

EUROPEAN GREEN DEAL AND FARMERS' PROTEST

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)



Background

The European Green Deal represents a comprehensive array of policy measures designed to steer the European Union (EU) towards a sustainable transition, with the overarching goal of achieving climate neutrality by 2050.

The package encompasses initiatives spanning climate, environment, energy, transportation, industry, agriculture, and sustainable finance, all of which are deeply interconnected. At its core, the Deal aims to foster the EU's evolution into a fair and prosperous society, characterized by a modern and competitive economy. The Green Deal emphasizes the need for an integrated and interdisciplinary approach, where various policy realms work synergistically to advance overarching climate goals.

The European Climate Law (ECL) solidifies the EU's commitment to climate neutrality, with binding legislation aimed at reducing net greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels.¹

Meanwhile, the European Council provides strategic guidance for EU policies. The commitment to climate neutrality by 2050, endorsed in the strategic agenda and reaffirmed on December 11, 2019,

¹ "European Green Deal", European Council - Council of the European Union, accessed on May 15, 2024. <https://www.consilium.europa.eu/en/policies/green-deal/#:~:text=The%20European%20Green%20Deal%20is%20a%20package%20of%20policy%20initiatives,a%20modern%20and%20competitive%20economy.>

establishes a clear framework for future endeavours. The European Commission presents its Green Deal proposals to the Council of the EU and the European Parliament, where member states collaborate as co-legislators to enact legislation.

Regarding legislative proposals, the ultimate objective is to enact legislation, typically through the ordinary legislative procedure, in which the Council and the European Parliament collaborate as co-legislators.²

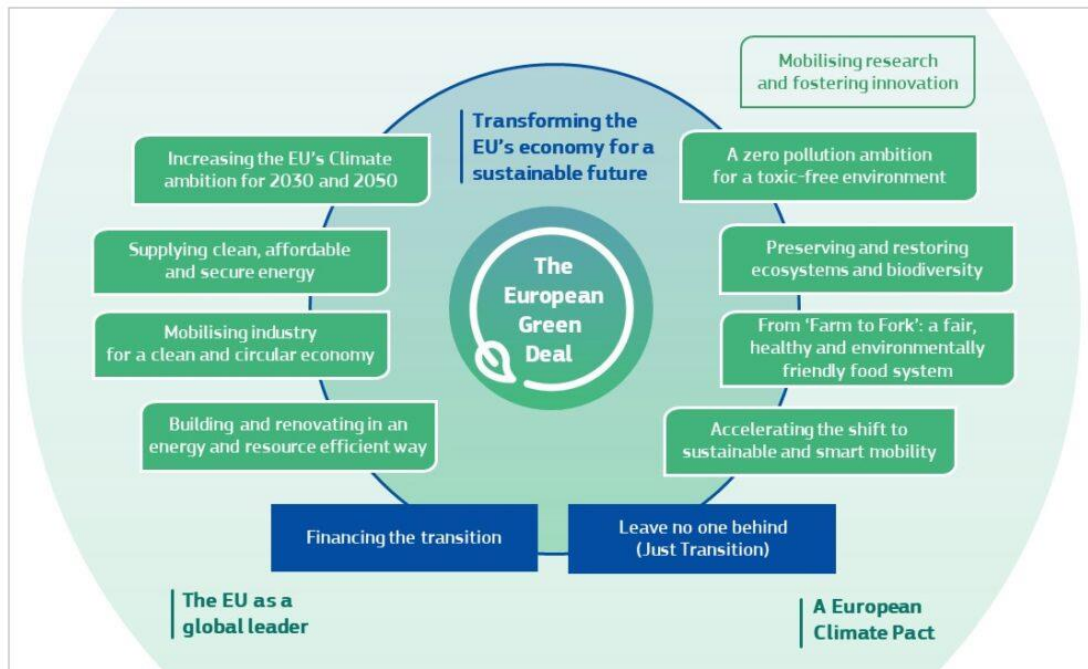


Figure 1³

Salient Features of the EU Green Deal:

- Fit for 55: A legislative package aimed at turning the Green Deal's climate ambitions into law, revising climate, energy, and transport legislation to align to cut emissions by 55% by 2030.
- European Climate Law: Establishes a legal requirement for the EU to achieve climate neutrality by 2050, with a 55% emissions reduction target by 2030.

