

# **The Common Agricultural Policy: Promoting the 'Polluter Gets Paid' Principle**

**Article by Delphine Reuter**

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A new investigation has shown that the Common Agricultural Policy (CAP) provides financial incentives for polluting farms to pursue their harmful practices. It also revealed that the data reported to the European Environment Agency about farms' ammonia emissions is scattered and incomplete. Independent journalists investigated the link between farm pollution and CAP subsidies in eight EU countries. The investigation was commissioned by Greenpeace.

The investigation and its findings are particularly interesting now as the EU is currently in the process of reforming the CAP. After the publication by the European Commission of the official legislative proposal in June this year, the two legislators, the European Parliament and the Council, started debating and amending the proposal. Crucial votes in the agriculture and environment committees of the Parliament are expected in February next year. The so called 'greening measures' which were presented during the last CAP reform as revolutionary proved eventually to be little more than justifications to maintain the status quo. The Commission itself recognises the failure of the greening measures and stresses that, in response to this, the current CAP reform has higher environmental and climate ambition. It remains to be seen whether such higher ambition will translate into concrete environmental and climate improvements or whether it will simply remain another empty promise.

In the beginning of 2018, an international team of journalists investigated farms that receive payments from the European Union's common agricultural policy despite being high emitters of ammonia, a chemical compound with a pungent smell that can harm human health and the environment. The journalists who conducted the research published the country-specific results of their investigations in their national media and the overall findings were made available in a report published by the Greenpeace European Unit in April 2018.

The investigation used the European Environment Agency's pollutants database (E-PRTR) – which tracks emissions from polluting industries, including intensive livestock farming – to find data for France, Denmark, Belgium, the Netherlands, Italy, Germany, Austria, and Poland. The threshold for inclusion in the E-PRTR database, and therefore for a farm to appear in this investigation, is the emission of at least 10 tonnes of ammonia per year.

About 2300 farms in eight European countries that met these criteria and were included in the pollutants database were analysed. More than half of those farms received CAP subsidies, the investigation showed. In total, they were paid 104 million euros in 2016, the most recent year for which data was available at the time the investigation was conducted.

The common agricultural policy is the largest single part of the EU's budget. Representing 40 per cent of the total – about 59 billion euros – the CAP provides financial support to European farmers. In 2016, the European Court of Auditors (ECA) warned that “the [European] Commission currently cannot be sure whether the system is contributing to a more sustainable and environmentally friendly agriculture.” The Court of Auditor's concerns add to the long series of complaints expressed by environmental authorities and civil society organisations about the lack of environmental benefits stemming from the CAP.

In order to respond to previous criticisms on the environmental impacts of the CAP, the 2013 reform introduced the so-called “greening” measures. This investigation confirmed that the last reform did not prevent some of the

most polluting farms from receiving subsidies.

## **A harmful air pollutant**

In the European Union, the agricultural sector is the main producer of ammonia, making up 94 per cent of total ammonia emissions in 2015. Farmers use nitrogen-rich manure to fertilise the soil. However, when nitrogen is released into the environment, ammonia is naturally one of the by-products. Ammonia is problematic for farmers, animals and neighbouring communities: when it is released into the atmosphere in gaseous form, it can worsen the impact of fine particulate matter (PM2.5) contamination and negatively affect human respiratory health. Its potent smell can also be a problem for those in the vicinity. Finally, high quantities of ammonia can lead to changes in soil and water quality.

According to Regulation 166/2006 establishing the E-PRTR database, only chicken and pig farms releasing at least 10 tonnes of ammonia per year are required to report their ammonia emissions (the amount generated by at least 2000 pigs or 40 000 chickens or 750 sows). Although cow and sheep farms also emit this pollutant, they do not have to declare their emissions to the European Environment Agency and thus are not visible in the E-PRTR database. If a farm breeds or raises pigs and cattle, only the ammonia linked to pig production will be taken into account when calculating the farm's annual emissions.

This calculation is not based on a consistent measurement of all of the ammonia emitted from the farm. Instead, authorities rely on estimates to know how much ammonia is potentially produced by the animals present on a specific site. The estimates follow the guidelines first outlined by the Integrated Pollution Prevention and Control (IPPC) directive, and later the Industrial Emissions Directive. Farms which breed or raise at least 40 000 chickens, 2000 pigs or 750 piglet-bearing sows are defined as "IPPC installations" and therefore need to report their emissions to the authorities.

Unfortunately, the investigation revealed that there are "many conflicting authorities and regulatory requirements which make it impossible to collect clear, comparable and verifiable data on pollution levels", as the Greenpeace report explains. However, inconsistencies in the reporting are not the only issues with the monitoring and reporting of ammonia emissions.

## **Missing animals, missing farms**

In Belgium, a pig or chicken breeder whose farm qualifies as an IPPC installation needs to apply for a specific permit. This permit is delivered by a regional authority – the environment being a regional competency in Belgium – based on the information given by the farmer, but also by an independent auditor, various authorities, the city where the farm is located, other cities if they are at risk of being impacted by the farm's activities (increased traffic, smell, etc.), and the neighbouring communities.

