Why and how to put small-scale sustainable producers at the core of the new CAP

March, 2019
More farmers, better food
Why and how to put small-scale sustainable producers at the core of the new CAP

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For the Nyeleni Europe and Central Asia Platform for Food Sovereignty

Photos by Vlad Dumitrescu

Nyeleni Europe and Central Asia Platform for Food Sovereignty

We are a political and social alliance of grassroots, community based movements and organizations, representing small-scale food producers: peasants/small farmers, pastoralists, indigenous peoples, small-scale fisher people, agriculture and food workers; and supporting constituencies, such as urban poor; rural and urban women's and youth organisations; consumers, environmental, justice, solidarity, human rights organizations; community-based food movements, which politically respect the 6 principles of Food Sovereignty as agreed at the First Nyéléni Food Sovereignty Forum and sign up to the Nyéléni Europe Declaration from 2011.

Organisations active in Nyéléni Food Sovereignty Movement in Europe and Central Asia:

- European Coordination Via Campesina (ECVC)
- World Forum of Fisher People (WFFP)
- URGENCI, Community Supported Agriculture Network
- Centre for Support of Indigenous peoples of the North (CSIPN)
- European Shepherds' Network (ESN/WAMIP)
- Friends of the Earth Europe (FoEE)
- FIAN European Sections and Coordinations (FIAN)
- Transnational Institute (TNI)

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The Nyéléni Europe network is part of a global movement that has been growing for over three decades, in which hundreds of organisations and movements have engaged in efforts to defend and promote people’s right to food sovereignty around the world. This struggle has emerged to challenge the increasingly dominant role of corporate-controlled industrial agriculture in our food system, which is founded upon chemical and fossil fuel inputs, mechanisation and cheap labour. This has come at the cost of jobs, rural livelihoods, the environment and public health.

Following the launch of the principles of food sovereignty by La Via Campesina at the 1996 World Food Summit in Rome, and the 2007 International Forum on Food Sovereignty in Mali, European peasants and civil society actors gathered in 2011 in Krems, Austria, for the 1st European Forum for Food Sovereignty. It was here that more than 400 women and men from 34 European countries came together to formulate the Nyéléni Europe Declaration.

The Declaration denounced the corporate-controlled industrial agricultural model taking hold of European and global food systems, and the policy frameworks, including the Common Agricultural Policy, that were supporting these developments. In response, it called for a redesign of the food system rooted in the principles of food sovereignty.

The 2nd Nyéléni Europe Forum for food sovereignty took place in 2016 in Cluj-Napoca, Romania. 500 delegates representing 290 civil society organisations from 43 countries convened to develop joint strategies for re-localising food systems and influencing key policies in Europe.

Since then, the Nyéléni Europe network has continued to work towards resilient food systems that promote environmentally sustainable and socially just production, distribution and consumption of safe and healthy food, whilst continuing the fight to reclaim the right to the commons for food producers and citizens alike. The organisations active in the network include: European Coordination Via Campesina, Friends of the Earth Europe, URGENCI, the Transnational Institute, the World Forum of Fisher People, the Centre for Support of Indigenous Peoples of the North, the European Shepherd’s Network, and FIAN.
Small-scale family farms are the backbone of food production worldwide. Together, they are the main or sole providers of diverse and nutritious food for 70% of the world’s population [1]. However, the livelihoods of these small-scale producers are increasingly being threatened by the development of our globalised industrial food system. The narrowing focus on maximising yields and economic profits through high-input methods has brought about a crisis in the food and farming sector [2], [3], [4]. This situation also holds true in the European Union (EU).

Not only has the increasing concentration of control over European agriculture forced smaller producers out of business, it has also brought with it devastating impacts for the environment, human health and rural vitality. Soils are being degraded at an alarming rate, biodiversity and water quality are threatened, and rural communities are vanishing, endangering the right to food sovereignty for European citizens. The policy framework that explicitly aims to stimulate and regulate the agricultural sector in the EU is the Common Agricultural Policy (CAP). In recent years, the focus of the CAP and wider trade policies on competitiveness and international markets has significantly contributed to the situation outlined above.

Like more and more people from diverse backgrounds, the Nyéléni Europe network is joining the call for a fair and healthy food system, which nourishes soils and biodiverse ecosystems, protects the climate, promotes social cohesion in rural areas, and provides fair prices, dignified employment, and healthy food for all across the EU [5], [6], [7].

The CAP is currently undergoing a process of reform, providing the perfect opportunity to reorient the EU’s food and farming system in line with these demands. This report introduces the CAP and its reform process; identifies areas of concern; makes the case that supporting small-scale sustainable producers is our best bet for addressing these concerns; and lays out what is needed from the CAP in order to assist them effectively. It then outlines potential pathways through which organisations can involve themselves in the CAP reform process, in order to push for the future of food and farming we want.
Reforming the CAP

The CAP is the EU-wide policy framework designed to regulate the agricultural sector. Its purpose is to support farmer productivity and livelihoods, ensure that the climate and environmental challenges of agriculture are addressed, and promote social and economic development in rural areas [8]. Given the linkages between agriculture and many aspects of society, the CAP affects everyone.

