



Agribusiness CAPturing EU research money? **Industrial farming lobby fights shift to more sustainable agriculture**

June 2012

The future of the Common Agricultural Policy (CAP) post 2013 is now being debated, with the Commission proposing a new €4.5 billion budget for agricultural research. The proposal is highly strategic: the research projects that are prioritised and funded today may have a decisive impact on the way agriculture is practised in the future. That is why the ongoing lobbying battle for the control of these funds is so important: behind these projects, it is the very vision for the future of agriculture in Europe which is at stake.

Summary

Businesses that benefit from the current industrial farming model want more of the same: research projects that aim to boost productivity and global competitiveness, not only for food but for the so-called 'bioeconomy' using plants for a range of products from plastics to fuel. On the other side, a loose coalition of family farmers, consumers, environmental organisations, scientists and local authorities are trying to promote new ideas and practices to reconcile food production with environmental limits and social well-being. Given the increasing possibilities and risks brought about by recent technological developments in the sector, the stakes couldn't be higher, not just in the EU but also abroad.

However, after an analysis of the legislative proposals and the fire-power involved, the outcome seems clear. Agribusiness lobby groups outspend their opponents by at least 4 to 1 (Appendix 1), and their unrivalled resources and political weight have kept their vision for the future of farming at the top of the EU's priorities, despite promising alternatives and growing evidence that such a policy is failing and will continue to fail. A final decision on the CAP and Horizon 2020, the two relevant texts, is expected in late 2012/early 2013. Will EU research funds for agriculture, and with them the EU's vision for that sector, be captured by agribusiness again this time?

2013: another attempt at reforming the CAP

There are few policies more furiously debated in Brussels than the Common Agriculture Policy (CAP), the biggest and most federalised European policy, representing more than 40% of the EU's budget, some €58 billion in 2012. The ongoing discussions on the CAP post 2013 reached a new level in October 2011 when the European Commission published its proposals¹. These are now being debated by the European Parliament and by member states.

Since 1992, the CAP has been reformed several times and those reforms have been mainly driven by two priorities: dismantling price-support systems for agricultural commodities to comply with WTO rules on international trade, while maintaining production subsidies for farmers; and introducing environmental protection incentives to limit the environmental damage caused by industrial farming practices, which were in turn often the result of CAP subsidies. Together, these reforms have led to a collapse in farmers' revenue through sales, while only marginally limiting environmental damage. Yet the other players in the food chain (the pesticide and agricultural machinery industries, food corporations, traders, retailers...) have continued to enjoy high profits.

But the CAP also has major impacts outside the EU. The EU's current trade regime for food and feed² causes the destruction of farming livelihoods in developing countries through exports and fuels deforestation in Latin America by encouraging GM soy cultivation to feed animals grown in European factory farms.

Crucially, these reforms have not prevented the dramatic collapse in the number of family farms (particularly in the 12 new member states)³ over the last 30 years, a trend which has increased as a result of worsening terms of trade and working conditions for farmers⁴, as well as increasing difficulties in accessing land. The result has been consolidation, with bigger, more industrialised farms, which destroy rural jobs and cause more environmental destruction than the small scale farms.

I. €4.5 billion for research into agriculture? Funding opportunities for wider stakes

Many have pointed out that EU's agriculture policy has reached a social and environmental dead end. The good news is that this fact is beginning to be recognised, at least verbally, by some of those in power. Environmental challenges were one of the reasons invoked by Agriculture Commissioner Dacian Cioloş when he proposed⁵ substantially increasing the research and innovation budget for agriculture in the new CAP, and the proposal was welcomed by the Parliament. But what kind of research and

¹ Legal proposals for the CAP after 2013, DG Agriculture and Rural Development, October 12 2011 http://ec.europa.eu/agriculture/cap-post-2013/legal-proposals/index_en.htm

² Globalising Hunger - Food Security and the EU's Common Agricultural Policy (CAP), Thomas Fritz, TNI, December 2011 <http://www.tni.org/paper/globalising-hunger>

³ See Eurostat, Agricultural census 2010 - provisional results, http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Agricultural_census_2010_-_provisional_results

⁴ Farmer suicides, Deutsche Welle, 2012 <http://www.dw.de/dw/article/0,,6519949,00.html>

⁵ See D. Cioloş' video intervention to explain its proposal, http://ec.europa.eu/agriculture/videos/reform/key4_fr.wmv

for what kind of agriculture?

The European Commission's proposal for a post-2013 CAP suggests doubling the existing agriculture research budget from about €2 billion under the current framework programme for research (FP7) to about €4.5 billion for the period 2014-2020 (€5.1 billion in nominal terms). Under FP7, agricultural research represented about 10% of total agricultural research funding in the EU over the period (agriculture actually represented only half of the €2 billion, the rest was for food and biotechnology research). If funding from member states remains at the same level going forward, this share would also double⁶.

