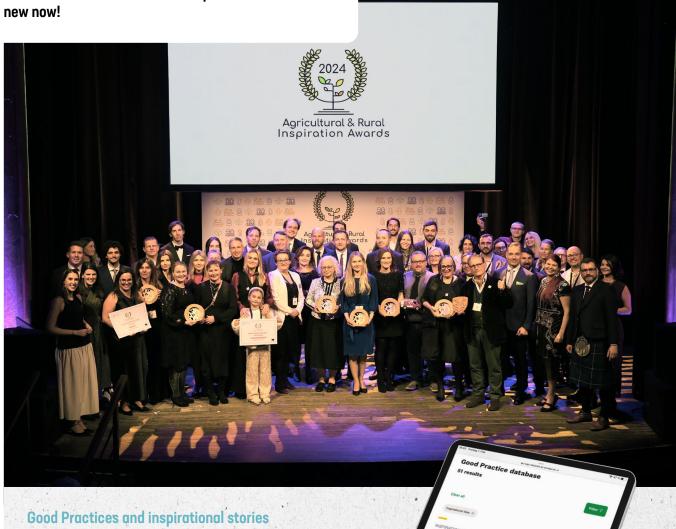
Implementing the **Farm Sustainable Data Network** is expected to support the collection of necessary data to measure sustainability indicators and thus contribute to the evaluation process.



- → Find more information to farm viability.
- → Find more information to social issues.

Update on EU CAP Network Communication

The EU CAP Network <u>website</u> gathers resources and tools to connect stakeholders, share knowledge and foster collaboration across rural areas in Europe. Recently enhanced with many new features, the website is available in all 24 official EU languages and includes dedicated sections for various topics. Discover what's new now!

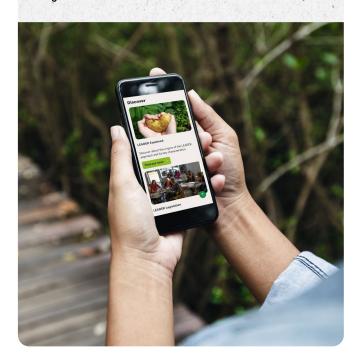


Good Practice Database: a rich collection of inspiring stories aligned with all CAP Specific Objectives. Curated by the EU CAP Network and its stakeholders, this database offers valuable opportunities for networking and knowledge sharing. The database now includes inspirational Ideas - real-life success stories from stakeholders across Europe implementing innovative and impactful projects in agriculture, forestry and rural development.



Dive into the EU CAP Network's dedicated space for **LEADER/CLLD**, the EU's flagship tool for community-led local development. Explore its policy framework, discover inspiring LEADER projects and stay updated on the latest news, events and publications. With resources continuously updated, this section is your hub for networking and knowledge sharing in LEADER.

LEADER LAG Directory: explore the EU CAP Network's comprehensive directory of LEADER Local Action Groups (LAGs) for the 2023-2027 programming period. Search by Member State or key themes from their Local Development Strategies to connect, network and collaborate with local, regional and national stakeholders.



Horizon Europe

Check out the **Horizon Europe** section dedicated to the EU programme that supports the modernisation and sustainability of farming, forestry and rural areas through funding for research and innovation. It gathers key information on the programme, including how it can assist farmers, foresters and rural communities, how the funding is made available, how to apply and much more.



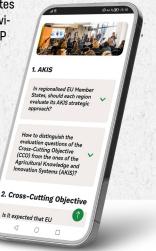
Evaluation Learning Portal

Explore the **Evaluation Learning Portal**, a hub for sharing knowledge about CAP evaluation processes and methods. It provides resources on essential topics, including ex ante and ex post evaluations, and key areas like LEADER and AKIS.

Browse the **Evaluation Glossary** for a comprehensive collection of terms essential for evaluating CAP Strategic Plans. It offers consistent and precise terminology to support policymakers, researchers and evaluators in their work, ensuring a shared understanding of evaluation concepts across the CAP community, while enhancing the quality and coherence of evaluations.

The **Evaluation FAQ** section provides answers to frequently asked questions submitted to the European Evaluation Helpdesk for the CAP, addressed in collaboration with experts and the European Commission. It offers valuable

insights on a range of evaluation topics, helping Member States and stakeholders better navigate the complexities of CAP evaluation processes.