Over time, the CAP has undergone several phases of reform, from its original focus on ensuring food security through market regulation to more recent market liberalisation, removal of the link between subsidies and production, and attempts to promote ‘greening’ of agricultural practices [9].

The current CAP commands 38% of the overall EU budget [10]. Payments are managed and distributed at the national level by each Member State. Funding is provided through two core pillars:

**Pillar 1:** provides direct income support for producers through a series of mandatory and voluntary measures, as well as funding for market support measures through the common organisation of the markets (CMO).

**Pillar 2:** provides funds for rural development, designed to foster competitiveness, ensure sustainable natural resource management and climate action, and achieve balanced territorial development. Pillar 2 is co-financed by national, regional and local level authorities.

The CAP is reformed periodically in order to adapt to changing conditions, coinciding with decisions over the EU’s seven year budget and the so-called Multiannual Financial Framework. The next CAP and EU budget period runs between 2021 and 2027. However, the reform process is already well underway. In June 2018, the European Commission (EC) published legislative proposals outlining their vision for the post-2020 CAP [11], following on from an earlier communication in 2017 [12]. The key features of the proposals are outlined below:

**Funding:** The total budget of the proposed new CAP is €365 billion [13]. It will account for 28% of the overall EU budget for this period. The new CAP will maintain the two pillared structure, as outlined in the table below. This represents a reduction of 10-15% in real terms, with the potential cut to the rural development budget at 27% [4]. An additional €10 billion will be made available through the Horizon Europe programme, which is targeted at supporting research and innovation, with a strong emphasis on digitalisation.

**9 overall objectives:** the proposals set out nine main EU level objectives, as outlined in the diagram below. These are clustered around the themes of (1) providing a fairer deal; (2) improving climate and environmental ambition; and (3) placing farming at the heart of society [15].

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**National Strategic Plans:** based on these objectives, a toolbox of appropriate measures and progress indicators will be developed at EU level. Member States will then use these to develop their own tailored National Strategic Plans. These would require EC approval before going ahead.

**Eco-schemes:** another notable feature of the new CAP proposals involves the mandatory provision of eco-schemes by Member States in Pillar 1 [17]. These would offer compensation to farmers that implement practices deemed beneficial for the climate and environment, beyond the requirements already covered by direct payments. Participation in eco-schemes would be voluntary for farmers.

**Coupled support:** Member States will still be able to allocate coupled support to sectors such as cereals, oilseeds, protein crops, milk and dairy products, lamb and goat meat, beef and veal, olive oil and cotton.

**Capping:** it will be mandatory for annual direct payments per beneficiary to be capped at €100,000, with digressive payments starting at €60,000. Labour costs can be deducted from this.

**Redistributive income support:** redistributive payments to support small and medium scale farmers will be mandatory. Individual Member States, however, will be free to decide on the parameters of the scheme in their country.
PART 1

Where is the CAP falling short?

The current CAP has prioritised ‘competitiveness’ and an orientation towards international trade [18], and the new proposals look set to continue this trajectory. Incentives to scale-up, such as area-based payments, have encouraged the development of larger industrial farms and squeezed smaller family farms out of the market. This has far ranging consequences, which this section aims to outline.

The rise of industrial farming

Whilst a broad spectrum of food producers exists across the EU, the last two decades have seen a noticeable rise in a particular type of enterprise: large-scale industrial farms. The mode of production typically associated with these holdings relies heavily on chemical inputs, mechanisation, and cheap labour for large-scale livestock operations or monoculture cultivation [19]. They are also embedded within a supply-chain dominated by a handful of corporate actors [20], [21].

As a result, factory farms and industrial monoculture or single-crop production are taking hold [25], [26], [27]. Access to low-cost commodities has also allowed large agri-food companies to develop mediocre quality, highly processed food products, further accelerating the concentration process across the supply-chain.

Environmental damage

This trend threatens biodiverse ecosystems across Europe, and the vital services that they provide. Chemical pollution: the excessive agrochemical use required for industrial production is polluting soils and water sources [28], [29], [30], [31]. The animal waste generated by factory farms is also contaminating our water systems and contributing towards air pollution [32], [33], [34]. Rivers, estuaries and coastal and marine ecosystems are adversely affected, threatening the livelihoods of fishers and others who rely on the health of these ecosystems. Initiatives to tackle these issues such as the Nitrates Directive have proven insufficient in the context of a wider framework that encourages industrial models of production [35].

Biodiversity loss: vast expanses of genetically uniform, intensively cultivated cropland are creating biodiversity deserts and fuelling biodiversity loss [36], [37], [38]. Excessive water abstraction or diversion for irrigation also threatens fish populations [39]. The greening measures introduced in the current CAP are widely recognised to be insufficient in combatting declining trends in biodiversity [40], [41].

