

# Environmental impacts of agricultural support

## What we know – and what we don't know

Martin von Lampe

Head, Monitoring and Evaluation Unit  
Trade and Agriculture Directorate

12 September 2024

Addressing environmentally harmful agricultural subsidies through the WTO  
WTO Public Forum

Restricted Use - À usage restreint





# OECD work stream on the impact of agricultural policies on the environment

## Monitoring

### Agri-environmental indicators (54 countries)

- 10 environmental domains (land, water, GHGs, nutrients...) and 62 indicators

### Agricultural policy monitoring and evaluation (PSE database) (54 countries)

- Inventory of policy interventions (1986-2023)
- Estimate of budgetary and price support

## Reviews

### Country reviews

- Collection of evidence and in-depth analyses of impact of agricultural policies in coordination with governments

### Scientific literature reviews

- Impact of particular policy instruments on the environment
- Relation between productivity and the environment

## Evaluation

### Economic modelling

- Farm level modelling
- Global partial and general equilibrium modelling

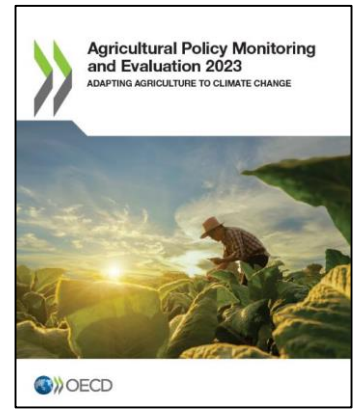
### Empirical methods

- Causal data analysis methods
- Composite indicators on environmental sustainability



# OECD Agricultural Policy Monitoring and Evaluation

>> <http://oe.cd/monitoring>



## ▶ Annual report providing

- ▶ A qualitative description of agricultural policy changes across the world
- ▶ A quantitative estimation of public support to agriculture for producer (PSE), consumer (CSE) and general services

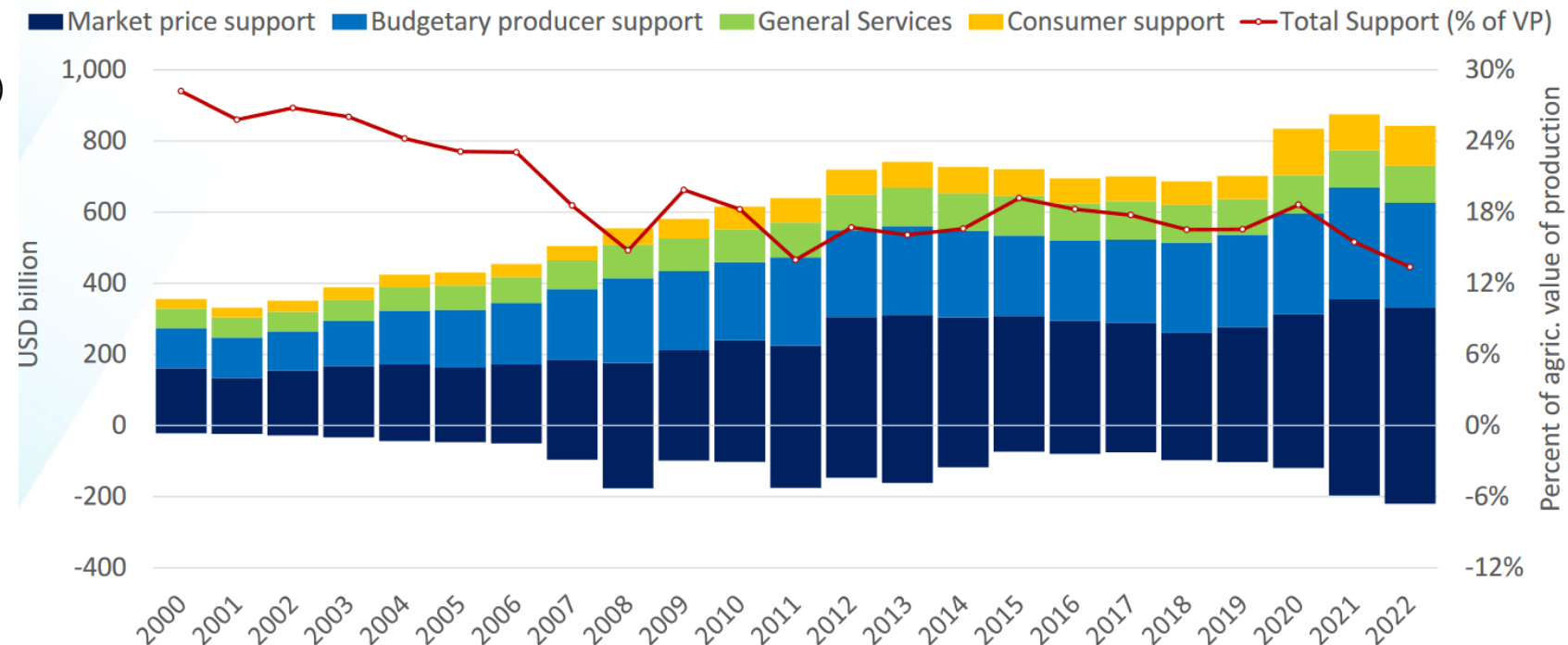
## ▶ 54 countries covered

(OECD + EU + 11 emerging countries)