Catalogue of Cap Interventions

The **Catalogue of CAP Interventions** is a resource featuring interventions from Member States' CAP Strategic Plans in both English and their original languages. Policymakers and researchers can consult intervention designs, export data and perform quantitative analyses.

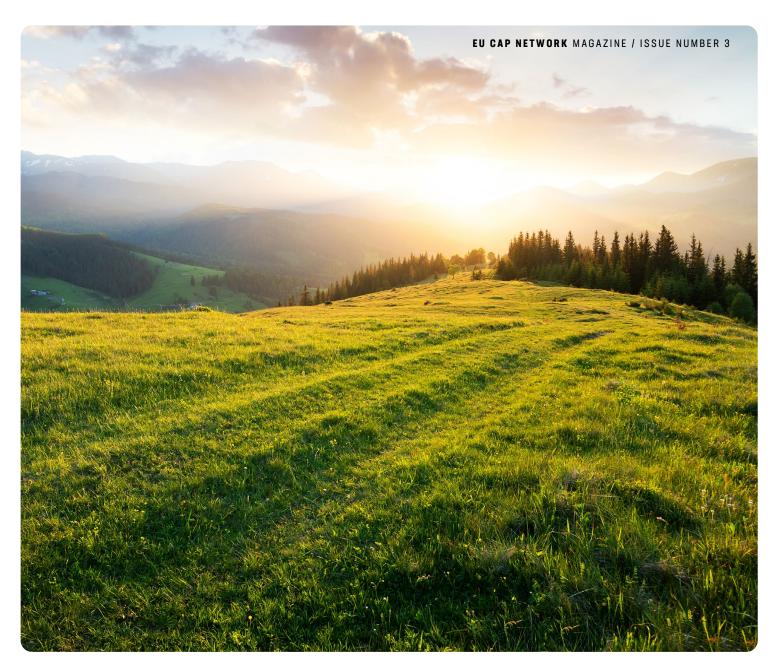
Stakeholders' kit

The <u>Stakeholders' kit</u> offers freely available resources to enhance communication about EU CAP Network activities and support stakeholders in sharing their initiatives. Find out how to share information about our activities with your network and how to keep us informed about yours.



To further discover the EU CAP Network features based on your professional profile, read our policy article 'The EU CAP Network website: what's in it for you?'.





Technical information

Managing editor: Antonia Gámez Moreno, Head of Unit - Rural Areas and Networks, AGRI-D1, Directorate-General for Agriculture and Rural Development, European

Contents and editing: Directorate-General for Agriculture and Rural Development, AGRI-D1, CAP Implementation Contact Point, Support Facility for Innovation Θ Knowledge exchange | EIP-AGRI, European Evaluation Helpdesk for the CAP, Communication Θ Events Support

 $\textbf{Layout:} \ \mathsf{Communication} \ \vartheta \ \mathsf{Events} \ \mathsf{Support}$

Photo credits: © Adobe Stock; EU CAP Network; Marta Yonkova; Rachel Creighton; Mathias Nester; Cristina Laurenti; Heli Sorjonen; European Commission; Authentic Experiences; Valerija Petrinec; ClimateSmartAdvisors project

All editions of the EU CAP Network magazine are available for **download online**.

You can also order a paper copy via the EU Bookshop: **bookshop.europa.eu**

The contents of the EU CAP Network magazine do not necessarily reflect the opinions of the institutions of the European Union.

EU CAP Network magazine is published in English, German and French and is available in digital format **on the EU CAP Network website**.

Manuscript finalised February 2025 | Luxembourg: Publications Office of the European Union, 2025

© European Union, 2025

Reuse is authorised provided the source is acknowledged.

The reuse policy of European Commission documents is regulated by Decision 2011/833/EU (OJ L 330, 14.12.2011, p. 39).

For any use or reproduction of photos or other material that is not under the EU copyright, permission must be sought directly from the copyright holders.

For additional information on the European Union: europa.eu

The texts in this publication are for information purposes only and are not legally binding.

Print

KF-01-25-007-EN-C ISBN 978-92-68-25139-3 DOI 10.2762/1284301

PDF

KF-01-25-007-EN-N ISBN 978-92-68-25126-3 ISSN 2811-8111 DOI 10.2762/0194835