Due to the increased dominance of these actors in the food system, and their vested interest in the industrial model, small and medium producers face little choice but to conform, go into niche markets, or leave the sector altogether. This often means contract farming arrangements with big processors or retailers, and pressure to scale-up and adopt an input-intensive approach [23], [24]. Under current market conditions, smaller producers are simply unable to compete with the cheap prices at which industrial producers can offer their products.

Populations of common farmland birds fell by 56% across the EU between 1980 and 2016 [42].
Heavy agrochemical application has decimated populations of pollinators and natural pest predators [43], [44]. Declining bee populations are a headline example of this wider trend [45], [46], [47].

Total insect biomass across 63 protected sites in Germany is estimated to have declined by 76% over a period of 27 years [48].

Agro-biodiversity, including the diversity of animal breeds, is also being eroded by the prevalence of monoculture cropping and intensive livestock rearing [49].

**Soil degradation:** intensive and extractive industrial production for food and animal feed is contributing to the depletion of soils across the EU [50]. The rich cernozem soils of Central and Eastern Europe (CEE) are particularly at threat from the influx of agribusinesses operating destructive industrial modes of production. Erosion and soil sealing also pose a significant threat to the long-term fertility of European soils [51].

**Deforestation and land degradation abroad:** intensive industrial livestock farming in the EU is built upon imports of animal feed inputs, such as soybean, from abroad [52], [53]. The CAP, as well as international trade agreements, have contributed significantly to this scenario [54]. Industrial soybean plantations in Latin America have driven the deforestation and degradation of globally important biomes such as the Amazon and Cerrado, threatening endangered species and fuelling the pace of global climate change [55], [56]. Plans to promote European protein crop production have so far failed to move away from the industrial production of soybean, failing to deal with the central issue of livestock overproduction, and putting pressure on so-called ‘underutilised’ land and rural communities in CEE [57].

**Greenhouse gas emissions:** when considering the entire global supply chain, our food system accounts for around half of human-caused greenhouse gas (GHG) emissions [58]. In addition to EU agriculture’s footprint through deforestation abroad [59], [60], the production and use of fertilisers is a significant source of emissions [61]. Industrial meat and dairy production, heavily subsidised by the EU [62], is an incredibly high GHG emitter [63], [64].

**Waste:** the food system that has been built around, and now reinforces industrial production, generates an incredible amount of waste.

It is estimated that around 88 million tonnes of food waste is generated per year in the EU [65]. Costs associated with food waste in the EU were estimated at €143 billion in 2012 [66].

The increasing distance from farm to fork has gone hand in hand with the explosion of plastic food packaging, contributing significantly to our current plastic waste crisis [67]. Both the current CAP and new reform proposals have not identified waste as a key issue, and provide insufficient support for potential solutions.

**Deteriorating human and animal health**

Our agricultural system is inherently linked to the health of the population [68]. Many of the EU’s most pressing health issues can be traced back to practices in the industrial food and farming sector.

**Chemical contamination:** chemical residues found on food present a major public health threat; one example would be the widespread use of glyphosate, the active ingredient in widely used herbicides, which has been categorised as ‘potentially carcinogenic to humans’ [69]. Nitrate, phosphorous and heavy metal pollution, for which agricultural run-off is partly responsible [70], [71], has been linked with various forms of cancer and other adverse health effects [72], [73].

**Spread of disease:** intensive livestock production has proven a fertile breeding ground for disease, putting both animal and human populations at risk [74]. High and prophylactic antibiotic use in animal farming is creating increased anti-microbial resistance [75], undermining the viability of industrial livestock production and the use of antibiotics in human medicine [76], [77].

**Uniform and unhealthy diets:** the genetic diversity of the food we eat has plummeted in recent years [78], [79]. In addition, industrial food systems have resulted in high availability of unhealthy and ultra-processed foods [80]. Similarly, continued support for the industrial livestock sector has contributed to the overconsumption of meat products [81], [82].
These trends play a significant role in the increasing incidence of overweight and obesity in the EU, which has reached epidemic levels [84], [85]. 51.6% of the EU population is overweight or obese [86]. Other non-communicable diseases such as diabetes linked to unhealthy diets are also on the rise [87]. This poses an incredible economic burden for health services across the EU [88], yet CAP-funded promotion campaigns have failed to target healthy produce [89]. Solutions have tended to focus narrowly on addressing individual consumer choice. Little attention has been paid to providing healthy, nutritious, diverse and affordable food for the consumer by addressing the entire food supply-chain, from inputs and production through to processing and retail [90], [91], [92].

