

## CAP strategic plans: Approval process

The delivery model for the post 2022 common agricultural policy (CAP) involves basic EU-level policy rules and greater responsibility for Member States as to how they tailor their CAP measure toolboxes to local needs. The national CAP strategic plans drawn up to this end by Member States are now at the approval stage.

### Background

In June 2018, as part of the preparation of the 2021-2027 European Union (EU) budget, the European Commission published its proposal for the future [CAP](#). This comprised three regulations, setting out rules on support for [CAP strategic plans](#), on the common market organisation (CMO) in agricultural products and other CAP measures, and on CAP [financing, managing and monitoring](#). Lengthy negotiations on both the EU budget and CAP reform led to the adoption of CAP [transitional](#) rules in December 2020, extending the validity of existing CAP rules until the end of 2022. Following its adoption in December 2021, the new CAP legislative framework will apply as of 1 January 2023.

### The new CAP delivery model

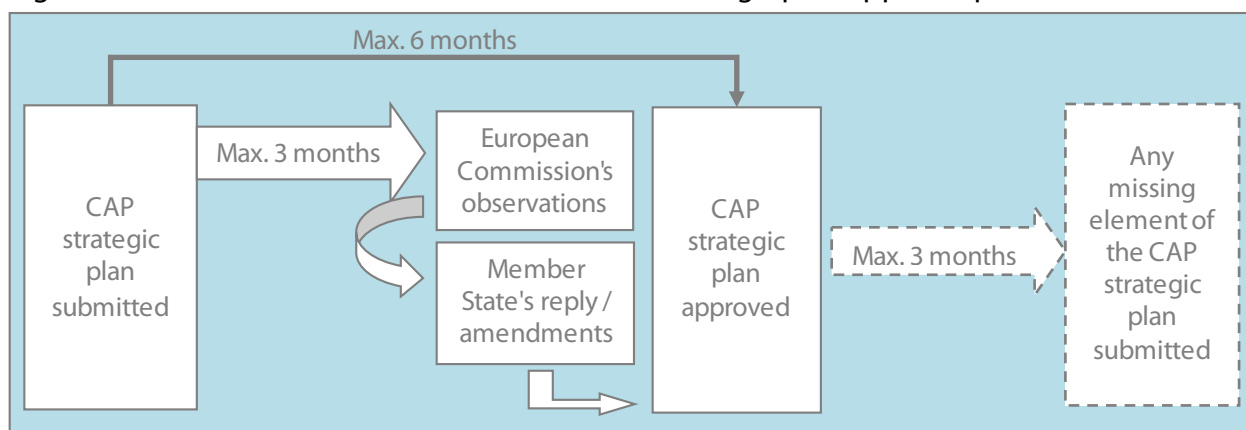
The new CAP builds on [10 key objectives](#), focusing on social, environmental and economic goals. More generally, it seeks to boost environmental and climate ambitions (in line with the [European Green Deal](#) and its 'farm to fork' and [biodiversity](#) strategies), to reach out to more small and medium-sized farms and young farmers in the distribution of funds, and to make the agri-food sector more competitive.

The new [CAP regulations](#) introduce a delivery model involving a new distribution of responsibilities between the EU and its Member States, a planning process that combines all CAP interventions and funding (previously covered by an array of regulations and policy designs), and a fundamental shift from compliance checks towards results and performance evaluation. In other words, great flexibility in policy design allows Member States to draw up their CAP strategic plans to shape their CAP toolbox of measures around local needs and capabilities, to achieve measurable results on the 10 common key objectives. Moreover, the common dimension of the policy also includes a common set of indicators to monitor how the CAP strategic plans help Member States reach their targets and CAP objectives.

### Overview of the approval process

Under the CAP strategic plan [regulation](#), Member States must submit their plans no later than 1 January 2022. Subsequently, the Commission services assess the plans in a structured dialogue with the Member States. This includes the option for the Commission to address observations and for Member States to revise their plans, ahead of their approval within 6 months of the submission (see Figure 1).

Figure 1 – Milestones and time limits for the CAP strategic plan approval process



Source: Author, based on [CAP legislation](#).

The Commission assessment of the plans focuses on completeness, consistency and coherence with the general principles of EU law and with the CAP law, their contribution to CAP objectives, their impact on the internal market and competition, and the administrative burden on beneficiaries and administration. It addresses the adequacy of the strategy, the corresponding objectives, targets, and interventions, and the allocation of budgetary resources, based on the [SWOT analysis](#) and the ex-ante evaluation annexed to the plans. The Commission must address any observations to Member States within three months of the submission of the plans. In this case, the countdown to the maximum 6 months to complete the approval process stops until Member States have replied to the Commission.

Member States can ask to add any missing elements of the plan within 3 months of its approval. They can also ask to amend the plan, generally once per calendar year, and they must assess whether their plans should be amended following any amendment of the environment and climate law to whose objectives the plans are supposed to contribute. In such cases, a shorter approval procedure provides for any Commission observations to be made within 30 working days and the amended plan to be approved within 3 months of the amendment request. The Commission's approval of a plan or amended plan takes effect once an implementing decision has been issued.

## State of play of the approval process

### Delays in delivery

Back in 2017, a Commission [communication](#) on the future of food and farming framed a new CAP delivery model in which the EU would set the basic policy parameters while Member States assumed greater responsibility and accountability as to how they would meet the objectives and achieve targets. The 2018 legislative proposals on the CAP unveiled the main [operational aspects](#) of the future CAP strategic plans. A lively stakeholders' debate on [issues and expectations](#) for EU agriculture also accompanied the three-year interinstitutional legislative work. This provided national decision-makers with food for thought in the preparatory work on the CAP strategic plans, in a still partly uncertain legislative environment. Finally, the Commission's [analysis](#) of links between CAP reform and the Green Deal and [recommendations](#) for each Member State on the preparation of the CAP strategic plan (both issued in 2020) represented a key step in the dialogue between the Commission and national authorities, providing insights into how each CAP strategic plan should focus on priorities and relevant interventions.

Preparing a CAP strategic plan requires that Member States invest considerable effort in the strategic planning of local interventions, whereas previously the only CAP tool involving a similar exercise were the rural development measures. In addition, the governance framework for the new policy requires national authorities to combine CAP tools previously managed separately, to reach a set target. On top of that, the delayed approval of the post-2022 CAP left Member States less time to prepare their plans.

### Commission observations and beyond

By the end of March 2022, the Commission services had received all the CAP strategic plans and sent observation letters to the [19 Member States](#) that had submitted their plans by 1 January 2022. Other letters followed in the subsequent months. The letters have been [published](#) along with Member States' replies. Commission representatives highlighted the key elements of the ongoing assessment during debates in the European Parliament and Council. They were positive about the plans' economic and social sustainability (e.g. the fairer distribution of farm payments) but had some serious concerns on environmental sustainability (where more work is needed in terms of higher ambition, clearer analysis, and further completion). The Commission also reiterated its commitment to timely approval of the plans, which requires a matching commitment from Member States (including on submitting a revised plan).

The Commission observations and the March 2022 [communication](#) on safeguarding food security and reinforcing food system resilience recommended a revision of the plans, to reduce EU farms' input dependency in view of the [effects](#) of the war in Ukraine. There have also been calls for temporary [derogations](#) to CAP environmental rules (e.g. easing rules on [crop rotation](#) or cultivating [fallow land](#)) and for [reconsidering](#) the 'farm to fork' and biodiversity strategies' goals, in order to prioritise food security over sustainability. However, these requests create uncertainties on the CAP strategic plans' legal framework, the CAP reform's environmental and climate goals, and EU farms' long-term climate resilience.