However, once permits are granted, the authorities base much of the assessment of farms' environmental impact on reports from the farmers themselves, who "do not have an incentive to declare the true number of animals they farm, nor their possible intentions to further expand their installations beyond EU thresholds," the Greenpeace report added.

In Wallonia, in the south of Belgium, the environmental police – a department of the regional government – can perform spot checks on manure stored and spread on the fields, but not the ammonia emitted in stables. It is difficult to measure ammonia once it's released outside of the farming facility, especially in places where several farms practice intensive agriculture side-by-side, with thousands of pigs housed in several square kilometres. As one government employee told us in Belgium, "If I find a molecule of ammonia in the air, how can I know where it

comes from?”

In recent years, more and more farms have installed air-cleaning systems in their stables, to make sure the ammonia produced inside the facilities, where the animals are housed, is trapped in filters before it is released into the environment. The presence of such filters is taken into account when a farm’s ammonia emissions are calculated – the idea being that a farm using such filtration systems emit less ammonia than those who do not. But it is not clear whether the relevant authorities check that the systems always function correctly.

## **Under the radar**

The investigation also lifted the veil on some farms’ strategies to exploit loopholes in the legislation and keep their pollution below reporting thresholds – in a successful attempt to keep on receiving subsidies.

In many cases, farms are structured to remain under the E-PRTR’s emissions reporting threshold of 10 000kg of ammonia per year. Indeed, the “farms” reported in the E-PRTR are not always the whole farms, but production sites or stables, which are spread across various provinces or regions although they belong to the same parent company. In the case of Belgium, in 2015 64 “farms” were reported in the E-PRTR. But data analysis and ownership checks showed that several farmers exploited that loophole. In one instance, more than 80 tonnes of ammonia – thus more than eight times the reporting threshold – were emitted across five sites, by one same company.

“Firms can engage in intensive farming practices that would lead to the obligation of reporting if the farms were considered a single unit”, the journalists noted in the report Greenpeace published. “Creating smaller farming enterprises, each polluting up to the maximum allowed by the regulations, allows the pollution to stay at farm level, divided into discrete units that require no authorisation from environmental authorities, while the parent firms collect the CAP subsidies. In other words, taxpayers contribute through CAP subsidies to the further development of industrial livestock installations, and then pay again to clean up the pollution that these firms create.”

Most of the ammonia emissions are not made visible through the E-PRTR database. EU law requires countries to report how much ammonia is produced annually (this is part of the compulsory reporting used under the [National Emission Ceilings directive](#)). According to Eurostat, Belgium’s agriculture sector emitted **60 000 tonnes** of ammonia in 2015. But the investigation found that the Belgian farms only reported about 1312 tonnes of ammonia to the European Environment Agency’s E-PRTR database – 2 per cent of the amounts declared to Eurostat. Same issue for the farms themselves: Belgium reported the data on 64 entities in the E-PRTR in 2015. But according to statistics from the Belgian federal government, there were 36 888 farms in Belgium in 2016, including 4528 pig farms and 2107 chicken farms.

## **Confidential data**

The E-PRTR data for Belgium was challenging: the names of the 64 farms that emitted at least 10 tonnes of ammonia in 2015 were confidential, as was the data for the previous years. The authorities told us that this was done for “privacy reasons” as Belgian farms are often family-owned.

However, as in the case of the Belgian farm that had five production sites, family-owned farms are often spread out across different cities. As noted in the report, “one large family livestock business could be registered as several smaller farms, each owned by different family members. A corporation can register separate farms as subsidiaries.” Without knowing who they are, it is impossible to know the actual amount of ammonia one specific farm emits per year.

In the case of Belgium, although the actual names of the farms are confidential, the E-PRTR does publish their

geographical coordinates, which enabled the researchers to identify some of the relevant farms.

The investigation revealed that the data published online by the European Environment Agency is incomplete and difficult to interpret, despite the agency's effort to provide "easily accessible key environmental data". The decision to keep some data confidential contrasts with the EU's stated objective of providing citizens with transparent information concerning environmental issues. Data cannot truly be called accessible if it is not transparent. More needs to be done for environmental information to be accessible to all.

The investigation not only proves that the CAP is currently funding some of the most polluting livestock farms, but it also highlights that the health and environmental impacts of the livestock sector are not properly monitored nor assessed. Public money should not be used to reward the heaviest agricultural polluters, but rather to support farming that works with nature. In order to ensure such a transition happens it is imperative that the upcoming CAP reform uses precise and up-to-date farm data.

Greenpeace is therefore urging EU Institutions and member states to take a number of steps, including to set up a database of farm emissions of ammonia, and to encourage the reduction in the number of animals raised while fostering the adoption of extensive systems favouring outdoor grazing. Greenpeace is also pushing to ensure a strict implementation of the Nitrates Directive, promoting the adoption of manure management technologies that minimise ammonia emissions. Likewise, the NGO is lobbying EU Institutions and member states to ensure that all farms have a complete 'nutrient balance sheet', taking stock of how much feed, manure, and any other nutrients enter and leave the farm, and to make sure that CAP payments are fully transparent and records are freely accessible to the public in all member states.



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