Unfair markets and liberalisation

Low prices at the farm gate: the opening up of food markets, coupled with the control of the downstream sector by a few large corporations [93], has destabilised the price received by producers. Farmers can find themselves receiving payments lower than the cost of production. The recent dairy crisis is an example of this [95]. The prolonged drop in producer prices for pork between 2014 and 2016 is another [96]. Recently, a Directive on Unfair Trading Practices has been set up to deal with some of these inbalances. However, in failing to treat this as a structural issue, it may simply shift price-setting power to corporations in other parts of the supply-chain [97]. Support for the development of alternative distribution networks such as short supply chains has been inadequate. To the contrary, large retailers have received significant funding from development finance organisations such as the European Bank for Reconstruction and Development (EBRD) and the World Bank to expand their activities, particularly in CEE [98]. This has further cemented the dominance of these actors.

Hidden costs: consumer prices do not reflect the environmental and social damage that is created by industrial food production [99], [100]: globally, it is estimated that for every $1 (€0.85) paid by a consumer, another $2 (€1.70) [iii] is incurred by society through health and environmental damages [101]. Artificially low food prices create and maintain the myth that industrial food systems have succeeded in delivering affordable food to the EU population [102], [103]. Despite this, food insecurity and reliance on food banks in the EU are on the rise, largely linked to austerity measures enforced in several Member States [104], [105]. Small-scale sustainable producers are not being rewarded for the diversity of their production, or for other social and environmental functions that they perform [106]. Public goods provided by pastoralism are particularly overlooked [107], [108]. The new proposals do not go far enough in linking payments to the provision of public goods.

Poor labour conditions: another aspect hidden from view is the dependence of agrifood operations on cheap, seasonal, and often migrant labour [109], [110], [111]. Recent investigations and media reports reveal appalling working and living conditions for agricultural and food labourers across the EU; these can no longer be dismissed as isolated incidences [112], [113], [114], [115]. Human trafficking and conditions of modern day slavery are prevalent both in production and processing [116], [117], [118]. Women are particularly vulnerable to labour exploitation and abuse [119], [120]. These issues are completely missing in the current CAP and the reform proposals.

Dumping and Free trade agreements (FTAs): CAP support for commodity exports has fuelled the dumping of surpluses in both CEE and developing
country markets, uprooting the livelihoods of local producers [121], [122]. At the same time, liberalisation has exposed EU markets to cheap imports from regions with far lower environmental and social standards. The recent flurry of free trade agreements signed between the EU and various partners further exposes both EU and foreign producers to unequal policy environments and price volatility. These agreements have largely been negotiated behind closed doors in an undemocratic manner, without the involvement of Europe’s family farmers, food producers, and consumers.

**Concentration of control**

**Disappearance of small farms:** several publications in recent years have indicated the alarming extent of land concentration in the EU [123], [124], [125], [126]. Updated Eurostat statistics from 2016 reveal that 52.7% of Utilised Agricultural Area (UAA) is controlled by just 3.3% of the holdings [iii]. The provision of direct payments based on area has incentivised and facilitated this process of consolidation, with 80% of direct payments ending up with just 20% of the beneficiaries [127]. This goes hand in hand with the continued disappearance of small farms, which are often excluded from direct aid eligibility despite the social and ecosystem services they deliver.

Between 2005 and 2016, the number of farm holdings under 50 hectares (ha) fell by 29.4%. That represents just over 4 million holdings [iii].

Concentration in input markets is also driving high input costs, meaning that producers need to invest more capital up-front. This further marginalises smaller farms, and particularly young farmers and new entrants, fuelling the challenge of generational renewal.

**Resource grabbing:** land and water grabbing, often thought of as a problem only in the developing world, has also been shown to be prevalent within the EU [130], [131], [132]. This can occur both within and outside of the law. EU Member States have been reluctant to implement the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGTs) [133], as promoted by the Committee on World Food Security and the European Economic and Social Committee [134].

**Financialisation of EU agriculture:** the EU’s arable land and other agricultural resources are increasingly becoming commodities within financial markets [135]. Investors are acquiring cheap arable land, often in the CEE region [136], [137]. Per hectare payments and a weak active farmer definition allow them to claim subsidies whilst prices inflate, before selling it off for a handsome profit. This causes further inflation, providing a serious barrier for new entrants and young farmers. Other areas such as agricultural commodities and infrastructure are also experiencing similar trends [138], [139]. This is distorting food prices in a manner totally detached from production [140].

**Capture of the commons:** in addition to commonly managed land and natural resources, which are threatened by the processes described above, corporations are intensifying their efforts to control other common resources such as seed, livestock genetics, technology and data [141], [142]. The Bayer-Monsanto merger is a high profile example of this in practice [143]. This poses a threat to diverse food and farming systems, and to the many livelihoods that depend upon them.

**Innovation as digitalisation:** innovation has tended to be equated narrowly with digitalisation, and public funds have largely been allocated to agribusiness. Inexpensive yet effective innovations developed by small-scale agroecological producers have typically been overlooked. The post-2020 CAP proposals allocate funding for research and innovation through Horizon Europe, with a strong overall focus on digitalisation [144], yet fail to consider who will control these processes and who will ultimately benefit.

