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AGRI-ENVIRONMENT BULLETIN

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Developing agri-environment policy in central and eastern Europe

This Agri-environment Bulletin is the first of five Bulletins to be issued in 2001. They form part of a project to build know-how for the implementation of agri-environment schemes in central and eastern Europe. The project is financed by DG Environment of the European Commission, the Dutch PIN-MATRA fund and the British Ecological Society, and is implemented jointly by the Avalon Foundation in the Netherlands and the Institute for European Environmental Policy (IEEP) in London.

The project aims to provide technical support for the development and implementation of agri-environment schemes in the CEE applicant countries by:

- facilitating 8 to 10 expert missions of four days each to central and eastern Europe
- organisation of a seminar on the implementation of agri-environment

schemes in CEE (held in December 2000 in Bratislava)

- preparation of an agri-environment expert directory with EU and CEE addresses
- updating of a 100 page technical manual on agri-environment schemes
- producing five agri-environment Bulletins for key policy makers and agri-environment professionals in central and eastern Europe.

We hope that these Bulletins and the other project outputs meet the needs in the targeted applicant countries. If you have any comments to make on the structure or content of the agri-environment Bulletins please contact:

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The evolution of agri-environment schemes in central and eastern Europe

Land abandonment and the change of present management practices have become a threat to the habitat value of farmland in CEE. An extrapolation of current trends in farming shows that, without intervention, a further concentration of agricultural production on the best soils and in the most productive herds is likely to occur, leading to an irreversible loss of high

nature value farming systems. Experience in the EU shows that agri-environment programmes based on Regulation 1257/1999 can be a useful policy tool for maintaining extensive agricultural systems.

The economic difficulties of farming in marginal areas and the need to maintain valued landscapes led several CEE

countries to introduce aid schemes for marginal and/or environmentally friendly farming systems throughout the 1990s. These schemes are often similar to LFA and agri-environment measures

in the EU. The main focus of agri-environment type measures was the promotion of organic farming (see Table 1).

Table 1 *Agri-environment Measures in Central and Eastern Europe*

Country	Main scheme objectives / area or budget
Czech Republic	Support for organic farming: 62,000 ha ³ Nature conservation management in protected areas: 80,000 Euro ²
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: 6,000 Euro ³
Slovenia	Support for organic farming: 359 ha ⁴ Traditional livestock breeds: 380,700 Euro ⁴ Management of alpine meadows: 245 ha ²

¹ data for 1996

² data for 1997

³ data for 1998

⁴ data for 1999

From data compiled by IEEP it is clear that agri-environment and 'LFA' measures were already among the agricultural policy instruments used by a majority of candidate countries in 1999, with LFA type schemes commanding considerable resources. Against the background of EU accession, however, the implementation of full-scale agri-environment programmes according to

EU financial rules, administrative procedures and control systems is the next big step to take. All applicant countries have now taken up the challenge to develop such agri-environment programmes, mostly within the framework of SAPARD. Table 2 shows the situation with regard to pilot agri-environment schemes in CEE countries at the end of 2000.

Table 2: Proposed pilot agri-environment schemes under SAPARD in CEE countries at the end of 2000

Country	Agri-environmental SAPARD measure?	EU contribution 2000-2006 (in thousand Euros)	SAPARD budget (%)	Area (in hectares)	Number of pilot areas	Number of farmers
Bulgaria	Yes	9,000	2	32,000	?	?
Czech Republic	Yes	458	0.3	5-20,000	5	150-200*
Estonia	Yes	1,210	1	?	3+	?
Hungary	Yes	11,330	4	400,000	15	?
Latvia	Yes ¹	6,970	5	43,000*	?	1,100*
Lithuania	Yes	2,124	1	4,700	2+	?
Poland	Yes ²	22,920	2	33,000	6	3,500
Romania	Yes	26,571	3	36,000	7	3,000*
Slovakia	Yes	4,500	4	10,000	5	2,000*
Slovenia	No ³	-	-	-	-	-
AC-10		89,209	2	>578,700		>10,000

¹ Includes three measures within the plan.

² Includes afforestation of agricultural land.

³ No specific measure in the SAPARD plan, but a national programme with an annual budget of 28,000,000 Euros is in preparation.

*Estimated.

It should be noted that some countries are planning national agri-environment schemes outside of SAPARD. Slovenia is about to introduce national and pilot agri-environment schemes that were not included in their SAPARD proposal.

Several applicant countries are already using the PHARE programme to help build the technical capacity and expertise for the implementation of pilot

agri-environment schemes included under SAPARD. Technical assistance under the SAPARD programme will also become available for such purposes. We hope that the Avalon/IEEP run project can also contribute its share to building agri-environment schemes in central and eastern Europe.

Jan-Erik Petersen, IEEP, London.

Reform of the CAP Sheep and Goat Meat Regime

Sheep and goats make up a small proportion of overall agricultural production in the EU, but they have a major role in the Less Favoured Areas (LFAs). Around three quarters of sheep for meat production and 80% of those kept for milk production, primarily in the southern half of the Community, are in LFAs. Both sheep and goats play an important part in maintaining semi-natural habitats and open landscapes, with large numbers kept in extensive systems. Over-grazing is a serious concern in some regions, such as parts of western Ireland, Sardinia and Wales. However, the contraction of grazing, marginalisation of traditional systems and land abandonment are the most prominent environmental issues in many countries. In central and eastern Europe sheep numbers fell rapidly during the 1990s and generally remain far below previous levels.

