

# La Cañada



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## Agreement on Agenda 2000 in sight



### The evolving CAP

The Common Agricultural Policy (CAP) provides support for European agriculture through market support, which generally raises prices above world levels (e.g. through subsidising exports and buying surpluses into intervention), and also through direct payments to farmers, usually in the form of headage premiums for livestock and area payments for cereals. Both approaches are subject to controls (such as production quotas, stock density limits and subsidy quotas) which are designed to limit expenditure on the various measures.

In 1992, the CAP went through a major reform which addressed issues such as overproduction, some movement towards world prices (to prepare for world trade agreements) and the environment. Out of those reforms came measures to reduce production support and replace it with new or enhanced direct payments to farmers. Importantly, the package included Regulation 2078/92, the enabling legislation for national agri-environmental schemes, such as the UK's Environmentally Sensitive Areas (ESAs).

In July 1997, the European Commission published the document

### Mixed farming in the LFA, such as this landscape in Powys, should benefit from Agenda 2000 reforms.

Agenda 2000, which outlined a new set of reforms, taking a further step towards the decoupling of price support from production. Further reductions in price support were proposed, compensated for by substantial direct payments, with a continuing role for agri-environmental schemes. In March 1998, the detailed proposals were published for the regimes subject to reform – the cereals, beef and dairy sectors. From these, it was clear that the Commission has begun to take important steps towards developing the CAP so that it includes an increasing emphasis on rural development, the environment and social issues.

Although there is increasing awareness amongst EC policy-makers of the effects agriculture has on the environment, the driving forces for reform are principally budgetary and political: pressure by the World Trade Organisation (WTO) for the liberalisation of global markets, and the approaching expansion of the European Union (EU) to include ten new Central and Eastern European (CEE) member states. The next round of WTO talks will start in 1999, and EU

expansion is likely to begin around 2005 with Hungary, Poland, the Czech Republic, Estonia and Slovenia. Some time between these dates, further reforms of the CAP (beyond Agenda 2000) are expected to take place.

After almost a year of relatively relaxed discussions, the serious business of negotiating the final package of reforms began in January 1999 and, to the surprise of most pundits, it now looks likely that political agreement may be reached on the main points at the 22nd February Farm Council and 25th March Agenda 2000 Summit.

### Agenda 2000 proposals

The Agenda 2000 reforms target three main production sectors – arable, beef and dairy – but they also specifically address rural development and the environment. More novel are the three proposed 'horizontal' measures: a set of common rules covering capping (a ceiling on payments to individual farms), modulation (redistribution of aid from larger to smaller farms) and environmental cross-compliance (giving governments more power to make most direct payments contingent on meeting certain environmental requirements).

The reforms might be regarded as very much a 'halfway house' in the longer term evolution of the CAP, in that they begin to address the problems of overproduction, bring EU prices closer to world prices and replace production support with direct payments. At the same time, they attempt to do this without precipitating sudden changes in farm incomes, and this will inevitably result in new instruments which will not result in clear environmental and social benefits.

The reaction of national environmental agencies and NGOs to the reforms has been one of disappointment because radical changes have not been introduced. But, although environmental benefits are not a central part of the proposed support system, Agenda 2000 does introduce some proposals which could have beneficial environmental effects and, importantly, open the way for quite positive and radical changes in future years.

There are two ways in which the environment can benefit from a reformed CAP. Firstly, from direct measures which



**Modern intensive cereal production, Sussex, England. This is a productive but biologically impoverished landscape that might eventually be farmed without CAP support.**

are either targeted at positive environmental management on farms or are introduced to prevent agriculture damaging the environment (mostly the intensive systems). Secondly, from indirect measures which tend to give greater support to farming systems which are of intrinsically high nature conservation value (for instance, extensive suckler-cow systems rather than intensive beef-finishing systems).