² "European Green Deal", European Council - Council of the European Union, accessed on May 15, 2024. <https://www.consilium.europa.eu/en/policies/green-deal/#:~:text=The%20European%20Green%20Deal%20is%20a%20package%20of%20policy%20initiatives,a%20modern%20and%20competitive%20economy.>

³ "The European Green Deal", Switch2Green, accessed on May 15, 2024. <https://www.switchtogreen.eu/the-eu-greendeal/#:~:text=The%20benefits%20of%20the%20European%20Green%20Deal&text=fresh%20air%2C%20clean%20water%2C%20healthy,more%20public%20transport>

- **Farm to Fork Strategy:** Seeks to make the EU food system more sustainable as part of the broader climate neutrality goal.
- **Just Transition Mechanism:** Provides financial and technical support to regions most affected by the transition to a low-carbon economy, aiming to mobilize at least €55 billion from 2021-2027.
- **Circular Economy Action Plan:** Promotes circular systems in production and consumption to decouple economic growth from resource use, a key element in achieving climate neutrality.

Farmers' Protest

Farmers from at least ten European nations have come together in protest, with participants hailing from Greece, Poland, Spain, Germany, France, Romania, Italy, Belgium, Portugal, Czech Republic, and Lithuania.

These protests have roots dating back to 2019 when Dutch farmers blocked roads in response to nitrogen emission restrictions.⁴ Polish farmers initiated blockades at the Ukrainian border in late 2023, demanding the reinstatement of policies that were revoked following the commencement of Russia-Ukraine conflict in 2022.⁵

While grievances vary by region, the protests share common themes. Farmers are protesting the influx of inexpensive imports from Ukraine, delayed subsidies, high taxation, and stringent EU green regulations on land use and emissions. These concerns are compounded by the dilemma faced by governments, which must balance agricultural livelihoods with climate change mitigation efforts.⁶

Farmers, though only 4.2% of the EU's workforce and contributing 1.4% to the bloc's GDP, wield significant political influence, particularly in rural communities where dissatisfaction with distant policymakers is palpable.

A report commissioned by the EU's Committee of the Regions in February 2024 highlighted high levels of Eurosceptic voting in rural areas, fuelled by issues like migration and economic insecurity.

⁴ Anna Holligan, "Why Dutch farmers are protesting over emissions cuts", BBC, published on July 29, 2022. <https://www.bbc.com/news/world-europe-62335287>

⁵ "Polish farmers end blockade of Ukraine border crossing", The Guardian, published on December 24, 2023. <https://www.theguardian.com/world/2023/dec/24/polish-farmers-end-blockade-of-ukraine-border-crossing>

⁶ D V L S Pranathi, "Farmers' protest in Europe: What has led to unrest across the continent?", Business Standard, published on February 22, 2024. https://www.business-standard.com/world-news/farmers-protest-in-europe-what-has-led-to-unrest-across-the-continent-124022200834_1.html

Far-right parties have capitalized on this discontent, positioning themselves as defenders of farmers and using the protests to highlight perceived failures in the EU's green policies.⁷

Rising production costs and stagnant or declining farm incomes have driven many farmers to adopt economic strategies such as expanding production and taking on debt, exacerbating their financial stress. Others have turned to organic farming or short distribution channels, but many of these markets collapsed after the COVID-19 pandemic. Large agro-industrial groups, meanwhile, have capitalized on the situation, expanding through mergers and driving down prices further.⁸

Current Situation

Following the EU agriculture ministers' meeting in Brussels on March 26, 2024, European policymakers rolled back several key environmental regulations; restricted the import of tariff-free Ukrainian grains; and abandoned proposed legislation to limit pesticide usage.⁹ These moves came in response to farmers' protests, which resonated with voters ahead of the 2024 European Parliament elections. From Poland to Portugal, farmers secured concessions that reshaped the EU's environmental policies in the lead-up to the elections.