This budget increase is mostly the result of pressure from Commissioner Ciolos. According to the CAP proposal, the money would come through the so-called 'second pillar', which provides funding for rural development. These funds are used to co-fund voluntary initiatives by member states designed to support farming and rural areas in a broader sense⁷. There are also proposals for a European Innovation Partnership on "Agricultural Productivity and Sustainability", a new network intended to accelerate knowledge transfer and foster collaboration between researchers and farmers⁸.

The funds will come from the new round of the EU research budget 2014-2020, known in the jargon as the 8th Common Strategic Framework for Research and Innovation, or "Horizon 2020"⁹. The final proposal for Horizon 2020, currently also under discussion in the European Parliament and among member states, was published by the Commission in late November 2011, and includes the figure of €4,422,544 million for "Food security, sustainable agriculture, marine and maritime research and the bio-economy", one of the six "societal challenges" listed in the proposal¹⁰.

As so often, the devil is in the detail. A footnote explains: "The repartition between DGs is not determined at this stage." The budget also includes research on fisheries and the so-called 'bioeconomy'. What will be left for agriculture's sustainability? Sources at the Commission estimate that roughly 50% of the funding will go to research into primary production (plant growth in general), but more specific figures are difficult to obtain, not least because there is an ongoing battle between DG Agriculture and DG Research to control these funds, pending what the Parliament and Council decide.

Both departments (DGs) have their own ideas. The Research Commissioner Máire Geoghegan-Quinn is promoting the idea of a 'bioeconomy', an industrial and

⁶ This would be all the more significant as EU funds typically fund research projects, where as national funding also has to cover research infrastructure.

⁷ Introduced in 1999, more focussed on environmental and social aspects, CAP's pillar II is sometimes described as trying to solve the problems created by pillar I, which still gets 70% of the funding and primarily supports production.

⁸ The European Innovation Partnership "Agricultural Productivity and Sustainability", MEMO/12/147, 29/02/2012 - <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/12/147&format=HTML&aged=0&language=EN&guiLanguage=en>

⁹ See http://ec.europa.eu/budget/library/biblio/documents/fin_fwk1420/MFF_COM-2011-500_Part_I_en.pdf p. 17

¹⁰ "Societal challenges", a list of thematic research priorities, is Horizon 2020's biggest component with €35.9 billion. See http://ec.europa.eu/research/horizon2020/pdf/proposals/proposal_for_a_regulation_of_the_european_parliament_and_of_the_council_establishing_horizon_2020_-_the_framework_programme_for_research_and_innovation_%282014-2020%29.pdf#view=fit&pagemode=none p. 62 & 107

technology-based approach to agriculture, while Commissioner Ciolos is pushing for an agronomy-based shift within mainstream agriculture practices (this is also reflected in his proposals for “greening” the CAP by including three modest but mandatory environmental practices in the ‘first pillar’, the direct payments). Both perspectives can be found in the wording of the Horizon 2020 proposal, which indicates that the support for agricultural research would be for projects “to supply sufficient food, feed, biomass and other raw-materials, while safeguarding natural resources and enhancing ecosystems services, including coping with and mitigating climate change. The activities shall focus on more sustainable and productive agriculture and forestry systems which are both resource-efficient (including low-carbon) and resilient, while at the same time developing of services, concepts and policies for thriving rural livelihoods”¹¹.

But this debate has implications beyond the CAP and Horizon 2020. The bigger picture reveals the scale of what is at stake.

Should corporate Europe feed the world?

The battle for influence begins with the way the problem is expressed. One strategy employed by agribusiness lobby groups has been to frame the agriculture and food debate as being about the need to feed a starving world, with the looming prospect of a booming population of 9 billion people by 2050 in a context of climate change. The underlying message is that the world population can only be fed by continuing to expand and intensify industrial food production in Europe and worldwide.

This also fits well with the free trade and global competitiveness agenda of the European Commission and some member states, such as the United Kingdom, Ireland and the Netherlands. Valid or not, this premise tends to legitimise technocratic solutions, industrialising food production even further. This may not work for much longer however, for at least three reasons:

- Previous production yields have so far been obtained at the expense of our environment, that is to say our future. Cereal yields reached a peak in the late 1990s and stopped increasing ever since (some actually started to decline) in Europe's oldest, most intensive cereal producing regions, as a result of depleted soils¹²;
- Industrial agriculture does not reach the many hungry farmers who cannot buy industrial products. Small producers are instead being put out of business by monoculture producers and kicked off their lands by land grabbing, meaning fewer and fewer communities will be able to feed themselves.
- The third flaw in the argument is that it hides the fact that feeding the world is not so much a production problem as a sharing problem: almost one third of the food produced is thrown away in Western countries, while farm subsidies in Europe (and the US) and unfair international trade conditions destroy domestic food production in developing countries.