Agenda 2000 offers little with respect to the former measures, but there are a number of proposals which could begin to shift the balance in favour of more extensive, low intensity farming systems with which much of the wildlife of the wider European countryside is associated. This kind of targeting represents the beginning of a shift in mainstream agricultural policy, making the CAP more acceptable to our trading partners by reducing the potential for trade distortions and giving it a stronger environmental element. At the same time, however, it makes it difficult for the majority of farmers and farmer's organisations to accept this change of approach. There is little doubt that farm income from the market will fall and direct support will (initially, at least) become a larger proportion of total farm income. When the main economic incentive of production is minimising losses, the motivation to continue farming is bound to decrease, especially in some member states where agricultural income might eventually consist mostly or entirely of direct support.

### **Environmental opportunities in the reforms**

#### **The arable sector**

Here, there are no obvious gains for the environment, although there may be some incentive for more extensive production, lower use of inputs and more use of organic methods (if the latter con-

tinues to receive support). Silage maize, a very intensively produced crop, is still supported. In northern member states, particularly Finland, the lower price of cereals in comparison to grass fodder (hay and silage) is likely to result in more intensive dairy farms (see page 8). From an environmental perspective, there is an argument that if hectare payments continue it would be beneficial to make short-term leys (grass-based fodder crops) eligible, as they form an important part of rotational arable cropping systems, reduce nutrient leakage and promote greater diversity.

#### **Dairy and beef sectors**

The dairy proposals do not appear to have major implications for the environment, except in regions of Europe where the effects of lower milk prices and lower feed-grain prices are likely to favour more intensive grain-fed systems; generating higher outputs of phosphorus and nitrogen, more eutrophication of water courses, an increase in erosion and greater emissions of ammonia. Finland is likely to be one of the vulnerable regions.

However, the introduction of a direct payment (based on 'virtual cows' equivalent to each 5,800kg of production) does create potential for environmental conditions to be introduced in future, especially as member states will receive around 30% of both dairy and beef payments in the form of a 'National Envelope'. This means that national governments will have discretion, within common guidelines, to decide how these 'envelope payments' are made (see below). It provides a new flexibility, for instance, to introduce area payments to which environmental conditions could be attached.

The beef proposals, which entail lower market prices and enhanced headage payments, are unlikely to change intensive beef production. However, an inherent element of headage payments is

the encouragement of higher stocking rates (although entitlement to these is subject to quota and there is a stocking limit of two livestock units per hectare – 2LU/ha). With less income from the market and more from headage payments, there will be an incentive for currently extensive producers to increase livestock numbers. Since the extensification payment is also a headage payment, for beef producers with less than 1.4 LU/ha it could in fact function as an 'intensification payment', as farmers attempt to get as close to the threshold as possible.

The solution to some of these problems would be to give direct payments in the form of area payments. This is not currently proposed for the extensive producers' payment, but it is included as an option for the National Envelope payment and member states can attach their own stock density conditions. What, in effect, the envelopes do is give member states the option of using 30% of direct payments to favour certain producers rather than offering all a standard payment. There is speculation that in coming years there will be an increasing degree of polarisation between suckler beef ('real' beef) and dairy beef ('factory' beef), at both the producer and consumer level. This could have long-term environmental benefits because suckler beef tends to be produced almost exclusively in the Less Favoured Areas (LFAs) – marginal agricultural areas which are given special consideration under the CAP – and it may be used as a mechanism for distributing aid to deprived rural areas. These areas are generally also those with highest nature conservation value in the EU: for example, the mountain pastures of the Alps and Pyrennees, the Spanish dehesa pasture woodlands and the machair grasslands of the Scottish Hebrides.

#### **The Rural Development Regulation**

This includes measures on forestry, early retirement, support for LFAs and compulsory measures on agri-environment. Here, there are some positive aspects for the environment, with the integration with other measures providing a good framework for future rural policy within the CAP. It simplifies and increases the flexibility of national agri-environmental measures; there are higher ceilings on payments per hectare, simplified payment rates and agreements which will

**These free-ranging Highland cows graze extensive poor quality pastures in north-west Islay, Scotland, producing high quality beef and helping to enhance the biodiversity of the land.**

require farmers to go beyond 'good practice' (see cross-compliance, below). The LFA revisions are very positive, with a new focus on clear environmental benefits (strongly resisted by many national governments) and, importantly, livestock headage payments are to be replaced with payment per hectare (area payments). This, together with the provision for area payments in the National Envelopes, is a very important fundamental shift in the way support to livestock farmers is paid. It should help to begin reducing the pressure on farmers to stock above the carrying capacity of their farms and open the way, in the longer term, for a more integrated approach to providing farm support. For instance, it could mean that both mainstream agricultural support and environmental incentives would be pulling in the same direction, rather than opposing one another as at present. An obvious weakness of the rural development regulation is the apparently low level of funding proposed which, at 2.8 billion ecu over the period 2000-2006, amounts to a freeze on the three measures.

