

# RURAL AREAS

# NEWSLINK

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

## SUSTAINABLE FARMING IN EUROPE

**The environmental quality of rural areas in Europe depends on the sustainability of its farming systems. Organic farming is one system that fulfils sustainability criteria. It was the central theme of a European-wide conference in Austria in May 1999, attended by representatives from the European Commission, Member States, research institutes, non-governmental organisations (NGOs) and organic farming associations.**

All participants agreed that organic farming is gaining importance in the European Union (EU). Nearly 3 million hectares are already under organic production, and that area increases by 25% per year. Organic farming provides many environmental benefits, including reduction of nutrient leaching, lower energy inputs and conservation of soil resources and biodiversity.

Organic and other low-input sustainable agriculture (LISA) systems are important for the development of sustainable agricultural policies and practices in western and eastern Europe. Agriculture in the accession countries is much more extensive than in the EU. Organic farmers in several of these countries have been impressive pioneers

by introducing new methods and opening new markets. Supportive organisations have been set up, research institutes are working on low-input systems, farm advisory services have become more open to new ideas, and governments are adapting their policies and legislation. Some government officials from Central and Eastern Europe (CEE) even foresee a share of 10–15% organic farming in their country before 2010.

Nearly all EU Member States support the conversion to organic farming through agri-environment programmes, which is one reason for the strong growth in organic farming at EU level. In all 10 accession countries, national agri-environment working groups have formed to develop pilot agri-environment programmes at national and regional level. Their progress shows that governments are interested in exploring new agri-environment ideas. National agriculture and environment ministries co-operate with environmental NGOs, which stimulates a more integrated vision of agriculture. When implemented in CEE, agri-environment schemes can provide crucial support for organic farming and other sustainable farming systems.

The years before accession to

the EU will be crucial for CEE, in making national policy choices for agriculture and rural development. Future Member States should be able to explore sustainable policy options, such as agri-environment programmes and organic farming, with the help of the EU, eg through the SAPARD programme. Activities to be developed are:

- agri-environment pilot schemes
- support for conversion to organic farming
- market development for organic products
- training of farmers and farm advisors
- research into organic farming and LISA systems.

Organic farming and LISA deserve a prominent place in the policy of CEE countries because they offer an opportunity to harness positive economic effects with environmental and social benefits. A conference for CEE policy makers, researchers and NGOs, which could develop strategies and projects for the next 10 years, would give the countries in transition a chance to elaborate their potential in this field.

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# LOW-INPUT SUSTAINABLE AGRICULTURE

## A Model for Central and Eastern Europe

Agriculture in Central and Eastern Europe (CEE) has undergone involuntary extensification since 1990 as collective farms have been privatised, input prices have increased and product prices have fallen. The results are sharply declining farm incomes and rural unemployment, but also a strong decrease in environmental pollution from intensive agriculture. Research in the Danube Basin supported by the EU PHARE programme shows that low-input sustainable agriculture (LISA) and organic farming can be a starting point for new types of farming that combine rising crop yields with high agricultural employment and environmental benefits.

The sustainability advantages of LISA and organic farming can be summarised in three letters: Y.E.S.

- A sufficiently high **Y**ield satisfies the economic needs of producers and the food requirements of the wider population.
- Safeguarding natural resources and the **E**nvironment is essential for farming to offer a sustainable future.
- Employment creation and other **S**ocial issues are an important factor for agricultural policy. Low input but intelligent farming systems need 10% more labour than intensive farms.

Research in Hungary shows that a reduction in fertiliser use does not necessarily mean a large reduction in crop yield. Fertiliser use on nine major crops in Hungary changed from 206 kg/ha in 1989 to 66 kg/ha in 1995. However, crop yield was reduced by only 12% whereas fertiliser use declined by 68% compared to pre-1990 levels. This shows that reductions in fertiliser use can be accepted without reducing crop yields.

The elimination of overstocking and inappropriate fertiliser use since 1990 has reduced pollution from agricultural sources. Data from the Tisza river in Hungary show that nitrate concentrations

have declined from 15.6 ppm to 6.6 ppm between 1988 and 1993. Applying good agricultural practices such as crop rotations or better manure management could achieve further improvements.

Data from CEE, the EU and the United States show that organic farming in particular creates more employment than intensive farming. This would have social advantages in all CEE countries, with their still large agricultural workforce. Many small private farms in CEE have little financial capital and would benefit from agriculture that requires little capital investment but uses their labour effectively.

ETC Ecoculture has compared the performance of organic farming and LISA to conventional agriculture using integrated pest control with regard to their effects on yield, environment, climate, biodiversity, employment and national income (see table).