The 'Sheepmeat and Goatmeat' regime is one of the elements of the CAP which was not altered in 1999 as part of the Agenda 2000 reforms. The Commission is now close to putting forward proposals for amendments to the regime. These are likely to include a fixed annual premium per ewe rather than a variable premium, as under the present system. Given the environmental sensitivity of the sector, there are strong arguments for incorporating an environmental dimension into any changes that are made. At present it is uncertain what these might be. Some have proposed area rather than headage payments, at least on a limited scale. Extensification payments and the introduction of a "national envelope" are other possi-

bilites. Options for a reform of the sheep and goat meat regime were discussed at a seminar organised jointly by the European Forum for Nature Conservation and Pastoralism and the UK Wildlife and Countryside Agencies and held in Brussels on 29 January 2001.

Governments in accession countries are mindful of the implications of the regime, although it is far from clear whether the current headage payments would be made available to new entrants. Sheep headage subsidies are subject to national quotas. These are now becoming the subject of discussion between CEE governments and the Commission, despite the uncertainties over the availability of direct payments from the current CAP budget. The levels at which quotas are fixed could have significant social and environmental consequences, particularly in LFAs. There are serious concerns about under-grazing in several parts of central and eastern Europe, with large scale land abandonment or very intermittent grazing common in some upland and mountainous regions. How far would quotas constrain or assist the re-establishment of extensive grazing systems where they are needed? The time available for answering such questions may be limited although further research is required. Further information on the results of the seminar mentioned above as well as on possible research projects by the European Forum for Nature Conservation and Pastoralism is available from Dr Eric Bignal in the UK(ericbignal@cali.co.uk).

David Baldock, IEEP, London.

Conference for accession countries on agriculture and nature management

For three days in late January, the Dutch government hosted a conference focussing on agriculture and nature conservation and future policy challenges at Wassenaar near The Hague. All 13 candidate countries were represented by senior officials as well as a number of deputy ministers and Secretaries of State. On the EU side all three 'troika' countries (Sweden, Belgium and France) attended, while Commissioner Fischler made one of the keynote presentations. It was probably the first meeting at this level on this topic and it was significant that there were representatives from seven environment ministries from accession countries as well as all agriculture ministries.

One theme of the conference was the richness of the biodiversity resource in the accession countries, stretching from Estonia to Cyprus. This is reflected in agricultural as well as more natural habitats. Several speakers referred to the importance of species rich grassland, waterside habitats, grazed woodland, maquis biotopes and low intensity arable land as habitats for valued species. The efforts made in several countries to establish a Natura 2000 network in advance of EU accession were mentioned by a number of speakers, including the Czech Deputy Minister for the Environment. Many of the sites being identified are subject to some form of farm management.

There was widespread agreement that marginalisation and land abandonment was now a major threat to large areas of

high nature value farmland, particularly on poorer soils and in more mountainous regions. In Slovenia it was estimated that there had been adverse effects on biodiversity as a result of shrub invasion and natural succession on about a quarter of the national territory. Intensive forms of production also give rise to environmental pressures including soil erosion, loss of organic content and groundwater pollution. There are fears that these pressures could increase considerably in future as agriculture recovers from the sweeping changes of the last decade.

The workshops provided delegates with an opportunity to discuss the various policy instruments that can be used to protect and enhance the nature value of farmland. The importance of providing farmers with solidly based information and advice on environmental issues was underlined by many of those participating. It was argued that without this foundation the efficiency of more interventionist policies, including management agreements for farmers, would be greatly reduced.

Nonetheless, the value of establishing effective agri-environment schemes was a point of consensus. The three EU countries present gave concise summaries of their own experience in this field, drawing out a number of interesting lessons. These included the need for sufficient flexibility, clarity of objectives and the introduction of monitoring and evaluation from the start. The ambitious goals of the 'land and farm management contracts' in France

were described. In Sweden, half the agri-environment programme is devoted to the conservation of biodiversity and cultural heritage and the maintenance of open landscapes, while 20 per cent is applied to promoting organic production. It was interesting to note that the outcome of the Swedish accession negotiations with the European Community in 1991-1994 was lower quotas and a smaller basic acreage than they had requested but a relatively generous budget for agri-environmental measures.

There has been rapid progress in the current accession countries in establishing pilot agri-environment schemes under SAPARD. All CEE countries have chosen this option except for Slovenia which has an ambitious scheme of its own outside the SAPARD framework. The promotion of organic farming is a common feature of these schemes and this will be a priority in the coming years, both at farm level and in relation to processing and marketing. Several aspects of agri-environment policy were discussed in detail, including the need for a bottom-up approach and the

development of simple but effective indicators to monitor effects on the ground. Incentive schemes of this kind should be complementary to other measures including conservation legislation, such as Natura 2000. Several delegates pointed out that it would be advantageous for policy development in this area to support a stable network of specialists and government representatives to ensure a good exchange and flow of information between different countries.

The government of the Netherlands has been active in supporting agriculture and nature conservation initiatives in the candidate countries for several years. This event was well timed; clearly we are on the verge of a new era in the long history of agriculture and nature conservation. More information on the conference is available from:

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