Solving this requires promoting agricultural approaches and tools that small farmers

¹¹ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020), European Commission COM(2011) 809 final, p.65

¹² Les rendements du blé et du maïs ne progressent plus, Agreste Primeur, mai 2008, Secrétariat général, Service central des enquêtes et études statistiques, Ministère de l'agriculture et de la Pêche, République Française
<http://agreste.agriculture.gouv.fr/IMG/pdf/primeur210.pdf>

can benefit from to build their individual and collective bargaining power in the food chain, as well as reforming land access inequalities, rather than in creating yet more industrial farms. José Graziano da Silva, the Director-General of the United Nations Food and Agriculture Organization (FAO), said much the same thing in early 2012: “from the global point of view, food production is not an issue. We need to look at specific countries, [...] to expand food production where the poor live.”¹³

Bioeconomy versus biodiversity

The European Commission’s definition of “bioeconomy” is “all those sectors which derive their products from biomass”.¹⁴ “Biomass” comes from ecology, and is a measurement of the total organic (both dead and living) matter in a given area. But the idea has been narrowed down by industry to the amount of organic material which can be used as fuel or as raw material for industrial processes. These two different meanings are at the core of today's conflict regarding the future priorities of the EU's research policy for agriculture.

The Commission's bioeconomy strategy (“Innovating for Sustainable Growth: A Bioeconomy for Europe”¹⁵) perfectly echoed the raw material narrative. As the “citizens” summary” explained:

“The Strategy aims to develop a bioeconomy in Europe and to contribute to shaping pro-actively the shift towards a low emission economy relying on biological raw materials [...]. The bioeconomy encompasses the production of renewable biological resources and the conversion of these resources and waste streams into value added products, such as food, feed, bio-based products and bioenergy.”

The Commission's text is published at a time when technology is evolving very quickly, enabling industry to use plants instead of fossil fuels as material for more and more products. For instance, the GM industry is now creating crops that produce plastic¹⁶. Recent developments in synthetic biology, a new approach to genetic engineering which aims to build artificial life forms, may soon produce synthetic bacteria that are able to process plant cellulose directly into plastic¹⁷.

This might sound attractive on paper but the reality is that the pressure put on nature by the industrial agriculture system already goes beyond nature's capacity to replenish itself¹⁸. How is all the biomass needed for these products going to be produced? The living soils, the natural ecosystems, the freshwater and the specific

¹³ The Economist Conference, Feeding the World in 2050, Geneva, Switzerland, 8 February 2012 http://www.fao.org/fileadmin/user_upload/FAODG/docs/2012-02-08-DG_Economist_Conference-FINAL.pdf

¹⁴ See the “Biosociety” section of the Commission's website, http://ec.europa.eu/research/biosociety/kbbe/basics_en.htm

¹⁵ Commission proposes strategy for sustainable bioeconomy in Europe, DG Research, 13 February 2012, http://ec.europa.eu/research/bioeconomy/news-events/news/20120213_en.htm

¹⁶ Metabolix creates bioplastic from switchgrass, Biomass magazine, 15 August 2008, <http://www.biomassmagazine.com/articles/1908/metabolix-creates-bioplastic-from-switchgrass>

¹⁷ Your plastic pal - A genetically engineered bacterium makes a greener plastic, The Economist, 26 November 2009 <http://www.economist.com/node/14960045>

¹⁸ Earth Overshoot Day is coming! Humanity has exhausted its budget for the year in 9 months – Global Footprint Network, 27 September 2011, http://www.footprintnetwork.org/en/index.php/GFN/page/earth_overshoot_day/

climatic conditions that sustain us are fragile systems which cannot be exploited beyond certain limits and need to be taken care of. The current Environment Commissioner, Janez Potočnik, recently highlighted what was at stake: “Reconciling agriculture and the environment is possible and it is also very much needed, not just for agriculture, not just for the environment, but for the survival of all of us – the human race and the species we share this planet with”¹⁹.

The bioeconomy strategy does acknowledge “concerns about the potential impact on food security of the growing demand for renewable biological resources driven by other sectors, the use of scarce natural resources and the environment in Europe and third countries”. Agrofuel targets in the EU's 2009 renewable energy directive for instance, which were included after heavy lobbying²⁰ by the agrofuels and car industry, caused a devastating increase in monocultures in the global South²¹. But instead of concluding that there was a need to reduce the level of resource exploitation to sustainable levels, the Commission has instead proposed to develop a whole new industry based on these resources²².

