

RURAL AREAS

NEWSLINK

NEWSLETTER FOR AGRICULTURE, ENVIRONMENT AND
RURAL DEVELOPMENT IN CENTRAL AND EASTERN EUROPE

POLISH FARMERS IN THE ENLARGEMENT PROCESS

In Polish history the agricultural sector often had to accept the will of the rulers under political pressure. This was the case with obligatory deliveries, 'enforced' establishment of co-operatives and creation of State owned farms. An old Polish proverb says "a slave does not make a good worker". This short introduction shows the importance of persuading Polish farmers that it is worth becoming an EU Member.

However, recent opinion surveys reveal that the number of EU integration supporters among the rural population is decreasing. Why? There are several answers to this question. Firstly, because production profitability is decreasing – many farmers are sceptical that it will improve after EU accession. It is said that the Polish budget cannot support agricultural production premia, and sources in Brussels state that their level will be lower than that obtained by current EU producers.

Secondly, the uncertain future of agricultural policy sows seeds of doubt in the minds of young inhabitants in rural areas. Thirdly, the development of modern wholesale markets and commodity exchanges as well

as co-operation procedures with farmers is proceeding too slowly. Fourthly, national regulations for the establishment of producer groups and associations do not meet the expectations of Polish farmers.

They also fear that after EU accession local markets will be flooded with cheaper EU commodities that will reduce them and the local agri-food industry to beggary. Another concern is the alarmingly large share of foreign capital in the privatisation process of agri-food processing industries. Finally, the farmers are still waiting for the promise to be fulfilled that before and after EU accession their obligations will be in balance with their rights.

Polish farmers use far fewer pesticides and fertilisers than their EU counterparts. Many smaller farms are still employing traditional farming methods. Apart from large livestock units most Polish farmers are therefore already farming in an environmentally sensitive way. We have heard that agri-environment schemes cover 20 per cent of the agricultural land in the EU. Such agri-environment payments should

become available to those Polish farmers who already take care of the environment.

Quite a number of farmers in Poland have diversified their income by providing tourist accommodation, through forestry work or by growing high value crops. We encourage our members to pursue this road if they can. However, such additional income does not compensate fully for the decline in prices of the main agricultural products, and such options are not open to all farmers.

Polish farmers need a pre-accession policy that takes account of their specific situation and gives them time to adapt. Because of its small farm structure Polish agriculture needs special support. If agri-environment payments or rural development are one way of doing so, they should be used for maintaining the farming communities that are the heart of our country.

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MATSALU BAY – A RURAL DEVELOPMENT PROJECT OF WWF SWEDEN IN ESTONIA

Matsalu Bay is a shallow arm of the Moonsund Sea (Väinameri) on the western coast of Estonia. Together with the Kasari River delta, coastal areas around the bay and over 40 islets, the area constitutes Matsalu Nature Reserve (established in 1957). The reserve is of great importance for the high diversity of its coastal grasslands, wooded meadows, woodlands and the river floodplains. It is also a migration point for thousands of geese, ducks, swans and other birds. It was declared a Ramsar site in 1975.

The local habitats have largely been created through extensive agricultural use, but in the last 50 years traditional farming practices have been replaced with intensive agricultural methods on a large scale. Since 1990, farm de-collectivisation and low agricultural profitability have decreased the problem of water pollution due to intensive livestock production. However, livestock numbers have become so low that many semi-natural grasslands are abandoned and revert to forest. To counteract this trend, since 1996, the reserve administration has implemented a grassland management scheme with financial support from the Estonian Environment Ministry. Farmers receive an incentive payment for grazing of coastal grasslands and the mowing of floodplain or wooded meadows. So far the scheme has been introduced on about 3,500 ha.

Support by WWF Sweden has enabled other crucial conservation and rural development initiatives in the area. It supported the elaboration of management plans for the nature reserve and Matsalu Bay in 1993 and 1996, respectively. To encourage continued agricultural management of the semi-natural grasslands, WWF financed the purchase and subsequent leasing of tractors and mowers to farmers in the area (additional machinery has been acquired with support from the EU PHARE programme and the Ramsar Bureau) and the introduction of Scottish Highland Cattle and Estonian Hereford stock. This should also enable local farmers

to diversify into beef production since dairy farming has become completely unprofitable due to the economic recession in Russia. A project review showed that Matsalu farmers regard the conservation support through management payments and leased machinery as vital for the survival of their farms. As the initiator and local contact point for this help, the reserve administration is a respected partner in the farming community with whom they would like to co-operate in the future.

However, all these initiatives and payments are not yet enough to stem the decline of farming and create jobs to prevent a further depopulation of the Matsalu Bay area. Local partners and WWF Sweden have developed a vision of sustainable rural development for the entire Väinameri region, which would support local communities and conserve the natural heritage. WWF sees nature conservation not as an obstacle to development but as an opportunity that allows traditional land-use patterns and the associated rural communities to survive and build a future. With financial support from the Swedish International Development Agency several actions are planned to:

- promote the use of grassland and forest biomass for energy production;
- run skill training and adult education classes;
- market the products from diversified agricultural production;
- develop rural tourism and local handicrafts;
- promote sustainable agricultural practices to decrease the agricultural nutrient run-off into the Baltic Sea.

