



At a glance:

# **BELGIUM'S** (WALLONIA) CAP STRATEGIC PLAN



CAP Strategic Plans support the transition towards a smart, sustainable, competitive, resilient and diversified agricultural sector, while ensuring long-term food security. They also contribute to climate action, the protection of natural resources and the preservation/enhancement of biodiversity, as well as strengthen the socio-economic fabric of rural areas.

CAP Plans support a wide range of interventions addressing the specific needs of Member States and their territories. Designed in line with a new result- and performance-oriented approach, they aim to deliver tangible results in relation to EU-level CAP specific objectives, while contributing to the European Green Deal.

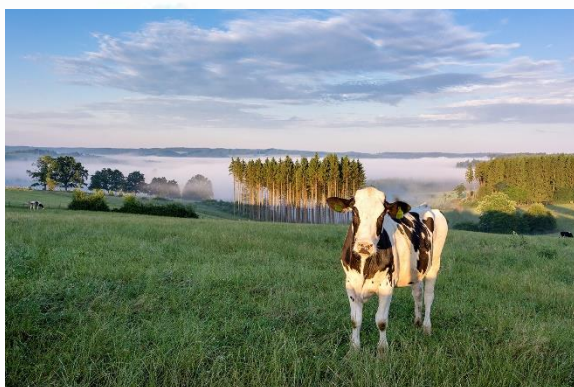
For the first time, each CAP Plan defines a strategy covering all the main CAP funded instruments: direct payments, support for rural development and interventions specific to certain market sectors.

The needs of rural areas will also be addressed by other EU instruments such as the Recovery and Resilience Facility (RRF) or the European Structural and Investment Funds (ESIF).

The Russian aggression against Ukraine and the ongoing commodity price surge highlight the integral link between climate action and food security. In this context, the Commission invited Member States to review their CAP Strategic Plans to exploit all opportunities: to strengthen the resilience of the EU's agricultural sector; to reduce their dependence on synthetic fertilisers and scale up the production of renewable energy without undermining food production; and to transform their production capacity in line with more sustainable production methods.

*Belgium (Wallonia) submitted its first proposal for a CAP Strategic Plan on 17 March 2022, after consultation of stakeholders. On 18 November 2022 Belgium (Wallonia) submitted a revised proposal, addressing the Commission's observations on the first draft. The Commission approved this proposal on 5 December 2022. This document presents some of the main features of the CAP Strategic Plan of Belgium (Wallonia).*

## 1. DID YOU KNOW?



Wallonia's rural territory consists of around 30% of forests and around 43% of agricultural land. Livestock farming dominates the production, meat and dairy production are the main specialisations, followed by crops. With a small contribution to Wallonia's gross added value (0.8%), the agriculture, forestry and fishery sectors also face difficulties in terms of income, with farmers earning less than workers in other sectors in the region.

- ➔ Wallonia hosts around 1.1 million cattle, 400 000 pigs and 9 million poultry.
- ➔ **26,6% of Walloon inhabitants live in predominantly rural areas**, occupying around 59% of Wallonia's territory.
- ➔ **Wallonia has around 12 733 farms**, mostly established in the South and East of the region.



## 2. GOALS AND STRATEGY OF THE CAP STRATEGIC PLAN OF BELGIUM (WALLONIA)

Wallonia's CAP plan aims to build the economic resilience of farmers, ensuring their income as well as the environmental and climate transition. In order to achieve this, all types of agriculture will be supported to comply with market needs (conventional, organic, livestock and crops). Furthermore, young farmers will benefit from setting-up support, while cooperation interventions will create the ground for innovation and digitalisation on farms and in rural areas.

### 2.1 AN ECONOMICALLY SUSTAINABLE AND FAIRER CAP

In its CAP Strategic Plan, Wallonia will **support the income of farmers and will help them become more resilient**. For the 2023-2027 period, a higher proportion of direct payments will go towards income support, as farmers' incomes are still below the average income compared to other sectors of the economy. These payments will also be more fairly redistributed, with higher support to small and medium-sized farms of about EUR 259 million over the five-year period.

Consequently, the Plan puts emphasis on the economic resilience of farms by support tools, such as **sector specific support for protein crops** (coupled support) that will encourage the protein autonomy of Walloon farms. The diversification of farm production and linked activities will be rewarded by several interventions, for example with support for organic farming and investments that aim to create value and promote agricultural diversification and on-farm energy production.

Intervention support in specific sectors of production will be aimed at **improving farmers' incomes and competitiveness** by targeting the specific difficulties of each sector.

- ➔ *1 224 farms will be supported to invest in improving the economic resilience of their farm, by making farm buildings more energy-efficient or the purchase of equipment to process and sell their own products.*
- ➔ *To reduce vulnerability to market changes and help farms produce their own proteins to feed animals, the Plan will provide EUR 17 million to increase the farms' protein production (around EUR 375 per hectare).*



## 2.2 A GREENER CAP

As Wallonia faces many environmental and climate challenges, the Plan follows the ambitions of the Green Deal. In order to achieve these, 26% of the direct payments budget is dedicated to eco-schemes, which are incentives for farmers that go beyond the mandatory requirements in terms of environment and climate, and 56% of the rural development budget are allocated to interventions **protecting the environment, climate and biodiversity**.