**Regulation for common rules: 'horizontal' measures**

This regulation contains three controversial innovations: the introduction of environmental conditions (cross-compliance), limits on the total value of direct payments from the CAP for each farm (ceilings) and new powers for member states to 'modulate' direct payments according to the number of labour units per holding. The cross-compliance proposal has potentially the greatest significance for the environment, as it could result in governments insisting that all farmers receiving support meet at least 'good farming practice' standards. The UK conservation agencies have called for the inclusion of a variety of obligations, for instance, retention of semi-natural vegetation, landscape features, historic sites and field boundaries. This is likely to be most relevant to intensive production systems, but, surprisingly, and despite strong initial opposition, most member states now seem prepared to accept the principle of cross-compliance, although there could be a long debate about how the measures might be implemented.

**Conclusion**

It is difficult to escape the conclusion that



the environment gains only marginally from the reforms. Indeed, with the new flexibility that the National Envelopes give to member states, it is almost impossible to predict the full outcome of the proposals. From the tone of the discussions, it is quite likely that some countries will, in reality, favour the more intensive beef and dairy systems. Indeed, there is an argument that unless the more intensive finishing systems remain viable there will be no long-term market for the stock from the extensive suckler and dairy herds. There is a certain logic to this, because in the short and medium term not all extensive producers will be able to find niche markets for 'real' beef.

For environmentalists, many of whom have been very critical of the reforms, there is perhaps an element of having had their expectations raised by the new environmental language liberally used in the explanatory memorandum on the proposals. They have then found that most of the draft regulations fail to live up to the tone of this introduction. Perhaps more importantly, it now seems as if the proposals will be adopted rapidly and with relatively little modification to most of the positive environmental elements, although the LFA proposals are controversial and likely to change. The critical negotiating points for member states seem to be mostly in the dairy and beef sectors and, inevitably, largely over finance.

An issue raised in this context is 'degressive compensation', that is reducing direct compensatory payments over time, perhaps with a commitment to transferring the money saved into the rural development measures. If this occurs, we could see the more environmentally beneficial systems (such as suckler beef and low intensity dairying) become acceptable in WTO talks as eligible for the 'green box' payments. These systems would not be subject to a degressive regulation that might apply, for

instance, to intensive dairy systems which are becoming increasingly concentrated in lowland areas. Bearing in mind the strict criteria for the 'green box', this outcome is by no means certain. Alternatively, all direct payments might decrease and then be redirected at certain farm types through the rural development regulation, an option that seems more likely, although probably more difficult to implement.

Although the CAP will continue to be a fundamental factor influencing nature conservation in the European countryside over the coming years, many of the changes to traditional farming systems and the cultural landscapes that they produce will continue to be brought about through changes in available technology, markets and social attitudes. Technology has made it possible for farmers to produce more per cow, per hectare and per worker. Rising expectations of improved standards of living and working conditions have encouraged the adoption of these new methods, and the CAP has often rewarded this. But, despite all the problems associated with the modernisation of European farming, the CAP production support policies have played an important role in maintaining livestock farming in difficult and remote regions. Agenda 2000 does not go far enough to redress the inherent faults of the CAP, but it does provide some new and potentially better targeted opportunities.

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## The proposed Rural Development Regulation – a view from Spain



### The Rural Development Regulation

The package of reforms to the CAP and Structural Funds proposed by the European Commission under the banner of Agenda 2000 includes a significant new Regulation on Support for Rural Development. This article considers whether the proposed Regulation offers possibilities for promoting or maintaining forms of land management which benefit the environment in Objective 1 regions of Spain. The conclusion is that this probably depends more on the priorities and attitudes of national and regional authorities than on the wording of the Regulation itself.

