



EU's Taxonomy not in line with arable crops expectations

The Agriculture & Progress Platform brings together sugar beet, maize growers and sugar manufacturers at European level striving for sustainable agricultural production. Developments with regard to taxonomy deeply impact the activities of our members, notably with regard to agriculture, manufacture of biofuels, manufacture of food products, and manufacture of chemicals.

We would like to express concerns about how notably agriculture and food production are dealt with in the context of taxonomy.

- Taxonomy is based on delegated acts for adoption of the technical screening criteria; the decision-making process is opaque and the agricultural and primary food processing industry are not adequately involved in the process leading to the report of the Platform on Sustainable Finance providing the basis for the 2nd delegated act on the remaining four environmental objectives;
- We recognise the goal of the Green Deal, the Sustainable Finance package, and specifically the taxonomy regulation but we strongly feel that the recommendations integrated in the Platform's report omit to look at the experience gained and the reality in the field as well as omit the primary task of EU agriculture that is to ensure food security;
- The recommendations also lack understanding and coherence with other regulatory frameworks notably the Common Agricultural Policy (CAP) but also the Industrial Emissions Directive, REACH, and others. For example, transposing the Farm to Fork and EU Biodiversity targets to be achieved at EU level at the farm level is simply not acceptable, especially when it is done without any impacts assessments. Therefore, the proposed rules will have a counterproductive effect or at least over-shoot their objective. Moreover, this will further hamper the competitiveness and sustainability of the sectors concerned which – needless to say – are in the short and medium-terms under enormous pressure due to steeply rising input and energy prices and to the consequences of the war in Ukraine;
- Competitiveness and sustainability are not antonyms but when adequately regulated -based on science, evidence, practical experience the farming and primary food processing community can provide - both can co-exist and even reinforce each other. What is currently on the table achieves in our view the contrary and will simply not at all allow farmers and primary processors to access the financing to allow the desired transition;
- We feel it is absolutely imperative to perform an adequate and in-depth impact assessment before setting any targets or criteria, taking into account also the impact of other regulatory framework recently adopted or under development. The impact is economically, socially and environmentally significant on sectors constituting the backbone of the EU economy and society whilst playing a crucial role in the EU's strategic autonomy for food. The work of the Platform can by no means substitute the performance of an impact assessment. We call upon the EU Commission to adhere to its own rules and principles and apply them in this crucial decision-making process.

In conclusion, the Agriculture & Progress Platform cannot accept the recommendations as they have been presented by the Platform on Sustainable Finance and calls on the EU Commission to reconsider not only the criteria suggested and but its overall approach to taxonomy in relation to agriculture, manufacture of food products, and manufacture of chemicals.

In the interest of transparency and inclusiveness, we call upon the active involvement of experts from the agriculture and primary food processing sectors in the discussions. Until this is substantially and structurally the case, we feel agriculture cannot and should not be included in an upcoming delegated act. This is the only way of ensuring a counterproductive framework for investments with regard to agriculture and primary food processing.

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