

## **Invest European agricultural funds in circular agriculture**

**22 May 2019 – The Minister of Agriculture, Nature and Food Quality, Carola Schouten, has set out her ambition to establish a circular agriculture system in the Netherlands. The Council for Infrastructure and the Environment advises the minister to make increasing use of European agricultural funding to support this effort over the coming years and makes a number of recommendations in its advice published today, 'European Agricultural Policy: Working Towards Circular Agriculture'.**

The European Union's common agricultural policy (CAP) is reviewed and revised every seven years. Last year the European Commission set out proposals for the next period that give the member states more freedom to use their funding allocations to pursue national objectives. Carola Schouten, the Minister of Agriculture, Nature and Food Quality, asked the Council for the Environment and Infrastructure to advise on how to make best use of the CAP in the Netherlands during the coming period.

In her vision document for agriculture the minister has stated her aim of establishing a circular agriculture system by 2030 and wants the Netherlands to take a leading role. This objective is ambitious and makes considerable demands of farmers. At the moment the transition to circular agriculture remains largely an aspiration (although one with widespread support), which is why it requires a strategy of making gradual progress in a step-by-step fashion over the years to come.

In view of this, the Council stresses the importance of conducting a flexible agricultural policy and making flexible use of EU agricultural funds during the next period. The basis for payments to farmers should be periodically reviewed and revised in line with the growing body of knowledge, new insights and increasingly specific objectives for circular agriculture. This will be possible if EU agricultural funds are gradually decoupled from income support and increasingly linked to results obtained from climate and environmental measures.

To calculate these results-based payments, the Dutch government, in consultation with business and civil society organisations, should set up a points system based on performance indicators. Periodically raising the climate and environmental performance standards will induce farmers to gradually incorporate circular agriculture principles and practices into their farm management. Moreover, such a system, says the Council, should be linked to private-sector sustainability schemes developed by commercial parties, such as dairy companies, or by banks as conditions for loans. Such linkages will provide additional incentives, both for farmers and for other businesses, to work towards circular agriculture, and can considerably reduce the administrative burden for the agricultural sector.

The Council also advises repairing the proposed reductions in the EU budget for sustainable rural development and keeping this budget at least at the current level, and where necessary raising it to fund additional investments in climate and environment. The Council argues that this budget is indispensable for supporting the transition to circular agriculture through knowledge exchange, experimentation and sharing practical experience in soil improvement, biodiversity conservation and climate mitigation and adaptation. In addition, money should remain available to reward farmers for public services in the form of agri-environmental and water management.

Flexible use of EU agricultural funding can foster the transition to circular agriculture. Moreover, if national efforts are maintained at the same level, the Netherlands will be in a better position to make up for any future reductions in the EU agricultural budget.

### ***Note to the editor***

If you would like further information, please contact Hannah Koutstaal, project leader, at [hannah.koutstaal@rli.nl](mailto:hannah.koutstaal@rli.nl) or call +31 6 11797505.

The advice and two explanatory infographics are available for download via [www.rli.nl](http://www.rli.nl).

Infographics:

1. Evolution of the common agricultural policy
2. European agricultural policy for circular agriculture

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### **About the Council**

The Council for the Environment and Infrastructure (Rli) is an independent advisory body to the Government and Parliament. The Council provides solicited and unsolicited advice on policies affecting the sustainable development of the physical environment and the national infrastructure. The Council primarily considers strategic issues affecting society in the fields of economic and spatial development, housing, the environment, food and raw materials, nature conservation, agriculture, transport and mobility, and safety. [www.rli.nl](http://www.rli.nl).