As in previous actions WWF Sweden gives great importance to the co-operation and involvement of local people. Only through local action and with community support can sustainable development succeed. WWF hopes that a good basis can be laid for such initiatives through its continuous support.

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COUNTRYSIDE SUPPORT SCHEMES IN CENTRAL AND EASTERN EUROPE

What policies can be used to preserve a diverse countryside that has been shaped largely by traditional agricultural systems? Within the EU, two policy instruments are particularly important. The first is the Agri-environment Regulation 2078/92 which has resulted in agreements covering about 20% of the total agricultural area in the EU. The other provides support for farmers in Less Favoured Areas (LFAs) which now extend to about

56% of all farmland in the EU. LFA payments are designed to compensate for difficult agricultural conditions, stem population decline and protect the countryside. Agri-environment schemes focus on environmental protection and enhancement, whereas socio-economic criteria are the main reason for LFA support. Similar policies can also be found in a number of central and east European countries (see Table 1).

Table 1 LFA Measures in CEE

Country	Size of LFA measure/% of agricultural land	Main Scheme Objectives
Czech Republic CZ	LFA: 1,000,000 ha ⁽⁴⁾ 23.4%	Maintain rural landscape and population
Hungary HU	LFA: 2,750,000 ha ⁽³⁾ 44.5%	Maintain rural landscape and population
Lithuania LI	LFA restructuring: 360,000 ha ⁽³⁾ 11.4%	Improve living standard of farm population and increase employment in rural areas
Poland PL	tax relief on marginal soils ⁽³⁾ 34.6% plus mountain areas	Support for farms on marginal land to prevent rural de-population
Romania RO	2 small LFA type schemes ⁽³⁾ <1% of agricultural land	Sustainable regional development, support for farming in marginal areas
Slovenia SL	LFA: 20 MEuro ⁽¹⁾ 17.7% of agriculture budget	Maintain rural landscape and population, mainly targeted at mountain areas
Slovakia SK	LFA: 1,377,000 ha ⁽²⁾ 56.3%	Maintain rural landscape and population

(1) Data for 1996 (2) Data for 1997 (3) Data for 1998 (4) Data for 1999

Table 1 shows a core group of central European countries (CZ, HU, PL, SI, SK) that already provide support to farming in marginal areas, especially to grassland based systems. Among the three Baltic countries only Lithuania has established a similar programme to date. Bulgaria, Estonia, Latvia (and Romania) have not yet developed (substantial) LFA type schemes. The Czech Republic ties its LFA support to a minimum livestock density of 0.1 (organic farming) or 0.25 (conventional farming) livestock units per hectare to ensure basic grassland management.

Table 2 shows agri-environment measures. The most widespread scheme is support for organic farming, which is found in six countries with landscape-based LFA measures. Traditional livestock breeds are also given considerable attention. Bulgaria, Latvia and Romania have not yet introduced agri-environment schemes. Table 2 does not include the small or temporary schemes for grassland management in protected areas that are financed by the Ministry of the Environment or the National Environment Fund in Hungary, Poland and Slovakia.

When agri-environment experts from all CEE countries were consulted by IEEP in spring 1999 about their priorities for rural policy, they nominated the following objectives:

- support the farming population in marginal areas;
- ensure the management of semi-natural grassland habitats;
- introduce sustainable land use practices, in particular organic farming;
- provide environmental education and training for farmers.

It is clear that agri-environment and LFA measures are already among the agricultural policy instruments used by most of the candidate countries, with LFA type schemes commanding

Table 2 Agri-environment Measures in CEE

Country	Main Scheme Objectives/area or budget
Czech Republic	Support for organic farming: 62,000 ha ⁽³⁾ Nature conservation management in protected areas: 800,000 Euro
Estonia	Semi-natural grassland management on Ramsar site: 3,500 ha ⁽²⁾
Hungary	Support for organic farming: 15,000 ha ⁽³⁾ Traditional livestock breeds: 400,000 Euro ⁽³⁾
Lithuania	Support for organic farming: 89,300 Euro ⁽³⁾ Sustainable agriculture in Tatula area: 0.9 MEuro ⁽²⁾
Poland	Support for organic farming: initiated in 1999 Traditional livestock breeds: 50 breeds covered
Slovakia	Support for organic farming: 50,000 ha ⁽³⁾ Traditional livestock breeds: 6000 Euro ⁽³⁾
Slovenia	Support for organic farming: 359 ha ⁽⁴⁾ Traditional livestock breeds: 380,700 Euro ⁽⁴⁾ Management of alpine meadows: 245 ha ⁽²⁾

(2) Data for 1997 (3) Data for 1998 (4) data for 1999

considerable resources. Thus, most applicant countries have at least begun to address these concerns. However, the limited scale of agri-environment schemes makes it unlikely that without additional support they will find sufficient financial resources to preserve the traditional diversity of their countryside in all its aspects.