The proposed Rural Development

### Andalucian cattle amongst cork oak groves in south-west Spain.

Regulation brings under one roof a wide range of existing measures (such as improvement of farm structures, forestry measures, the agri-environment and Less Favoured Areas programmes) with the aim of creating a more coherent package for rural areas to accompany the product regimes, which continue to form the main body of the CAP. Certain, significant changes are proposed to the scope, programming and financing of these rural development measures. For example, the Regulation aims to introduce 'integrated' rural development programmes throughout the EU territory for the first time.

### The LFA proposals: some facts and figures

In Spain a study in the province of Segovia found that LFA payments accounted for between 2.7% and 5.14% of farmers' net incomes.

In Italy only 10% of farmers in LFAs received compensation payments in 1987, compared with nearly 80% in Ireland, partly because so many LFA holdings in Italy are small and/or part-time and do not meet the scheme's criteria. The LFA compensatory payments to farmers tend to be much lower in the southern Member States, with less potential to influence farm practices, because the budgets available for such schemes are limited. The budget for compensatory payments in Germany is ten times greater than in Spain, even though the Spanish LFA is twice as big as the German LFA.

The total LFA area in Spain is 39 million ha, of which 19.5 million ha are agricultural (UAA); 172,882 farms receive payments (only full-time farmers are eligible) and the total amount paid out is approximately £48.66 million (Euro 70.5 million). So the average is £281 (Euro 407.5) per farm and about \$2.50 per hectare of UAA. This is not a lot of money, and not likely to have a big impact on farmers' decisions or land management in these areas unless well integrated with mainstream CAP payments. As a comparison, the subsidy per hectare for tobacco production is over £5,000 (Euro 7,250).

Much of the LFA in southern Europe is arable or permanent crops, on which payment is already paid on a per hectare basis. So the change to area payments is not such a big issue. Interestingly, there is already a formula for converting LUs to per hectare equivalents.

For rural areas in Spain, where the majority of regions are designated Objective 1, and those that are not are mostly Objective 5b, this expansion of the Regulation does not imply any significant change. For the past ten years, Objective 1 and 5b regions in Spain have been on the receiving end of development programmes mostly funded by the EAGGF agriculture fund and the European Regional Development Fund (ERDF). Of more interest, especially for environmentalists, farmers, foresters and other land-managers, is the kind of practical measures which might be promoted on the ground under the new Regulation, and whether these will be an improvement on past experience, particularly as regards their planning, implementation and environmental benefits.

### Programme in Extremadura

Until now, development programmes in Spanish Objective 1 regions have tended to be weak on integration and of little benefit to the environment. For example, an analysis of the 1994-99 EAGGF and ERDF Operational Programmes in Extremadura found the majority of the available budget being dedicated to roads, energy and water supply, industrial sites and so on. The rural elements of the programmes, far from constituting an



### LFA proposals and NATURA 2000

Under Agenda 2000, the environmental aspects of the Less Favoured Areas scheme are significantly reinforced. LFA compensatory payments are made conditional upon farmers using practices compatible with environmental protection and conservation of the countryside, to be defined for each area. Also, the payments may take account of the costs to farmers, and income foregone, 'resulting from their obligations under environmental legislation'. There is an obvious opportunity here for Member States to increase the LFA compensatory payments within Natura 2000 areas as a means of compensating farmers for restrictions which might be imposed on their activities. Many Natura 2000 sites will fall within existing LFAs and the regulation also allows Member States to designate additional areas, up to 10% of the national territory, 'affected by specific environmental constraints and in which farming should be continued in order to conserve or improve the environment'.

In Spain there is already a special category of LFA for 'areas within the socio-economic influence of National Parks' (under Article 3.5 of the 'old' LFA Directive 75/268). The higher payments are intended to compensate land managers for the restrictions that may be imposed on their activities as a result of the Park. The scheme is therefore similar to what is proposed in Agenda 2000. However, only 3.5% of the LFA fall into this category, and only 32 farmers were involved in 1995.

integrated approach, are simply a collection of individual measures, promoting actions such as improving rural roads, irrigation projects, farm consolidation and rural tourism. Local rural development in the region is promoted by LEADER and PRODER (an equivalent and complementary Spanish programme funded by the Structural Funds), and is concerned almost entirely with tourism (accommodation, infrastructure, architectural restoration in towns and villages) and small businesses.

