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NOTE

From:	Presidency
To:	Council
No. Cion doc.:	15011/18
Subject:	Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy - agricultural aspects - Exchange of views

- On 28 November 2018, the Commission adopted the Communication 'A Clean Planet for all:
 A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy'.
- 2. The Communication was presented to the Council on 19 December 2018 ('Energy') and 20 December 2018 ('Environment'). Policy debates in the Council took place on 18 February 2019 ('Competitiveness'), 4 March 2019 ('Energy') and 5 March 2019 ('Environment'). The European Council discussed climate change on 21-22 March 2019¹.

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- 3. Since January 2019, the Working Party on the Environment (WPE) has been discussing the Communication and its accompanying in-depth analysis. Delegates from the Working Party on Horizontal Agricultural Questions (CAP Reform) were invited to attend the WPE meeting held on 5 February 2019, when the Commission presented agriculture-related aspects of the Communication and of the in-depth analysis.
- 4. The Presidency aims to hold debates in all relevant Council formations on the contribution of their respective policy areas to the overall vision.
- 5. In order to guide the ministerial exchange of views in the 'Agriculture and Fisheries' Council on 15 April 2019, the Presidency has prepared the background paper and question in the Annex to this note.

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Clean Planet for all: Strategic long-term vision for a climate-neutral economy - agricultural aspects

Presidency paper and question for ministers

- 1. Agriculture can play an important role in the process of the EU's transition to a greenhouse gas (GHG) emissions neutral economy. The Communication recognises the essential role of agriculture as it is responsible for around 10 % of the EU's GHG emissions. At the same time, agriculture, together with forestry, is also a carbon sink. The European Council concluded in October 2014 that the multiple objectives of the agriculture and land use sector, with their lower mitigation potential, should be acknowledged, as well as the need to ensure coherence between the EU's food security and climate change objectives. The current Common Agricultural Policy (CAP) is already contributing to the climate objectives and the proposals on the future CAP set even higher ambitions in this respect. The transition to a climate-neutral economy envisages transformations in the agricultural sector that will enable the EU to guarantee food security, while contributing to the achievement of the climate objectives.
- 2. The EU has always been at the forefront of addressing the causes of climate change and is working towards a concerted answer at global level in the framework of the Paris Agreement. To that end, in June 2017 the European Council strongly reaffirmed the commitment of the EU and the Member States to the Paris Agreement goals and on 22 March 2018 it invited the European Commission to present, by the first quarter of 2019, a proposal for a strategy for long-term EU GHG emission reductions in accordance with the Paris Agreement, taking into account the national plans.

3. On 28 November 2018, the Commission adopted the Communication 'A Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy'². The Communication presents a vision of how the EU could contribute in the long-term to achieving the Paris Agreement goals. The aim of the Communication was to launch a broad debate, which will involve European decision-makers and citizens, on how Europe should prepare itself towards a 2050 horizon.

Based on this, the EU should be able to adopt and submit its long-term strategy by 2020 to the United Nations Framework Convention on Climate Change (UNFCCC) as requested under the Paris Agreement.

- 4. The Communication highlights the transformations required in all sectors of the economy, including agriculture, in order to achieve the transition to a net-zero GHG emissions economy. According to the document, the transition should be socially fair for both citizens and regions, enhance competitiveness and secure sustainable growth and jobs.
- 5. The Communication lays down eight scenarios for the EU that would achieve GHG emissions reductions ranging from -80% by 2050 (compared to 1990) to net-zero GHG emissions by 2050. It is stressed that the agricultural and forestry sectors are unique as they can also remove CO2 from the atmosphere. These annual removals today are significant, resulting in a net sink in the EU of around 300 million tonnes of CO2. But this is not enough to compensate for the remaining emissions without additional measures strengthening the role of our land. Therefore additional action needs to be explored on how biomass can be supplied in a sustainable way while enhancing our natural sink or in combination with carbon capture and storage that both can lead to increased negative emissions. The Communication suggests that reaching net-zero GHG emissions will require maximising the potential of technological and circular economy options and the large scale deployment of natural land based carbon sinks, including in the agricultural and forestry sectors.

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ANNEX

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- 6. To ensure the pathway for a net-zero GHG economy, the Communication describes seven building blocks, of which one is more explicitly linked to agriculture than the others: reaping the full benefits of bio-economy and creating essential carbon sinks. With regard to this building block, it is pointed out that with a growing population, EU agriculture and forestry will have to provide sufficient food, feed and fibres. Non-CO2 GHG emissions from agricultural production can be reduced by efficient and sustainable production methods. Digitalisation and smart technologies are the basis for precision farming. Innovation plays an increasingly important role and helps to increase productivity. Carbon stocks in agricultural soils can be increased for example through zero-tillage farming and use of cover crops. Maintaining and further increasing the natural sink of forests, soils and agricultural lands is crucial.
 - Another building block, a competitive EU industry and the circular economy as a key enabler to reduce GHG emissions, refers to resource-efficient use of raw materials and biomass.
- 7. The Commission's long-term vision suggests putting in place an <u>enabling framework</u> to stimulate the long-term transition. Some of the components of this framework are research, innovation and investments. As far as economic and social impacts are concerned, it is highlighted that rural areas will need to maintain a sufficiently skilled workforce to meet growing and changing demands in the agriculture and forestry sectors, while being confronted with a decreasing rural population.
- 8. The Commission's vision sets out a number of overriding <u>priorities</u> that should be guiding the transition to a climate neutral Europe. One of them is the following: promote a sustainable bio-economy, diversify agriculture, animal farming, aquaculture and forestry production, further increasing productivity while also adapting to climate change itself, preserve and restore ecosystems, and ensure sustainable use and management of natural land and aquatic and marine resources.

- 9. The Communication calls for all European and national political actors, as well as stakeholders in the private sector and European citizens, to take an active part in the debate and in identifying measures to create a competitive and low-carbon economy, while addressing both challenges and opportunities.
- 10. The multifaceted and interdisciplinary vision presented in the Communication requires coordinated action from a wide range of areas, among which agriculture, along with energy and transport, bears the most weight.
- 11. The Communication invites all relevant Council formations to hold extensive policy debates on the contribution of their respective policy areas to the overall long-term vision of the EU's transition to a competitive and climate neutral economy. In this context, Agriculture Ministers are invited to discuss the key elements of the Communication that are related to agriculture.
- 12. The exchange of views in the Council ('Agriculture and Fisheries') is meant to guide steps towards the key strategic orientations and explore the vision of Member States in the 2050 horizon, building on the agreed 2030 targets.

Question

Do Ministers consider that the Commission Communication "A Clean Planet for all" sets the right direction for the EU's long-term contribution to achieving the goals of the Paris Agreement as far as the agricultural and forestry sectors are concerned? In this regard, where do Ministers see the most urgent need for action in the agricultural policy at national and Union level?