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PART 2

The future of food and farming we want

In the light of the issues outlined above, the Nyéléni Europe network calls for a transition towards a food system that provides healthy, nutritious, affordable, and locally distributed food for consumers, nourishes soils and biodiverse ecosystems, protects the climate, provides fair prices as well as safe and dignified employment, and promotes social cohesion in rural areas. For this transition to be successful, we must place small-scale sustainable producers at the centre, and provide them with the political, economic and social support they need to strive for food sovereignty.

‘Food sovereignty is the right of peoples to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their right to define their own food and agriculture systems’ [145].

Small-scale sustainable producers

The EU’s food producers represent an incredible diversity of cultures and practices. So what is meant by small-scale sustainable producers in the context of the EU?

Small-scale sustainable producers are female and male farmers, livestock keepers, pastoralists, fishers and other rural and urban food providers that utilise agroecological and other resilient models of food production or gathering to provide abundant, high quality, healthy, safe and affordable food primarily to territorial markets [v].

Agroecology is a holistic set of ecological, social and political principles that aims to embed food production within healthy and diverse agroecosystems and social networks, in a manner that minimises external inputs, provides secure livelihoods for producers, and delivers nutritious food for consumers. Agroecology cannot be reduced to a set of replicable technologies or practices, as it will take different forms depending on the ecological and cultural context of the local area [vi].

Not just physical size: the physical size referred to by ‘small’ is relative to national and sub-national contexts, so cannot be rigidly defined. In addition, physical size of holding does not necessarily dictate the mode of production being practised [146]; intensive industrial livestock production, for example, can occur on relatively small land areas (although their virtual land area, including that used to grow feed, is much higher).

Diverse identities and practices: this is an inclusive definition, and encompasses various culturally-specific terms of identity such as peasant, small-scale family farmers, crofters, contadino, Baeuerlich, boeren, ţărani, and baserritarra amongst others. What is important here is not the term itself, but the common feeling of being part of and depending on nature, and the common goal of embracing agroecology and striving towards food sovereignty. This will involve an array of producers using a wide range of different production systems based on their geographic and economic possibilities, as well as cultural preferences.

Diverse production backgrounds: these producers could be traditional family farmers, new entrants, or conventional producers making the transition towards sustainable agroecological practices.

They already exist

Small-scale producers already form the backbone of the EU’s food system. Small and medium sized family farms are present across the whole of the EU.

93% of the EU’s 10.8 million farm holdings are less than 50 ha in size [vii]. Two-thirds of the total holdings are smaller than 5 ha [147].
Many of these producers are already utilising sustainable practices. In addition, there appears to be a strong appetite for a sustainable transition among conventional producers; the EU’s total organic area increased by 25% between 2012 and 2017, meaning it now covers 7% of the total UAA [148].

In a broad survey of Dutch farmers in 2018, 80% of respondents indicated a desire to transition to environmentally-friendly practices [149]. More than half thought that an export-oriented model that encouraged expansion would not be feasible in the long term.

In the local environment
Small-scale sustainable producers actively invest in their local ecosystems, as this is the core of their management system [156].

Building healthy soils: agroecological methods explicitly aim to build healthy soils. This can be achieved through a variety of practices, but studies have shown that soil organic matter, soil structure and water and nutrient retention capacities increase under agroecological management [157], [158], [159], [160], [161]. This can lead to dramatic and sustained increases in yield.

Biodiversity: small-scale production systems focused on diversity already help support biodiverse ecosystems across Europe [162], [163], [164]. Small organic farms in the EU have been shown to host far higher species richness than their conventional counterparts [165]. Again, high agro-biodiversity is an integral part of the management system, providing benefits in areas such as pollination and pest control [166], [167].

A recent study of US corn fields found that insecticide-free regenerative farms had 10 times fewer pests than conventional fields [168].

Diversified production also serves as a form of insurance against external shocks such as price volatility and extreme weather events.

Facilitating ecosystem services: in addition to the benefits already described, agroecological production systems, including pastoralist systems [169], can provide benefits at the landscape level. Water quality maintenance, flood protection, prevention of erosion, and enhanced nature conservation are all examples of ecosystem services that small-scale sustainable producers could help to preserve [170], [171], [172].

Moving away from fossil fuels
Low fossil fuel use: systems rooted in agroecology require far lower fossil fuel consumption across the entire chain [173]. Artificial fertilisers become largely unnecessary, the production of which is a major source of fossil fuel emissions. Small-scale
sustainable enterprises are typically less energy intensive, requiring lower levels of fossil fuels in order to optimise their outputs [174], [175]. Smaller producers also tend to distribute their output through local, national and regional markets, reducing emissions from transport and storage, and mitigating the associated impacts on land and marine ecosystems.

**Keeping carbon in the ground:** soils have been identified as a potentially crucial carbon sink in the fight against climate change [176], [177]. Agroecological practices have been shown to significantly improve soil carbon sequestration [178], [179], [180]. Supporting small-scale sustainable producers is therefore an incredible opportunity to mobilise widespread climate change mitigation action.