Although the EAGGF programme includes certain supposedly 'environmental' measures, these mostly promote afforestation and forest development. In addition, there is an ambitious programme of farmland afforestation established under Regulation 2080/92 (this is surprising in a region where forests, woodland and dehesa cover over 35 per cent of the surface area). In practice, the forestry measures are orientated more towards the afforestation of marginal land, improving the commercial exploitation of woodlands (scrub clearance and the building of extraction roads) and fire control (through the construction of firebreaks), than towards the management of forests for environmental objectives. There are also some limited measures for protected areas, but these are concerned with the construction of interpretation centres, rather than with conservation *per se*.

To compound these shortcomings, the implementation of the agri-environment programme in Spain is extremely weak. Schemes aimed at maintaining or improving the natural values of extensive farming systems are especially deficient and often unable to counteract the affects of CAP subsidies in maintaining inappropriate production methods, such as over-stocking of livestock. In 1996, only around 2% of the farmed area in Spain was under agri-environment contracts, compared with over 50% in Sweden, Austria and Finland.

### Lack of strategic planning

Overall, it is clear from the regional programming documents in Extremadura that there has been no strategic planning or definition of aims for different aspects of the rural environment (nature conservation, soil erosion, water resource management, fires, etc.). The same appears to be true for other Objective 1 regions in Spain. Given this absence, it is perhaps not surprising that there is also a notable dearth of measures intended to direct the management of the land and natural resources towards any sort of environmental objectives. In summary, we are faced with a rural development model which limits itself to financing certain necessities, such as roads, infrastructure for tourists and the development of small businesses, but which offers no vision of a sustainable and environmentally beneficial model of rural land use, other than promoting forestry as a convenient alternative to marginal farming.

### A new approach

A key question, therefore, is whether the new Rural Development Regulation (which looks increasingly likely to be approved) could herald a new approach on the part of central and regional gov-

ernment departments, particularly one which incorporates environmental objectives and environmentally-orientated land and resource management. In principle, some aspects of the proposal signal the possibility of a change in the right direction. For example, the wording emphasises that rural development programmes should be 'integrated' and 'sustainable', whilst certain measures give greater weight than before to environmental aspects (for example, the forestry and LFA Chapters of the Regulation).

Article 31 of the proposed Regulation has been the focus of particular attention. This Article lists a range of measures which may be included in the new rural development programmes. The references to 'the preservation of the environment and management of rural areas' and 'the protection and conservation of rural heritage' seem to offer interesting opportunities for setting up land management schemes. However, the current Regulation for development programmes in Objective 1 regions already provides for measures to 'protect the environment, maintain the countryside and restore landscapes', so the new wording is perhaps not of great significance for such regions.

Of more interest is the fact that such measures, along with others included under Article 31 of the proposed Regulation, must be 'related to rural activities', but are not limited to farmers only, as has been the case until now. This is a significant change which, if retained, seems to open up important opportunities for national or regional authorities to provide support for conservation and/or land management initiatives undertaken by any rural bodies.

### A dehesa landscape in Monfrague National Park, Extremadura, Spain.



Overall though, many of the changes that need to be made to rural development programmes in Objective 1 regions are not addressed by the proposed new Regulation. One example would be the establishment of clear land-use strategies, related to specific environmental objectives, and the implementation of a coherent package of measures aimed at achieving these objectives. Another would be to make the conservation of natural values an integral part of rural development programmes. Even the relatively simple need to integrate the agri-environment and LFA schemes with the wider rural development programmes is not contemplated in the new Regulation for Objective 1 regions.