Environmental groups, however, have expressed concern that these rollbacks undermine the EU's long-term climate goals. They argue that mainstream parties, in an effort to curb the appeal of populist movements in rural areas, are sacrificing the Green Deal's objectives. This tension between economic realities and environmental policies had become a key issue in the European elections. Far-right and nationalist parties, which had aligned themselves with the farmers' protests, gained ground, adding to the political complexity.

At the same time, geopolitical factors like the ongoing conflict in Ukraine and the global rise in food and energy prices have exacerbated farmers' economic struggles. The Ukrainian grain issue, in particular, has added to existing tensions between EU member states, as some countries push for protectionist measures while others prioritize solidarity with Ukraine.

Farmers are particularly concerned about new EU subsidy regulations, which require 4% of farmland to be set aside as fallow, effectively reducing the amount of land available for cultivation. With cuts

⁷ Kate Abnett, "Europe's restless farmers are forcing policymakers to act", Reuters, published on April 3, 2024. <https://www.reuters.com/world/europe/europes-restless-farmers-are-forcing-policymakers-act-2024-04-03/>

⁸ Morgan Ody and Vincent Delobel, "Farmers' protests in Europe and the dead-end of neoliberalism", Aljazeera, published on February 25, 2024. <https://www.aljazeera.com/opinions/2024/2/25/farmers-protests-in-europe-and-the-deadend-of-neoliberalism>

⁹ "EU agrees to cap tariff-free Ukraine farm imports", Aljazeera, published on March 20, 2024. <https://www.aljazeera.com/news/2024/3/20/eu-agrees-on-new-cap-for-duty-free-ukraine-farm-imports>

to fuel subsidies and strict environmental rules, farmers argue that the Green Deal's demands are too burdensome. The Commission has proposed easing some regulations, such as those on crop rotation and soil cover protection, in response to mounting pressure. Small farmers heavily involved in the protests will also be exempt from certain controls and penalties.¹⁰

Conclusion

The farmer protests have had a profound impact on the EU's political landscape, particularly in the aftermath of the 2024 European Parliament elections. As expected, the concessions made to farmers, such as rolling back environmental regulations, played a significant role in the electoral performance of various political parties. Far-right and nationalist parties, which aligned themselves with the grievances of the rural communities, made notable gains in the election, further complicating the EU's efforts to maintain its ambitious climate goals.

The political landscape post-election has shifted, with mainstream parties now seeking ways to balance their commitments to the Green Deal with the need to address farmers' economic concerns. This has led to calls for a re-evaluation of key Green Deal components, especially in the agricultural sector, where stricter environmental regulations have clashed with the economic sustainability of small farmers. The rollback of regulations, though temporarily appeasing rural voters, has sparked criticism from environmental groups who fear that Europe may fall short of its 2050 climate neutrality target.

The elections have also deepened the urban-rural divide, with rural areas increasingly feeling alienated by the EU's broader environmental agenda. As a result, the future of the Green Deal now hinges on finding a compromise that addresses both the urgent need for climate action and the socioeconomic realities of European farmers. With growing populism and Euroscepticism in rural areas, the EU faces a critical juncture where the decisions made in the coming months will determine whether Europe can sustain its climate ambitions while also protecting the livelihoods of its agricultural communities.

As the newly elected Parliament takes shape, it remains to be seen how these political dynamics will influence the trajectory of the Green Deal. Environmental regulations will likely undergo further revision to reflect the changing political and social realities across Europe, while debates about the

¹⁰ "Election time in EU; Green Deal measures are to be reviewed to try and quell farmers protests", Metro Press, published on March 16, 2024.
<https://en.mercopress.com/2024/03/16/election-time-in-eu-green-deal-measures-are-to-be-reviewed-to-try-and-quell-farmers-protests>

balance between environmental sustainability and economic security are expected to dominate the upcoming policy discussions.