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DEVELOPING A PILOT AGRI-ENVIRONMENT SCHEME IN ESTONIA

Proposals for a pilot agri-environment programme in Estonia suggest four different agri-environment schemes:

- the General Environmental Protection Scheme to ensure environmentally friendly farming practices and the protection of wildlife habitats;
- the Special Measures Scheme that compensates farmers for organic farming, the creation or management of sensitive habitats; the keeping of endangered livestock breeds etc;
- the Abandoned Land Scheme to ensure the management of abandoned land for biodiversity, landscape or fire prevention reasons;
- the Training and Demonstration Scheme to increase the environmental awareness of farmers and give them technical knowledge for fulfilling the programme requirements.

Farmers can only participate in these schemes if they draw up a whole farm environmental plan together with a farm adviser and fulfil standards of good agricultural practice.

Technical questions such as scheme administration and the calculation of payment levels were the most difficult issues during the development of the programme proposal. Given low input use and farm profitability the justification of payments to farmers for environmental services based on EU guidelines, even for biodiversity and landscape protection, remains difficult. This underlines the importance of piloting agri-environment schemes under SAPARD to test out different administrative and payment models under central and east European circumstances.

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LIFE PROJECTS 1999

The LIFE programme is sub-divided into three different sectors: LIFE-Environment, LIFE-Nature and LIFE-Third Countries. LIFE-Environment supports pilot and demonstration projects in the priorities of EU environmental policy. LIFE-Nature is largely dedicated to supporting the establishment of the Natura 2000 network. LIFE-Third Countries is dedicated to environment and conservation projects in the Mediterranean and the Baltic region outside the candidate Countries.

Romania is the first candidate Country to participate in LIFE by paying 1.36 million euro into the LIFE fund for 1999 (complemented by 850,000 euro from the national PHARE programme). This provides a total support of about 2.2 million euro for the 11 projects chosen in Romania (plus one about to be included in the 1999 budget). Four projects belong to LIFE-Environment dealing with water recycling, environmental data collection and interpretation, as well as waste recycling. The other seven Romanian projects fall under LIFE-Nature, covering support for the management of protected areas, the restoration of the hydrology of wetlands and measures for three species threatened at European scale.

The second reading for LIFE III (2000–2004) in the European Parliament is expected for the end of 1999. Thus, the year 2000 application period will remain open until 31 March. Apart from Romania and Slovenia no candidate Countries have as yet expressed interest in participating in LIFE III. The main reason for this reticence is likely to be the lack of additional EU funding outside the current pre-accession funds.

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EUROSTAT REPORT ON AGRICULTURE AND THE ENVIRONMENT

In collaboration with DG VI and DG XI, EUROSTAT, the EU statistical service, has published a new report on the relationship between agriculture and the environment. The report is a comprehensive survey of the impact of agriculture on the environment in the EU, containing chapters on the structural changes in different agricultural sectors, non-food and energy crops, agri-environment measures, Natura 2000, forestry, agricultural input use, climate change, soil, water and agricultural landscapes.

The report provides a useful synthesis of statistical trends at the EU level, but only gives snapshots of developments at country or even regional level. Given the complex relationship between farm management and biological and landscape diversity the report does not always provide a complete picture of key agricultural trends for nature conservation at national or sub-national level. Nevertheless, it is a useful source of background information with much data on statistical trends in the individual parameters analysed. It is a good introduction to, and summary of, the impact of agriculture on the environment in the EU.

The report '*Agriculture, environment, rural development: facts and figures – A challenge for agriculture*' is available on the internet:
<http://europa.eu.int/comm/dg06/envir/report/en/index.htm>

It can also be ordered from national EU publication services in CEE or from:

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THE RSPB/BIRDLIFE INTERNATIONAL EU ACCESSION PROJECT

This BirdLife International project aims to influence the accession negotiations between the EU and the accession countries to maximise the potential of the EU accession process to threatened species and habitats. The project's main objectives are:

- adoption and implementation of the EU Birds and Habitats Directives in the accession countries;
- promoting the development of national rural development programmes under SAPARD that benefit wildlife and habitats;
- monitoring investment projects (especially transport infrastructure) and their potential impact on nature and wildlife.

The RSPB (The Royal Society for the Protection of Birds) is working with BirdLife International Partners in the 10 central and eastern European countries to achieve the project objectives. The project is assisted by the BirdLife International European Community Office in Brussels. In four countries (Czech Republic, Hungary, Poland and Slovenia), national projects have begun with new staff, who are responsible for influencing the accession process at national level, while in Estonia the project is expected to start in late 1999. In May 1999 a seminar with 27 participants was organised in Brussels to discuss the workings and key legal requirements of the EU. A related manual '*The EU: a guide to BirdLife Partners*' is available upon request. Further seminars are planned on agri-environment policy, communications and advocacy skills and project funding and management.

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