The text also proposes “negotiations to establish a research and innovation PPP [public-private partnership] for bio-based industries at European level (by 2013)”, which would increase the opportunities for the biotechnology industry's research priorities to be funded from tax payers' money. The biotech industry already influences DG Research's annual call for proposals through its influence on several European Technology Platforms (ETPs), initiated with EU money by the Commission to provide industry input on research needs²³. But what is being referred to here is a “Joint Technology Initiative” (JTI), scaling up ETPs to create a PPP between the EU institutions and industry, allowing industry to benefit from guaranteed subsidies in the form of direct financial transfers²⁴. There are currently five JTIs, at a public cost of €3.14 billion for 2007 - 2013.

Industry was delighted with the proposal. Joanna Dupont-Inglis, a director at the biotech lobby group Europabio, told the press she was “really enthusiast” about the strategy, which could lead, according to her, to research on bioplastics and biofuels²⁵.

BusinessEurope, one of big business' main mouthpieces in Brussels, also supports the idea, and wrote to the European Parliament to demand that the Commission's proposal on public-private-partnerships in Horizon 2020 remained untouched²⁶.

¹⁹ EU looks at technology to make farms greener, Euractiv, 29 March 2012, <http://www.euractiv.com/specialreport-greening-cap/eu-looks-technology-farms-greener-news-511821>

²⁰ Paving the way for agrofuels, Corporate Europe Observatory, 29 August 2007, <http://www.corporateeurope.org/de/publications/paving-way-agrofuels>

²¹ Agrofuel Target is Not Sustainable, Corporate Europe Observatory, 8 January 2009, <http://www.corporateeurope.org/pressreleases/2009/agrofuel-target-not-sustainable>

²² The Strategy suggests the “setting up of networks with the required logistics for integrated and diversified biorefineries, demonstration and pilot plants across Europe, including the necessary logistics and supply chains for a cascading use of biomass and waste streams”.

²³ Biotech lobby targets the EU's research and agriculture funds, Corporate Europe Observatory, June 29 2011, <http://www.corporateeurope.org/publications/biotech-lobby-targets-eus-research-and-agriculture-funds>

²⁴ EU research funding: for whose benefit?, Corporate Europe Observatory, December 2012, <http://www.corporateeurope.org/publications/eu-research-funding-whose-benefit>

²⁵ EU strategy seeks brisk development of bio-economy, Euractiv, 14 February 2012, <http://www.euractiv.com/sustainability/eu-strategy-seeks-brisk-development-bio-economy-news-510756>

²⁶ In an April 24 2012 email sent to MEPs from the Industry and Research Committee and seen

The Commission's proposal goes beyond business as usual, suggesting that over 20 billion euro should be made available for “activities where businesses set the agenda”²⁷ within an “Industrial Leadership” component. Among these activities, biotechnology is one of the priorities, meaning the biotech industry will have even more funding opportunities (no specific budget is mentioned for biotechnology but the total budget line for the “Leadership in enabling and industrial technologies” is €14.678 billion).

Crucially, PPPs for research also benefit industry in the long run by directing public science towards an industry-driven agenda, and establishing working relationships between public scientists and industry. Yet the European Food Safety Authority (EFSA) has already claimed that this kind of research policy at EU and Member States levels makes finding experts without conflicts of interest with industry difficult²⁸.

To better understand the industry's position, it is important to remember that this debate is not only about industry trying to secure public subsidies to develop domestic “biomass”. It is also a part of the ruthless global competition for resources to sustain wealth creation. Eighty six per cent of the world's biomass is found in tropical and sub-tropical areas. Land and biomass now seem more attractive than ever for international investors who need to channel their capital to safer havens. Land grabs²⁹ in many of these areas (starting with sub-Saharan Africa and Latin America) are the result.

The products developed by the biotechnology/agrochemistry industry allow high returns in the short-term, but at a very high social and environmental cost. Having the EU's political support for such an environmentally and socially destructive 'green economy', as at the Rio +20 talks, is therefore very important to the industry³⁰.

“From technology to knowledge”: a new paradigm emerging

Not everyone in the Commission shares this enthusiasm and some have been arguing that changing current agricultural practices, rather than developing an 'industrial bioeconomy', should be the priority. Within some member states too, there seems to be some serious thinking about the need to substantially change the European approach to agriculture, and the kind of research needed to foster this change. This was reflected in the conclusions of a report by the Standing Committee on Agricultural Research (SCAR), a body tasked with advising the European Commission and member states on research priorities for agriculture. It concluded that “approaches that promise building blocks towards low-input high-output systems, integrate historical knowledge and agroecological principles that use nature’s capacity, should receive the highest priority for funding.”

by CEO, Business Europe underlined that “While there is certainly some room for improvement in the structure and management of PPPs, European companies recommend **NOT** to amend the essential elements of the Commission’s proposal for Horizon 2020 in this regard.”