## ▶ Coverage of 75% of global agricultural value-added

## ▶ 851 billion USD per year for agricultural support in 2020-22

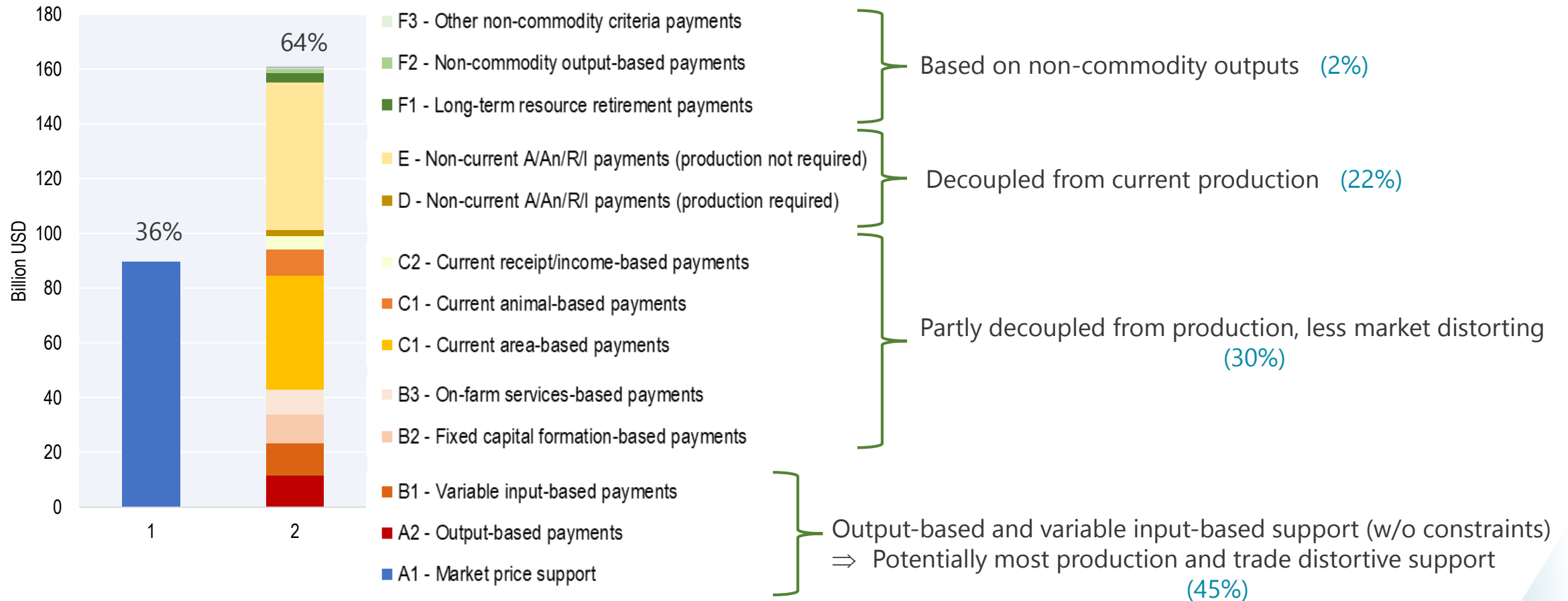
## ▶ > 7,500 agricultural support interventions inventoried





# Extensive OECD data on agricultural support, based on criteria related to policy implementation

Decomposition of OECD producer support estimate (PSE) by implementation criteria



Source: [OECD Agricultural Policy Monitoring and Evaluation](#), average annual support 2019-21.



# Several complexities require more detailed attention

- ▶ Differentiating between local/national and global environmental impacts
  - ▶ Particularly important in the case of global commons (climate, biodiversity)
- ▶ The landscape of environmentally motivated policies is becoming increasingly complex
  - ▶ Different types of payments linked to specific requirements and non-commodity outputs
- ▶ A number of methodological issues need to be solved
  - ▶ What do we compare specific policies to (counterfactual)?
  - ▶ How should we account for the diversity of environmental impacts, trade-offs and synergies?
  - ▶ How to assess the degree of additionality?
  - ▶ How to reflect local conditions or specific implementation details that may affect the impact of policies?



# Consistent information on policies and involved transfers remains fundamental

- ▶ OECD continues to
  - ▶ Invest in collecting, structuring and publishing this information
  - ▶ Work towards increasingly detailed representation of relevant implementation details
  - ▶ Develop, expand and apply its tools for analysing the impacts of agricultural policies
- ▶ OECD fosters collaboration and exchange
  - ▶ Collaboration required on combining national and international data on support and the environment with local and regional data and analysis
  - ▶ Wider efforts needed to reform environmentally harmful support
- ▶ All our policy monitoring information can be found on [oe.cd/monitoring](https://oe.cd/monitoring)

**THANK YOU!**

Restricted Use - À usage restreint