**Empowerment, employment & rural vitality**

**Superior efficiency and profitability:** the focus on low external inputs means that small-scale producers can be far more cost effective [181], [182]. This raises farmer incomes and allows them to become more autonomous in terms of decision-making, as well as more independent financially.

According to data from the 2007 Farm Structure Survey [viii], Standard Gross Margin per hectare (SGM/ha) [ix] on smaller farms was higher than that for larger farms in 21 EU member states [183]. In 9 of these countries, SGM/ha was more than twice as high on smaller farms.

When considered in a holistic manner, the environmental and social benefits brought about by this low external input approach make small-scale sustainable production highly efficient in comparison to conventional production [184].

**More labour intensive:** small-scale food producers are typically much more labour intensive in comparison to larger industrial operations. This has often been portrayed as inefficient, but such a perspective ignores the labour absorption service that supporting small-scale production provides for rural areas. This is particularly important for certain areas in CEE, where the disappearance of small farms has driven high unemployment and migration.

**Rewarding work:** beyond just labour intensity, studies from across the continent suggest that small-scale sustainable enterprises can provide dignified and fulfilling work [186], [187], [188]. There is growing interest in agroecological food production, or other professions within agroecological food systems, from a diverse cross-section of society. This reflects a growing appetite to be part of positive environmental and social change. The benefits of rewarding agricultural work for wellbeing and mental health are already well recognised, with several EU Member States supporting schemes that promote farm work for those with disabilities or facing mental health issues [189], [190].

**Sharing knowledge, building communities:** agroecology is incredibly knowledge intensive. Food systems built around small-scale sustainable producers are therefore founded upon the sharing of knowledge, cooperation, and collaboration, which build trust and solidarity. This can help to revitalise fractured rural communities; case studies from across Europe demonstrate how agroecological transitions can make rural areas more attractive places to live and work [191], [192], [193]. It also facilitates locally appropriate innovation, a process in which women are often central.

**Central role of women:** these horizontal processes of knowledge sharing also have the potential to break down gender barriers [194], [195], [196]. This can allow rural women to perform and revalorise the vital role that they hold in food systems as providers of nutrition, as well as custodians of biodiversity and knowledge, amongst other things [197], [198]. This is emphasised by the high female representation within the agroecology movement.

**Short supply-chains**

Globally, 80% of small-scale producers market their produce on territorial markets [199], and smaller producers are continuing to find innovative ways to...
link up with local consumers, such as Community-supported Agriculture (CSA) [200] and solidarity economy networks [201].

**Fairer prices**: shorter supply-chains offer a more realistic price in line with the cost of production [202]. This can benefit both producers and consumers [203], as the price is not dictated by corporate retailers and other financial entities invested in industrial food systems.

**Shelter from international price volatility**: price independence from corporate-controlled global supply chains also brings stability. Supporting the growth of local and regional markets for locally produced food not only fuels economic development in rural areas, but can do this in a sustainable manner that insulates against shocks on international commodity markets.

**Connecting people to their food**: facilitating short supply chains also helps to develop a food system in which consumers are closer to the source of their food. This can improve transparency in food supply-chains, serve as an effective educational tool, and build relationships between producers and consumers [204].

**Local food governance**: expanding the role of shorter supply chains in the EU also provides an opportunity for the democratisation of food systems. The emergence of local food councils and sustainable food strategies in some European cities reflects the demand from citizens to have a greater say in the choices affecting the food that they eat, and how it is produced and distributed [205], [206], [207].

**Small-scale producers can feed cities sustainably**

Despite the fact that peasant agriculture continues to feed some of the world’s largest urban centres [218], the argument that small farms cannot produce enough food to meet rising food demand, especially from urban areas, is often made to support the continuation of industrial food systems.

This idea is founded upon a couple of misconceptions:

**The yield gap myth**: firstly, the idea that conventional systems provide superior yields is misleading. Within an enabling policy and market environment, small-scale sustainable producers have been shown to compete with yields of conventional agriculture, even outperforming them under extreme climatic conditions [209], [210].

**Beyond yields**: the second misconception is the narrow focus on productivity and yield in the first place. It is now fairly well established that enough food is already produced globally to feed our projected population by 2050 [211]. The true challenge revolves around how to distribute food effectively in a manner that is socially and environmentally just. An agroecological transition in Europe could provide enough food, maintain export capacity, reduce reliance on imports, and provide environmental and social benefits [212].

**A holistic pathway**

The key message here is that policy thinking needs to broaden its horizons. Until now, the various defects identified with our food systems have been targeted in isolation [213]. Solutions have also tended to focus on expensive highly technical fixes that then need to be integrated into the real world [214]. This approach has come at a huge economic, environmental and social cost.