²⁷ “Industrial Leadership” priority, Horizon 2020 special website, November 30 2011.

http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=competitive-industry

²⁸ Conflicts on the menu, Corporate Europe Observatory, 14 February 2012,

<http://www.corporateeurope.org/publications/conflicts-menu>

²⁹ See Global Land Grab definition on Sourcewatch,

http://www.sourcewatch.org/index.php?title=Global_Land_Grab

³⁰ Big business and the EU: painting the economy green, Corporate Europe Observatory, June 14 2012 <http://www.corporateeurope.org/publications/big-business-and-eu-painting-economy-green>

This conclusion echoes those of the International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD), an intergovernmental effort involving 900 participants and 110 countries under the co-sponsorship of the FAO, GEF, UNDP, UNEP, UNESCO, the World Bank and WHO. Sometimes nicknamed the “IPCC of agriculture”, this groundbreaking report explained that we had so far fed the world mainly by depleting natural capital, and needed to look beyond business as usual (i.e. a mere productivity approach) if we really wanted to address hunger and poverty. Wider issues such as food quality, sustainability, water use, land tenure and energy use were crucially important ingredients for any solution.

Dr. Annette Freibauer, a German climate and agriculture scientist who chaired the panel responsible for the SCAR report, told the European Parliament in December 2011 that what was needed in agriculture was a paradigm shift “from technology to knowledge”, leaving a standardised, industrial approach behind, and moving towards a more ecosystem-specific approach. In other words, working with nature rather than against it. Scientific research into agro-ecological techniques (biological pest control, crop mixes, agroforestry systems³¹, habitat management techniques...) combined with a multi-disciplinary and participatory approach³², including broader social innovations such as Community-Supported agriculture (CSAs) and other forms of urban agriculture, promise more genuinely sustainable food production, ecologically and socially. Specific biotechnology techniques such as Marker Assisted Breeding³³ (enabling much faster and more accurate conventional breeding) could also help.

Industrial farming lobby vs. sustainable food production

The current industrial agriculture model, varieties of plants and animals selected for their productivity and grown in mechanically and chemically sterilised and fertilised environments, has one advantage: it is simple. The companies selling the key products (fertilisers, biocides and veterinary drugs) needed (such as Syngenta, Monsanto, Dow, Bayer, Merck...) still deny there is any problem and fight any attempt to hold them liable for the damage caused. According to them, soil erosion, biodiversity destruction, toxic pollution of entire water streams and regions, rising antibiotic resistance among bacteria have nothing to do with their products and everything to do with their 'inappropriate' use by farmers.

A February 2012 case against Monsanto in Lyon, France, may have broken through the armour. For the first time ever, a French farmer won a case against a pesticide company after suffering severe poisoning when cleaning up his herbicide tank. Monsanto has appealed the decision. The herbicide involved, Lasso (trademark for Alachlor), was forbidden by the EU in 2006³⁴.

³¹ A growing concern, RTD Info, November 2004,

http://ec.europa.eu/research/rtdinfo/43/article_1656_en.html

³² Participatory plant breeding has for instance become a regular approach for its effectiveness at the International Center for Agricultural Research in Dry Areas (ICARDA), a global scientific organisation whose mandate is to “contribute to the improvement of livelihoods of the resource-poor in dry areas by enhancing food security and alleviating poverty through research and partnerships to achieve sustainable increases in agricultural productivity and income, while ensuring the efficient and more equitable use and conservation of natural resources.” See www.icarda.org. See also the EU-funded research project “Co-operative Research on Environmental Problems in Europe (CREPE)”, http://crepeweb.net/wp-content/uploads/2011/02/crepe_final_report.pdf

³³ Smart Breeding: Marker-Assisted Selection, a non-invasive biotechnology alternative to genetic engineering of plant varieties, Greenpeace International, November 13 2009, <http://www.greenpeace.org/seasia/ph/press/reports/MAS-report/>

³⁴ Monsanto guilty of chemical poisoning in France, Reuters, Monday February 13, 2012 <http://in.reuters.com/article/2012/02/13/france-pesticides-monsanto->

The problem of agribusiness' resistance to change was highlighted in the SCAR report: "Constraints to the spread of agro-ecology are related to the bias of current AKS [ed: Agricultural Knowledge Systems], backed by powerful economic and institutional interests and by lock-in conditions (Vanloqueren and Baret, 2009). As there is a need to develop the agro-ecological paradigm, public intervention is necessary"³⁵.

Having largely concentrated their markets over time, agribusiness companies have a great interest in the increased reliance on industrial agriculture techniques, be it for growing food or 'biomass'. And since public intervention is necessary to promote an alternative business model, these companies keep pushing to capture the funds on offer, or at least make sure these funds do not support projects that could prove their arguments wrong.

