Agricultural Law Spotlight



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The European Green Deal and Its Impacts on U.S. Agriculture: Overview of the EU Farm to Fork and Biodiversity Strategies

In May 2020, the European Commission published the Farm to Fork and Biodiversity strategies as part of the European Green Deal.¹ The European Green Deal is a major policy initiative introduced in December 2019 by the European Commission to make the European Union carbon neutral by 2050.² It focuses on different sectors of the economy, including agriculture, and aims to promote the efficient and productive use of resources to help curb the effects of climate change.

This article provides an overview of the EU Farm to Fork and Biodiversity strategies focusing on the main action measures with a target of 2030. A second article will address a USDA report on the EU strategies, with particular attention to the impacts of the strategies' implementation in the United States. One of main initiatives of the Farm to Fork strategy is to promote ecoinnovation³ and this includes the development of a regulatory framework governing carbon sequestration by farmers. With great interest in carbon markets throughout the United States, we will also provide a discussion of the European rulemaking efforts towards carbon sequestration in a third article.

The **Farm to Fork Strategy** and the **EU Biodiversity strategy** for 2030 are two distinct documents and include a series of proposals supporting a progressive shift towards a more sustainable and resilient food system in Europe. More precisely, both strategies propose to further reduce the use of agricultural inputs and lands by 2030 and seek to promote and improve sustainable food production and consumption patterns, eco-innovations, food loss reduction and waste prevention, and food security, among other things.

These European Union proposals will certainly have an impact on U.S. and global agricultural trade and food security. In November 2020, the U.S. Department of Agriculture (USDA) published

¹ <u>Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, A farm to Fork Strategy for a fair, healthy, and environmentally-friendly food system (May 20, 2020); Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU Biodiversity Strategy for 2030, Bringing nature back into our lives (May 20, 2020); ² European Commission, <u>A European Green Deal</u></u>

³ The United Nations (UN) define eco-innovation as "a new business approach which promotes sustainability throughout the entire life cycle of a product, while also boosting a company's performance and effectiveness" <u>https://www.unep.org/explore-topics/resource-efficiency/what-we-do/responsible-industry/eco-innovation</u>



a report titled "Economic and Food Security Impacts of Agricultural Input Reduction Under the European Union Green Deal's Farm to Fork and Biodiversity Strategies," which concludes that implementation of the Farm to Fork and Biodiversity strategies would dramatically impact global agricultural production and trade, resulting in rising food prices, a fall in revenue growth and increasing food insecurity, especially in the poorest regions of the world.⁴ This report resurfaced on March 1, 2021, after USDA published a summary of its findings in USDA's Amber Waves online magazine.⁵

For clarity, the European Commission's proposals will be broken down thematically following the challenges listed in the Farm to Fork and Biodiversity strategies.

Challenge 1: Sustainable Food Production

The European Union calls for a 50% reduction of pesticide usage by 2030 within the European Union. To achieve this objective, the Commission decided to revise the EU Sustainable Use of Pesticide Directive,⁶ initially adopted in 2009, to establish further integrated pest management (IPM) practices and alternatives to both "chemical" and "more hazardous" pesticides. The Commission published a proposal to replace the directive in June 2022.⁷

In addition, and with the same objective in mind, the Biodiversity Strategy provides that EU member states must fully endorse the EU Pollinators Initiative.⁸ Adopted in 2018, the Pollinators Initiative provides an integrated approach to address the decline of pollinators in Europe, mainly due to the use of pesticides. In this regard, EU member states must act and achieve strategic objectives by 2030. The Biodiversity strategy also supports the progressive banning of pesticide usage in EU urban green areas.

The European Commission pledged to encourage and prioritize placing on the market pesticides containing biological active substances and amended in early 2022 four existing regulations addressing biopesticides.⁹

Additionally, the Farm to Fork and Biodiversity strategies call for reducing the use of fertilizers by at least 20% by 2030. In this regard, the European Commission proposed to develop, together with member states, an integrated nutrient management action plan whose main focus

⁴ Jayson Beckman et al., Economic and Food Security Impacts of Agricultural Input Reduction Under the European Union Green Deal's Farm to Fork and Biodiversity Strategies, U.S. Department of Agriculture (USDA) Economic Research Service (ERS) (November 2020)

⁵ Farm to Fork Initiative to Restrict European Union Agricultural Inputs May Increase Food Prices, Further Global Food Insecurity, USDA Amber Waves (March 1, 2021)

⁶ Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides

Proposal for a Regulation of the European Parliament and of the Council on the Sustainable Use of Plant Protection Products and Amending Regulation (EU) 2021/2115 (June 22, 2022)

⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Pollinators Initiative (June 1, 2018)

⁹ Regulation 2022/1438, amending Annex II to Regulation 1107/2009 of the European Parliament and of the Council as regards specific criteria for the approval of active substances that are micro-organisms, 2022 O.J. (L 227/2) (EU); Regulation 2022/1439, amending Regulation 283/2013 as regards the information to be submitted for plant protection products and the specific data requirement for plant protection products containing micro-organisms, 2022 O.J. (L 227/8) (EU); Regulation 2022/1440, amending Regulation 284/2013 as regards the information to be submitted for plant protection products and the specific data requirements for plant protection products containing micro-organisms, 2022 O.J. (L 227/38) (EU); Regulation 2022/1441, amending Regulation 546/2011 as regards specific uniform principles for evaluation and authorisation of plant protection products containing microorganisms, 2022 O.J. (L 227/70) (EU)



is to cut down nutrient pollution risks from agricultural operations and move towards sustainable livestock systems.