By placing small-scale sustainable producers at the centre of the new CAP, multiple problems in traditionally separated policy domains can be tackled at the same time. Examples from around the world, including within the EU, are showing how supporting innovative small-scale agroecological producers can achieve multiple benefits [215]. This is a far more efficient and cost-effective pathway; the supporting evidence already exists, and it is continuing to mount.
Mobilising the CAP for small-scale sustainable producers

A transition to a fairer, more sustainable and resilient food system based on food sovereignty is urgently needed if we are to overcome the environmental, social and economic challenges at hand. It is evident that the EU must carry out a radical reform of the CAP and other related policies in order to support small-scale sustainable producers. The following key areas must be addressed.

Production and distribution

The new CAP must support a model of production and distribution that:

a) Secures a fair income for farmers and farm workers.
b) Ensures decent working conditions for everyone working in the food system.
c) Facilitates and protects access to and rights over farmland for small-scale sustainable producers and new entrants.
d) Prevents destabilisation of markets at the local, national, European and international levels.
e) Encourages short supply chains and strengthens local and regional markets that enable an enhanced connection between rural and urban areas.
f) Respects the right to food and decent livelihoods of small-scale producers in the global south.

Instruments to achieve this would include:

- Capping annual direct payments at €60,000 per beneficiary until the system of untargeted area-based payments is completely changed, with compulsory redistribution of subsidies for smaller producers.
- Making direct payments conditional on respect for labour rights as well as stronger environmental and climate action conditionality.
- Giving targeted support for young farmers and new entrants engaging in small-scale agroecology, including a monthly allowance to allow progress towards a decent income.
- Providing incentives for sustainable livestock models and local sustainable feed production, whilst avoiding simply transplanting industrial soybean production into Europe.
- Making specific support for small farmers mandatory and complementary to other income support measures to ensure the long-term viability of these farms.
- Prioritising market regulations such as flexible supply management to prevent and address crises, ensure decent prices and stabilise income for small and medium-scale producers.
- Implementing import protection measures to ensure that environmental and health standards match those adhered to by EU producers.
- Creating a clear active farmer definition that includes small-scale producers and excludes speculative investors and prevents the financialisation of arable land.
- Increasing the proposed budget for Pillar 2.
- Ensuring that CAP funds from Pillar 2 are not diverted to private insurance firms under risk management measures.
- Phasing out of subsidies for biofuel and biogas.
- Supporting research and innovation that is embedded within agroecological and food sovereign systems, and builds upon the many low-tech grassroots innovations already in existence.
- Orienting farm advisory services towards a small-scale agroecological transition, which would include farmer to farmer exchange programmes.
- Introducing a direct payment measure for producers supplying local and regional markets.
- Making it mandatory to provide rural development funds for rural-urban collaborations to develop short supply chains.
- Making it mandatory to provide rural development funds for the infrastructure required to develop short supply chains, such as local storage, processing and marketing facilities.
- Creating a tenth overall CAP objective on encouraging the development of sustainable family
farming in developing countries, and at the very least avoiding harm to local producers, as put forward by the Committee of the Regions.
- Ensuring that CAP objectives and National Strategic Plans adhere to the recently adopted UN Declaration on the Rights of Peasants and Other People Working in Rural Areas.

**Sustainable consumption, diets and lifestyles**

The new CAP must facilitate more sustainable consumption, diets, and lifestyles that:

a) Ensures safe, healthy and nutritious food for all in the EU.
b) Maintains the quality and diversity of agricultural and food products.
c) Fosters seasonal, local, culturally appropriate and affordable diets.
d) Encourages a level of meat and dairy consumption that is aligned with sustainable livestock production models.

**Instruments to achieve this would include:**
- Implementing school schemes based on models of sustainable public procurement that favour healthy produce from local small-scale producers, and support the development of participatory guarantee systems (PGS) to certify producers against participatory quality standards.
- Directing CAP-funded promotion campaigns towards healthy and nutritious produce.
- Supporting the development of sustainable urban food policies in cities across the EU.
- Providing incentives for diverse fruit and vegetable production and consumption.
- Implementing effective education programmes on the link between nutrition, health and the way in which food is produced.
- Making the provision of CAP funding conditional upon having fiscal policies in place designed to enhance the relative affordability of healthy foods.

The right to natural resources and the commons

The right to commonly-owned knowledge, innovations, and healthy and accessible land and natural resources must be upheld in a manner that:

a) Protects the environment in all rural areas.
b) Conserves soil organic matter and soil biodiversity.
c) Halts the reliance on synthetic chemical pesticides and mineral fertilisers that harm ecosystems on land and in rivers, estuaries, coastal areas and at sea.
d) Radically reduces emissions from farming and ensures a transition towards a resilient food and farming systems.
e) Prevents and minimises food waste throughout the food chain.
f) Restores and prevents further loss of biodiversity.
g) Encourages conservation and active use of genetic biodiversity.
h) Halts food and feed imports linked to deforestation.
i) Ensures that animal health and welfare are effectively respected.
j) Protects the health and wellbeing of farmers, farm workers and rural populations.
k) Ensures that commons are valorised and managed through collective, democratic and community control.