II. Lobbying for competing visions: industry dominates Brussels' agriculture policy space

In order to impose their vision of agriculture, agribusiness corporations can count on a very wide network of trade associations, consultancies, think tanks, friendly governments... on top of their own lobbying efforts. This army is very visible in Brussels, where they bombard media and politicians with press releases, position papers, invitations to events and meeting requests on a daily basis.

Agribusiness lobby groups in Brussels - the numbers

The lobbying battle on the whole CAP reform is more complex than just agribusiness interests versus all the others, but this dichotomy remains relevant for the research issue since what is at stake is a vision for the whole sector, not just detailed aspects on how direct payments should be managed or what should be the agri-environmental conditions to these. Corporate Europe Observatory (CEO) has found that **79% of the organisations lobbying on CAP reform, as listed in the European Transparency Register, are likely to be defending agribusiness interests** (see Appendix 1).

By examining their lobbying expenditures, it becomes clear how **the agribusiness industry, together with its main lobby allies, is outspending family farmers, consumers, workers, local authorities and environmental NGOs by a ratio of around 4 to 1. This imbalance is in all likelihood much bigger as the register is voluntary and has been found to have big gaps.**³⁶

Indeed several major food and retail companies and trade associations – Mars, Monsanto, Sara Lee, Metro, European Retail Round Table – are not listed in the register. The register also does not show the amount of lobbying going on at member state level – which can be expected to be significant, given that national governments are important players in this debate.

[idINDEE81C0FO20120213](#)

³⁵ Sustainable food consumption and production in a resource-constrained world, European Commission – Standing Committee on Agricultural Research (SCAR) The 3rd SCAR Foresight Exercise, February 2011, p.87

http://ec.europa.eu/research/agriculture/scar/pdf/scar_feg_ultimate_version.pdf

³⁶ Dodgy data – Time to fix the EU's Transparency Register, ALTER-EU, June 2012
<http://www.alter-eu.org/sites/default/files/Dodgy-data.pdf>

Very visible signs of this superior power which large corporations wield in agriculture debates are the numerous high-level events organised in Brussels by the agribusiness industry, and the number of high level speakers industry can attract. Take the “World Agricultural Forum”, a behind-closed-doors conference originally set up by Monsanto and which in 2011 drew delegates from around the world, and was opened by Paolo de Castro, the current chair of Agriculture Committee in the European Parliament. Sponsored by Bayer CropScience and a number of other agribusiness companies, this conference's entrance fee was above €1000 – enough to keep critics out.

Another example is the “Forum for the Future of Agriculture”, one of Brussels' biggest agriculture policy events. Jointly organised by Syngenta and the European Landowners Organisation (ELO), it involves most key decision makers in the CAP debate. A 2011 investigation by CEO³⁷ showed that Syngenta paid 1 million euro to ELO, benefiting from its high-level political network, to support the conference in “The Square”, one of the most expensive conference venues in the city. The 2012 event in March featured Syngenta's “Operation Pollinator”, a PR stunt with pollinating insects in glass cages and ads showing how farmers can encourage the presence of pollinating insects such as bees on their farms. The organisers must have a sense of irony as several Syngenta pesticides, such as Cruiser®, contain neonicotinoids, which have been shown to pose a danger to bees³⁸. Featuring Agriculture Commissioner Ciolos, the event was the moment De Castro chose to drop his previous apparent neutrality on GMOs, stating that GM crops should “absolutely” play a part in European agriculture, adding: “We have to invest in research and biotechnology has a very important role”.³⁹

On the same day, Europabio organised a conference inside the European Parliament on the “Benefits of biotechnology”, hosted by right-wing MEP Françoise Grossetête. The Health & Consumer Commissioner John Dalli – in charge of GMOs – was present, as well as Research Commissioner Geoghegan-Quinn who delivered the closing speech. She had also written the foreword to a new study published that day, commissioned by Europabio from consultancy Ernst&Young: “What Europe has to offer biotechnology companies – unravelling the tax, financial and regulatory framework”. In this publication Geoghegan-Quinn celebrated biotechnology as “one of the most important and beneficial sectors in the EU”.⁴⁰ Europabio had probably benefitted from the inside support of Maive Rute, DG Research's Biotechnology Directorate head, who joined the organisation's annual Board dinner in March 2011⁴¹ and has repeatedly demonstrated her support for industry.⁴²

Those at the Commission saying that alternative conferences on a similar level should be organised to counter such corporate PR operations should look at the costs. The yearly lobbying expenditures for the main progressive farmers' union in Brussels, the European Coordination bureau of the global peasants movement La Via Campesina, is €150,000 a year, almost 17 times less than the lobbying budget of Bayer CropScience.