The CAP Plan includes incentives to maintain permanent grassland on farms and avoid the development of intensive practices. The Plan will also support the **continuous increase of land under organic farming** and is expected to reach 18% of the agricultural area of the region.



The **preservation of water, air and soil** will be encouraged through several interventions of the Plan. For instance, support for plant crops with a positive impact on soil and carbon sequestration will be granted. Cooperation for innovation will support initiatives in which public, private and civil society stakeholders come together to develop digital and innovative tools that will contribute to climate change mitigation.

- ➔ *EUR 140 million will be allocated to support organic farming. This will cover 132 000 hectares over the five-year period.*
- ➔ *Around 68.5% of the agricultural land will be covered by incentives to reduce emissions, to maintain and enhance carbon storage, such as developing permanent grasslands or increasing the biodiversity in agricultural areas.*





## 2.3 SOCIALLY SUSTAINABLE CAP

As the global number of young farmers is decreasing, **generational renewal** also represents one of Wallonia's main challenges. In order to address this, all possible CAP mechanisms to support young farmers and motivate new entrants have been activated in the Plan. For instance, a grant will be allocated to young farmers willing to establish their farm and a specific support payment will also complement their income.

To improve **gender equality**, the Plan will pay specific attention to the equal treatment of beneficiaries. Moreover, the CAP network will be mobilised to increase the participation of women in the implementation of the CAP. This will include organising events and setting up a working group dedicated to women in agriculture.

Farmers in zones with high risk of water and soil pollution will be further supported in some of the interventions, such as on organic farming schemes.

- ➔ *620 young farmers will benefit from CAP support for setting up their holdings. They will also be entitled to additional support per hectare.*
- ➔ *The Plan will support innovative projects in the field of social inclusion. Cooperation projects between agriculture and forestry organisations and the social sector will support people with mental health conditions, disability or inclusion difficulties. 180 people should get access to agricultural training and mentoring and on-farm activities.*





### 3. KNOWLEDGE SHARING, INNOVATION AND DIGITALISATION

The Agricultural Knowledge and Innovation System (AKIS) in Wallonia gathers a lot of stakeholders but a lack of interaction between them has been identified. The CAP plan will therefore fund the facilitation of information exchanges and interactions. This will contribute to the wider goal of AKIS, to **foster and share knowledge, innovation and digitalisation in the agricultural sector and rural areas** and encourage their uptake.

The cooperation intervention will promote new forms of collaboration between research organisations, technical centres, farmers and foresters. Together they will constitute operational groups. Planned **investment aid in digital technologies** will address environmental and economic resilience challenges of agricultural holdings.

- ➔ *In the apiculture (beekeeping) sector, measures are being implemented to strengthen the interaction between research and farmers, such as the implementation of research programmes or analyses of honey and beehive products. This is done to promote a systemic approach to farming, such as the adaptation to diseases, pests and climate change, the preservation of beekeeping resources or to ensure product quality and technical assistance. The CAP plan will provide EUR 500 000 for these measures.*
- ➔ *New forms of cooperation between research organisations, technical centres and agriculture and forestry stakeholders will be supported with around EUR 250 000 per project. To develop these projects, all the partners involved will participate in an operational group.*







## 4. FINANCIAL ANNEX

	EU budget (€)	National funding (€)	Total (€)
Direct payments	1 328 133 715	n/a	1 328 133 715
Sectoral support	1 022 867	1 022 867	2 045 735
Rural development	198 101 140	331 747 866	529 849 006
<b>Total</b>	<b>1 527 257 722</b>	<b>332 770 734</b>	<b>1 860 028 456</b>

National funding does not include additional national financing referred to in Article 146 of Regulation (EU) 2021/2115. Direct Payments include allocations for cotton set out in Annex VIII of Regulation (EU) 2021/2115 and reflect possible transfers between pillars. Payments for support under Regulation (EU) No 1308/2013 are not included in the CSP. National funding for sectoral support only relates to apiculture. Rural Development reflect possible transfers between pillars and include technical assistance.

EU FUNDING RESERVED FOR	In EUR
Young farmers (generational renewal)	<b>51 494 000</b>
Environmental and climate objectives under rural development	<b>110 331 574</b>
Eco-schemes under direct payments	<b>345 314 749</b>
<b>LEADER</b>	<b>9 937 440</b>
Complementary redistributive income support	<b>258 985 870</b>

The minimum financial allocations for support for young farmers can be reserved either under Direct Payments and/or Rural Development. Eco-schemes under Direct Payments may be lower than 25% if the possibility to use the rebate mechanism from Rural Development is used, in line with Article 97 of Regulation (EU) 2021/2115.

More financial information can be found in section 6 and in Annex V of Belgium's (Wallonia) CAP Strategic Plan.