Illustration by Dan Powell

System/Aspect	Organic Farming	LISA	Integrated Production
Yield	✓✓✓✓	✓✓✓✓	✓✓✓✓✓
Environment	✓✓✓✓	✓✓✓	✓✓
Biodiversity	✓✓✓✓	✓✓✓	✓✓
Rural Employment	✓✓✓✓✓	✓✓✓✓✓	✓✓✓✓
National Income	✓✓✓✓	✓✓✓✓	✓✓✓✓

These results presented in the table above suggest that LISA and organic farming deserve a serious place alongside conventional agriculture. LISA and organic systems score slightly lower on production, equal on national income (if environmental costs are internalised), slightly higher on rural employment and substantially higher on biodiversity and environment.

In spite of their advantages, LISA or organic farming are not easy options. They require sophisticated husbandry systems and trained farmers. This demands support by agricultural extension services, a demonstration farm network, and training and research. These should be supported by EU pre-accession programmes. In view of existing EU surpluses and the increasing health-consciousness of European consumers, high-quality, low-cost production will be the way forward to compete on future EU markets. The situation in CEE provides an opportunity to build new, sustainable and forward-looking agricultural systems that can deliver such products. Copies of the ETC Ecoculture report are available on request and comments are very welcome.

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# ORGANIC FARMING IN THE EU – PERSPECTIVES FOR THE 21ST CENTURY

The first conference on a strategy for organic farming in the EU was held in May 1999 in Baden, Austria, supported by the European Commission, DG VI (Agriculture) and DG XI (Environment), and the Austrian Ministries of Environment and Agriculture. 180 participants from EU and CEE countries attended, representing government institutions, organic farming associations, research institutes, organic food traders, consumer groups and other NGOs. The conference aim was to highlight the environmental and rural development benefits of organic farming and to initiate thinking about a strategy for a more sustainable agricultural policy in the EU in the 21st century.

Organic farming covers 2% of agricultural land in the EU and is expanding rapidly with growth rates of 25 % per year (from 890,000 ha in 1993 to 2,900,000 ha in 1998). Rising consumer interest, the work of organic farmers and their organisations, and state support have facilitated this growth. Important measures have been taken at EU level:

- the introduction of legislation covering standards and certification procedures for organic production (including livestock production since June 1999);
- the financial support of (the conversion to) organic farming through agri-environment programmes;
- co-financing of investment, training schemes, processing and marketing projects through regional development funds;
- funding of research into organic production methods and food marketing.



Illustration by Dan Powell

All high-level government representatives at the conference supported organic farming as a model for the future. EU Environment Commissioner Bjerregard called for the development of a long-term European strategy setting clear,

ambitious and realistic targets for the growth of organic farming. EU Agriculture Commissioner Fischler pointed out that the Agenda 2000 CAP reform provides many building blocks for the development of organic farming. Measures under the new Rural Development Regulation (investment, agri-environment, training, processing and marketing) can promote organic farming. The conference encouraged the EU Member States to combine all these measures in future integrated rural development programmes to assist the development of the organic sector.

The conference also concluded:

- the rapid growth of organic production and consumption in Austria has shown the need for stronger partnerships between farmers and consumers in all marketing channels (including supermarkets and the internet) and increased co-operation between producers and the processing and marketing sector;
- emphasis needs to be placed on support for local and regional production, processing and marketing;
- a high level of credibility and integrity of organic production needs to be maintained, by implementing high production standards and strict inspection, and by providing clear information about the objectives and principles of organic farming;
- strong support for research and innovation in organic farming is essential;
- an exchange of good practice in relation to policies in different Member States and accession countries is necessary to achieve an even development of the sector across Europe.

Representatives from CEE countries were impressed by the sense of partnership between NGOs and government institutions to develop organic farming further at EU level. Such positive support from policy makers in their own countries is not yet a reality. They welcomed statements by both Commissioners to promote organic farming at a European level without regional or national boundaries. Trade and marketing arise as key issues for CEE countries to improve their export potential and generate income for the development and promotion of national organic production to build up a stronger home market in favour of a cleaner environment and a healthier national diet.

A follow-up conference, aimed at policy makers from all accession countries, is recommended to discuss the potential and policies for organic farming in CEE.

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## SUSTAINABLE FARMING IN BULGARIA

Bulgarian agriculture is at a crossroads, seeking the right approach to develop its future. A challenge for rural policy in Bulgaria is to find agricultural systems that produce enough food, preserve the environment and increase employment. To meet these three aims, a policy for agricultural sustainability is needed. Sustainability of agriculture under Bulgarian conditions could be obtained by developing organic farming, LISA and integrated production.