³⁷ This is not an industry event, Corporate Europe Observatory, April 2011,

<http://www.corporateeurope.org/news/not-industry-event>

³⁸ A Common Pesticide Decreases Foraging Success and Survival in Honey Bees, Science, March 29 2012

<http://www.sciencemag.org/content/early/2012/03/28/science.1215039.abstract>

³⁹ See http://elo.vod.http.telemakstream.net/vod/ffa2012_session3.mp4

⁴⁰ What Europe has to offer biotechnology companies – unraveling the tax, financial and regulatory framework, Ernst & Young and Europabio, 2012

⁴¹ According to an email exchange seen by CEO.

⁴² Biotech lobby targets the EU's research and agriculture funds, Corporate Europe Observatory, June 29 2011, <http://www.corporateeurope.org/publications/biotech-lobby-targets-eus-research-and-agriculture-funds>

Of course conferences are just the visible tip of the iceberg, but the consequences of the discrepancy observed between agribusiness lobby groups and the others can be seen in other areas, starting with the funding capture already in place⁴³. Bodies like ETPs provide industry with privileged access to DG Research officials, enabling influence over the annual call to proposals. One of the latest examples of this was the call “KBBE.2012.3.3-01: Overcoming hurdles for innovation in industrial biotechnology in Europe” in 2011, which, after stating that there was a “lack of awareness of potential benefits that IB [Industrial Biotechnology] can offer to a number of established and often conservative sectors”⁴⁴, proposed €2 million for a project to design a strategy document to better develop IB in Europe and identify industry's biomass needs. The project also included identifying pilot projects and outreach activities in order to “strengthen the IB sector as a provider of technological solutions for many industrial sectors”, making clear that “The project will liaise with industry associations, European Technology Platforms (ETPs) and other relevant organisations and networks”. The project was awarded in April 2012 under the name BIO-TIC to Europabio and CEFIC (the chemical industry lobby). But could anyone else have obtained this funding under such terms? And don't the project's activities read very much like Europabio's own remit?

Case study: the role of COPA-COGECA

The role of the biggest farmers' union in Brussels, COPA-COGECA, in debates on agriculture has become, ironically, at the same time crucial and marginal as far as defending farmers' lives is concerned. The European farmers' organisation was once very powerful in Brussels, serving as an “auxiliary bureaucracy”⁴⁵ to the Commission's DG Agriculture, and still today any event organised on the CAP in Brussels would lack credibility if it did not have farmers in the room.

But COPA-COGECA's main problem today is its historical success as an organisation. European farmers, who created the COPA in 1958 at a time when most of them wanted progress through modernisation, have pretty much managed to lobby themselves out of business, with family farming, the former basic structure for rural communities, being increasingly replaced by bigger industrialised units.

In the field of research: COPA-COGECA is involved in several European Technology Platforms alongside representatives from industry,⁴⁶ giving credibility to these agenda-setting industry-driven lobby groups. Similarly, the only speakers at the February 2012 workshop COPA-COGECA organised on the issue of agricultural research were, apart from the EU authorities, agribusiness lobbyists, representing the pesticides industry (ECPA), pharmaceuticals companies (IFAH), biotechnology

⁴³ EU research funding: for whose benefit?, Corporate Europe Observatory, December 2012, <http://www.corporateeurope.org/publications/eu-research-funding-whose-benefit>

⁴⁴ FP7 COOPERATION WORK PROGRAMME 2012 - THEME 2 : FOOD, AGRICULTURE AND FISHERIES, AND BIOTECHNOLOGY European Commission C(2011)5068 of 19 July 2011, p.54

⁴⁵ LEHMBRUCH Gerard, the Intermediation Of Interests In Agricultural Policy: Organized Interests And Policy Networks, in The significance of politics and institutions for the design and formation of agricultural policies, Klaus Froberg / Peter Weingarten (eds.) (Studies on the Agricultural and food sector in Central and Eastern Europe, edited by Institute of Agricultural Development in Central and Eastern Europe (IAMO), vol. 2). Wissenschaftsverlag Vauk, Kiel 1999

⁴⁶ <http://cordis.europa.eu/technology-platforms/>

industry (Europabio), big food companies (FoodDrinkEurope) and fertilisers producers (Fertilizers Europe)⁴⁷. On the other hand, it is not a member of the TP Organics, the technology platform on organic farming.

This shows that COPA tends to consider industry's vision of agriculture as its own. Is it the best idea to have when industrial agriculture threatens to wipe out family farmers from Europe?

Decision time

The discussions on Horizon 2020, the source for the agricultural research funding discussed here, are still ongoing at the Parliament, with a final vote by the ITRE (Industry and Research) Committee expected in October/November 2012. The draft report elaborated by the ITRE Committee, seen by CEO mid-June 2012, has not significantly changed the specific proposal on agricultural research.