The European Commission also intends to reduce the overall antimicrobial use in animal production in the European Union. The Commission further decided to move towards stricter standards of animal welfare and revise the existing EU legislation on production animal welfare, particularly in terms of transport and slaughter. The adoption of a new framework is expected at the end of the year 2023.

The Farm to Fork and Biodiversity strategies also seeks to advance organic agriculture in Europe and, in doing so, the European Commission sets a target of devoting at least 25% of EU agricultural land to organic farming by 2030. The Commission is responsible for developing an action plan designed to assist EU member states in enhancing organic production in Europe through the implementation of specific agro-ecological targets.

Challenge 2: Agricultural Innovation

The EU Farm to Fork Strategy clearly raised the importance of "eco-innovations" for enabling a transition towards sustainable food and agriculture in Europe.¹⁰ In that respect, the European Commission pledged to advance carbon sequestration as a new green business model innovation and will work towards developing a new regulatory framework for carbon dioxide reduction.

In addition, the European Commission expressed its intention to further promote circular business models for the bioeconomy and undertook to accelerate the market adoption process of bio-based economic and energy-efficiency initiatives. Moreover, the Commission stated it will apportion a share of the new 2023-2027 Common Agricultural Policy (CAP) budget for the sole purpose of supporting "eco-schemes."¹¹ The Common Agricultural Policy (CAP) is a common policy for all Member States of the European Union.

Challenge 3: Sustainable Food Systems

Access to sustainable food is a significant challenge worldwide, and the European Union committed to step up its efforts to help ensuring that all could access sustainable food. In that regard, the European Commission will establish a common EU food crisis plan and will carry out the restructuring of the EU agricultural crisis reserve whose efficiency was put to the test in the wake of the COVID-19 pandemic.

For the purpose of ensuring food security, another goal of the Farm to Fork Strategy is to change current agricultural practices towards a model that better supports sustainability throughout the food supply chain. In order to achieve this, the Commission initiated the creation and development of a Code of Conduct for Responsible Business and Marketing Practices. The purpose of this Code is to ensure that each actor in the food supply chain takes responsibility in developing a more sustainable food system. The Commission will support food producers in

¹⁰ <u>https://green-business.ec.europa.eu/eco-innovation_en</u>

¹¹ The European Commission defines eco-schemes as "payment schemes in agriculture aiming at the protection of environment and climate [and] ... shall provide support for farmers who observe agricultural practices beneficial for the environment and climate" https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Ecoschemes#:~:text=It%20is%20a%20measure%20to,CAP%20Strategic%20Plans%20(CSPs).



researching and investing in sustainable and socially responsible production methods and business models as part of their corporate strategies.

Furthermore, the Commission proposed to revise marketing standards to promote access to sustainable agricultural, fisheries, and aguacultural products for all consumers. The Commission also proposed to reinforce the existing legal framework for geographical indications and include, to the extent possible, specific sustainability criteria.

One of the European Union's main objectives through the implementation of the Farm to Fork Strategy is to advocate for greater sustainability at the global level. The European Union expressly declared its intention to pursue bilateral trade agreements that are supportive of sustainability in the agricultural and food supply chain industry.

Challenge 4: Sustainable Food Choices

The European Commission has long been engaged in encouraging European dietary patterns towards the further use of plant-based food ingredients. To this end, the Commission proposed to develop standardized and mandatory front-of-pack nutrition labelling requirements within the European Union, which do not currently exist under existing EU regulations. Additionally, the Commission contemplates the extension of mandatory origin or provenance information for certain food products. More generally, the Commission proposed to develop a sustainable food labelling framework to help consumers make better decisions about their health and the environment, including, for example, tax policy changes to facilitate cheaper access to fruit and vegetables.

The European Commission also committed to take new steps towards identifying minimum mandatory criteria for sustainable food procurement and encourages the public sector, including hospitals and schools, to provide more food from sustainable sources.

Challenge 5 & 6: Food Loss, Waste, and Fraud Prevention

The EU Farm to Fork Strategy aims to reduce food waste per capita at retail and consumer levels by 50% within the European Union by 2030 to comply with the Sustainable Development Goals (SDG) Target 12.3.¹² In order to do so, the European Commission will implement legally binding targets for food waste reduction based on a common EU methodology adopted in May 2019 measuring food waste levels.¹³

Furthermore, the Commission will make revisions of existing European rules to better serve food loss and waste prevention goals as well as consumer behavior in relation to food waste. The Commission also aims to clarify EU product dating rules, pointing out that they are often considered as difficult to understand by the consumer.

Another key measure of the EU Farm to Fork Strategy addresses food fraud and proposes to improve investigation capacity within the European Anti-Fraud Office (OLAF) for a further enforcement of the EU single market rules. The European Union also supports increased

¹² Food and Agriculture Organization of the United Nations (FAO), Sustainable Development Goals, Target 12.3, https://www.fao.org/sustainable-development-goals/indicators/1231/en/

¹³ Commission Delegated Decision (EU) 2019/1597 of May 3, 2019, supplementing Directive 2008/98/EC of the European Parliament and of the Council as regards a common methodology and minimum quality requirements for the uniform measurement of levels of food waste, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L .2019.248.01.0077.01.ENG



coordination between Member States, Europol, and other relevant entities to better serve food loss and waste prevention goals.

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CENTER MISSION AND BACKGROUND

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