**Instruments to achieve this would include:**
- Replacing untargeted area-based payments with payments conditional on the delivery of positive environmental and social outcomes.
- Removing coupled support for intensive livestock production models reliant on feed imports.
- Setting ambitious quantifiable targets for reducing synthetic agrochemical use, and setting up a robust monitoring system to track progress.
- Ensuring that eco-scheme payments and other environmental and climate incentives remunerate producers beyond simply the costs incurred and income foregone, with a minimum of 30% of the direct payments budget allocated to this.
- Providing sustainable transition schemes for conventional producers who want to move towards holistic agroecological management systems.
- Supporting peasant animal farming systems with high animal welfare standards.
- Making CAP payments conditional to meeting agreed environmental, climate, biodiversity, and antibiotic use reduction targets.
- Providing rural development funds for improving the quality of life and public services in rural areas.
- Ensuring that only research and innovation that
enhances rather than erodes the autonomy of producers is eligible for Horizon Europe funding.
- Ensuring that new GMOs are not allowed in the EU for cultivation, and that imported GMO foodstuffs are specifically labelled, as decided in European Court of Justice case C-528/16.
- Facilitating the production, marketing and exchange of locally adapted, open pollinated and peasant seed varieties.
- Creating a European Land Directive in order to implement the Voluntary Guidelines on the Responsible Governance of Tenure (VGGTs), as recommended by the Committee of World Food Security, and facilitate access to land for small-scale sustainable producers.

**Democratic decision-making processes**

The CAP and other relevant policies must be subject to transparent and open decision-making processes that:

a) Are based on the meaningful involvement of all groups of actors affected.
b) Provides meaningful access and inclusion for vulnerable groups.
c) Provides accountability.
d) Guards against undue influence from corporate lobbying.
e) Prioritises the defence of common goods and values, serving communities and people, rather than the interests of corporations.

**This would involve:**

- Participatory development of the National Strategic Plans of each member state, including local authorities and civil society organisations.
- Explicitly seeking the participation of farmers, farm workers, pastoralists and other food producers that support agroecology in the development of National Strategic Plans.
- Explicitly seeking the participation of other actors affected by the CAP such as small-scale fishers.
- Making CAP funding conditional on Member States delivering on the entire set of objectives set by the new CAP, with clear impact indicators used to set goals and track performance.
- Binding safeguards prohibiting interventions deemed harmful for the environment, animal welfare, and the rights and health of small-scale farmers and workers.
- Binding consequences for failure to meet environmental and social targets.
- Strict and transparent monitoring of how funds are spent at national level, with binding consequences for mismanagement.

It is clear that many of these issues are interlinked. For example, making direct payments conditional to various social and environmental standards contributes towards a broad range of public goods, as well as encouraging a low-input approach that can increase incomes and financial autonomy for producers. It is therefore logical that a coordinated overarching policy framework that captures these linkages would be beneficial. The Nyéléni Europe Network therefore supports the growing calls for the development of a Common Food Policy for the EU [216].
Possibilities to engage in the ongoing CAP reform

The proposals for the post-2020 CAP outline a structure in which individual member states will have to submit their own National Strategic Plans. This provides an opportunity for producer and civil society groups to influence the content of the CAP in their country, and put small-scale sustainable producers in the spotlight.

**Targets and evaluation tools:** National Strategic Plans will have to demonstrate how they will work towards the main overall objectives set at the EU level. As part of this, they will need to set their own targets and tools for monitoring progress. National civil society groups can push for ambitious targets that are oriented around a transition towards agroecology and food sovereignty, as well as robust monitoring systems that capture progress in a holistic manner.

**Definitions:** as part of the new reform proposals, Member States will need to define terms such as genuine farmer, small farmer, young farmer, agricultural area and agricultural activity. These definitions will dictate who can qualify for CAP support. National civil society actors can push for definitions that favour small-scale sustainable producers, include those operating on marginal areas such as non-herbaceous grazing lands, and do not allow speculative investors to receive support.

**Eco-scheme content:** the new reform proposals make it mandatory to offer eco-schemes that offer support to farmers that implement practices beneficial for the climate and environment. National civil society actors can actively engage in the design of these schemes, ensuring that they are allocated at least 30% of the Pillar 1 budget, and support the transition towards holistic agroecological production systems, as opposed to simply providing measures that industrial producers can comply with. The coinciding of the CAP reforms with the growing momentum behind the food sovereignty movement provides an opportune moment for meaningful change. Now is the time to act to claim a food and agricultural policy that serves the needs of the people, not corporate agribusiness!
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ii. Own-conversion based on exchange rate at the time the relevant study was published.


iv. Concentration in the seed market for individual crops it is often far higher. See: https://www.greens-efa.eu/files/doc/docs/056cb230eba0357706c3996a7c68d1d.pdf


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NOW is time to ACT to claim a FOOD & AGRICULTURAL POLICY that serves the needs of the PEOPLE not corporate agribusiness!