The Council took an early decision on Horizon 2020 on 31st May 2012, agreeing on the text pending negotiations with the European Parliament. Proposing to slightly increase the total budget to €86 billion⁴⁸ and keeping the Commission's proposal mainly intact, the Council's document now makes explicit in the section on research for agriculture the contradiction between the fact that "More and more biological resources are needed to satisfy market demand for a secure and healthy food supply, bio-materials, biofuels and bio-based products" and the fact that "the capacities of the terrestrial and aquatic ecosystems required for their production are limited, while there are competing claims for their utilisation, and often not optimally managed, as shown for example by a severe decline in soil carbon content and fertility." But the contradiction between preserving ecosystems and developing the "bioeconomy" is still there, and it remains to be seen whether language about an "optimal and renewable use of biological resources and towards sustainable primary production and processing systems that can produce more food and other bio-based products with minimised inputs, environmental impact and greenhouse gas emissions, enhanced ecosystem services, zero-waste and adequate societal value" will go beyond the rhetoric.

As far as the CAP negotiations are concerned, the research funding proposal seems uncontroversial. The Commission's CAP proposal deals mostly with the setting up of the European Innovation Partnership (EIP) (Article 53 of the Rural Development Regulation), a network whose objectives are to "fill gaps by better linking research and practical farming", an open-ended remit which has been welcomed by both environmental groups and the biotechnology industry. But will the Parliament and member states accept this on one of the CAP reform's most strategic budget items?

⁴⁷ Program of the workshop Research and innovation to prompt a sustainable, productive and competitive agricultural sector in Europe, COPA-COGECA, 21 February 2012, [http://www.copa-cogeca.be/img/user/file/2012%20RES/RES\(12\)361EN%5B2%5D.pdf](http://www.copa-cogeca.be/img/user/file/2012%20RES/RES(12)361EN%5B2%5D.pdf)

⁴⁸ Proposal for a Regulation of the European Parliament and the Council establishing Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020) - Partial general approach, Competitiveness Council of 31 May 2012, <http://register.consilium.europa.eu/pdf/en/12/st10/st10663.en12.pdf>

Conclusions and remarks

One of the battles in the current CAP reform concerns a considerable budget of €4.4 billion for research in the field of agriculture, from the EU's Horizon 2020 Research funding programme. But beneath the budgetary battle lies a deeper conflict between opposing visions for the future of European agriculture: will these funds further feed a proven failed industrial farming system, or will they enable a different approach that focuses on sustainable, local food production?

What does seem clear is that the current Commission's DG Research is pushing hard for the first option, dubbing it the 'bioeconomy' approach. The fact that this approach relies on the vision developed by the very same agribusiness corporations whose products were the cause of the problems should come as a warning, but corporate spin can go a long way in Brussels. One of DG Research's most worrying proposals in the bioeconomy strategy is to fund public-private partnerships on research with biotech companies – on top of all the money and policy influence these already enjoy. This is in stark contrast with the type of ecosystem-specific, multidisciplinary and participatory research projects that could help foster a radical transition in the way we produce our food without jeopardising the future. DG Agriculture, the other possible manager of this fund, seems to have a vision more adapted to the challenges, but its European Innovation Partnership is as yet uncertain which direction it will take.

The political negotiations around this funding for agricultural research are now entering their final stage, with the Council of the EU having already reached a proposal on May 31st 2012 and the European Parliament debating the final amendments to its reports, which will probably be voted on in October or November 2012. With a Horizon 2020 initial proposal solidly in favour of agribusiness interests (€20 billion for business-driven projects), it remains to be seen to what extent the final outcome of the negotiation will reflect the lobbying influence of agribusiness.

Unfortunately, those who promote alternative views (family farmers, environmental and consumer associations, some local authorities...) have far less resources at their disposal. Even taking the limited information available in the European Transparency Register indicates that agribusiness interests outnumber and outspend family farmers, consumers, workers, local authorities and environmental NGOs by at least 4 to 1. The number and political weight of policy events organised by agribusiness interests in Brussels echo this power imbalance. Last but not least, COPA-COGECA, the European federation of the largest national farmers' unions and a key lobby group in all CAP reforms, remains clearly aligned with industry's positions as far as its vision for agriculture is concerned.

The new CAP will have a strategic and long-lasting impact on Europe's agriculture. Replicating the model of the past, and blindly going for free-trade and competitiveness goals makes little sense from an environmental, social or even a competitiveness point of view. Unfortunately, the research priorities the EU has laid down so far serve such a vision in their large majority. Is there any way the trend could be reversed? Could the EU learn, after four decades of social and environmental destruction, that agribusiness's interests do not match Europe's and start to support sustainable ways out of this dead-end? Examples are already there, with the spontaneous multiplication of organic farms, short supply chain projects and urban agriculture all over Europe. Which world will the EU's tax-payer money favour, the old or the new?