Bulgaria has several favourable pre-conditions for such systems:

- proposals for Bulgarian standards for organic production, based on IFOAM standards and EC Regulation 2092/91, as well as other strategies for promoting organic agriculture;
- technical expertise such as the Agroecological Centre at the Agricultural University Plovdiv (AUP), two demonstration centres for sustainable agriculture, and an agro-ecology course at the AUP;
- favourable geographical and climatic conditions for organic agriculture;
- good marketing potential for certified organic production as some Bulgarian products are already known in the EU market.

Government needs to:

- harmonise Bulgarian laws, regulations and standards with those of the EU
- develop and implement a national strategy and action plan for organic farming and LISA
- establish subsidies for environmentally friendly agriculture
- co-ordinate marketing of organic products, including certification.

EU pre-accession funds should be made available for agri-environmental programmes. With their support and action by all institutions it will be possible to achieve 10% of certified organic agricultural production and at least 10% of LISA or integrated production in Bulgaria by 2010.

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## EUROPEAN DIALOGUE MAGAZINE

As part of its policy of providing information the European Commission publishes the informative European Dialogue magazine for decision makers and other interested parties in Central and Eastern Europe. The publication is managed by the External Information Unit of DG X (Information, Communication, Culture, Audiovisual Media).

Previously a bi-monthly, the magazine will be published quarterly from September 1999. Issue 2/1999 of European Dialogue included articles about equal opportunities, the effect of enlargement on total EU wine production and export opportunities, and EU programmes for training and education available in accession countries. Issue 3/1999 contained an interview with the German Minister of State responsible for EU policy and enlargement, described the life cycle of an EU Directive from planning to implementation, and reviewed the EU's links with and interest in Latin America.

Back issues can be obtained from the magazine's website in English:  
[http://europa.eu.int/comm/dg10/eur\\_dial/](http://europa.eu.int/comm/dg10/eur_dial/)

From September 1999 all issues will be published on the website and as hard copy in the 10 languages of the accession countries, and English. Subscription to the magazine is free. An application form can be ordered by fax or e-mail from:

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## BALTIC SUSTAINABLE RURAL DEVELOPMENT

In May, WWF Latvia arranged a workshop on 'Sustainable Rural Development - Baltic perspectives in the EU enlargement process'. More than 30 people from the three Baltic States and other European countries participated.

The workshop was held to:

- start discussion among decision makers, interested parties and the national media about regional development and environmental protection during the approximation process of the three Baltic Countries to the EU;
- increase public participation in the preparation and implementation of national regional development policies by developing national networks among interest groups, NGOs, national and regional authorities.

The workshop had presentations from state authorities and EU experts about agricultural policy and rural development, EU enlargement policies for rural areas, and the plans for, and constraints on, the preparation of National Rural Development policies in accession countries. There were also presentations on experiences in the implementation of rural development pilot projects in all three Baltic States and the likely future impact of agriculture on biodiversity in Latvia. The possibilities for Baltic co-operation, use of demonstration examples, and ways of achieving sustainable rural development were discussed. Two working groups considered the integration of environmental objectives into agriculture and rural development policies, or the encouragement of public participation and local capacity building in rural development.

Two background papers, the workshop agenda and report, and a participants list are available in English in electronic form from:

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## ORGANIC FARMING IN LITHUANIA

The development of organic farming is an attractive option, given the state of Lithuanian agriculture. About 20% of the population obtain their main income from farming, often on small farms with little external input. Thus, types of farming need to be developed that maintain or increase employment in rural communities and that do not need large investments. Organic farming meets these criteria perfectly and is supported through subsidies on land under certified organic production. There is a certification system, which is seeking IFOAM and EU accreditation by 1999-2000.

The number of organic farms increased from 104 in 1997 to 144 in 1998 (4006 ha in total). In spite of a complicated subsidies system and marketing problems for small growers, the organic land area is still increasing strongly. By enabling a more continuous supply the larger land area helps to develop a market for organic products.

Consumers and wholesalers are interested in ecological products even at higher prices. At the initial stage local market development is more important than export as it is difficult to guarantee a continuous supply of organic products for export from small farms. Most organic products are marketed either at farmers' fairs in the large Lithuanian cities or directly from the farm. Cereals are the basis for most processed products, as milk processing is still difficult due to the dispersed location of organic farms. Government institutions promote organic farming but need to provide higher support payments for organic production and develop an appropriate education system for farmers.

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