### Important shift of emphasis

The proposed Rural Development Regulation reflects a shift in the focus of EU rural policy, very slowly, away from supporting agricultural production and towards 'sustainable development', a shift which is rightly welcomed by environmentalists. But in the move away from policies that support land use in the form of basic agricultural activity and towards the promotion of alternative economic activities and land uses, such as tourism and forestry, the need to actively conserve biodiversity and nature should not be overlooked. Sustainable rural development will only be achieved through policy measures which maintain and promote appropriate systems of land and

resource management. In Spanish Objective 1 regions, the agri-environment programme is currently the only measure in place to promote this aim, and its resources and implementation are hopelessly inadequate. The expansion of this programme, or the establishment of complementary schemes to support benign land-use systems and nature conservation within the new rural development programmes, depends on the national and regional authorities. These are now drawing up their proposals for the year 2000 and beyond.

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## Effects of Agenda 2000 on milk and beef production in Finland

Finland is the most northern country on Earth which has a productive agricultural sector. Situated between the 60th and 70th latitudes, Finland's growing season is short, ranging from 180 days in the south to only 100 days in the north (a distance of approximately 1,100 km). As a result of climatic conditions (the temperature total for the year varies from 1,300°C to 500°C), as well as historical reasons, the average farm size is relatively small (15.8ha in 1996). The short growing season means that yields are low and costs are high. Grazing is possible only for four months of the year (between 10th-30th May and 15th-30th September) and in the main dairying areas the pastures are either snow-covered or frozen from 15th-30th October to 1st. May. Furthermore, Finnish farms are almost entirely family operated.

In the central and northern parts of the country, milk and beef production based on silage has been the most viable form of agriculture, rather than arable farming, which produces only low yields and has high risks. Cattle production accounts for about 40 % of the total value of agricultural output and, as a consequence, the proportion of silage, hay and grass pasture amounts to about one third of the total farmed land area. In a country dominated by forests and lakes these agricultural grasslands forms an important element of the cultural landscape and make an important contribution to the biodiversity of the country.

### EU accession of Finland

When Finland became a member in the European Union at the beginning of 1995 there followed a fundamental change in national agriculture policy, resulting in drastically lower output prices (several prices were cut to half or even more) as well as somewhat lower input prices. The immediate threat of a corresponding fall in agricultural incomes has been softened by an increase in direct subsidies to farmers over a five-year transition period to help them to adjust to the changes. A wide range of investment subsidies have also been available during this period. But, of course, none of this economic support can remove the disadvantages of the extreme climate, which interacts with policy to produce a very different farming response to that found in more southerly member states.

In 1999, towards the end of the transition period the subsidies paid from the national budget are being cut, which will result in a fall in the potential profitability of farming.

An understanding of this background is important when looking at the effects which are expected to result from the Agenda 2000 proposals. The proposals follow the principles of the 1992 CAP reform, with further decreases in intervention prices, partly compensated by direct payments. But, for Finland, compared to the older member states, the overall changes that Agenda 2000 will introduce are much more rapid and extensive as they follow closely behind

accession and the adjustment to EU membership and will, in effect, be operating at the same time.

From an economic point of view, two important changes are taking place: the relative prices of crops and fodder are changing and the proportion of direct support in agricultural incomes is increasing. Both of these factors have an effect on individual farmer's decisions and behaviour. Careful consideration is therefore needed when introducing new support systems, such as the Agenda 2000 proposals, which in the long term may have unpredicted landscape effects through farmers' economic and social responses.

### Effects of Agenda 2000 on arable farming

The reforms propose a further decrease in cereal prices in relation to input prices. This should lead to an increased extensification of arable farming and perhaps favour organic methods, if they are to continue to receive higher levels of support. But at the same time in Finland, with its extreme climate, the reforms are likely to bring about a fundamental change in production activities, as it will be difficult or impossible to cover even the variable costs of production from income from sales of the crop.

The effect of direct support based on regional average yields will be to narrow the income differences between farms. This is because in the most favourable production regions the optimal application of the inputs needed for grass silage, oats and barley will fall less than in poor regions, but at the same time, the income losses will be greatest at the most productive farms.

So, in addition to some potentially positive environmental developments, a



decrease in product prices and an increase in direct support would appear to lead to serious side effects. In Finland, agricultural income would consist mostly or entirely of direct support. Although the absolute problem of diminishing farm income can be compensated for by direct support, the motivation to continue arable farming is bound to decrease when the main economic incentive of production is simply to minimise losses. At the moment the CAP does not seem to be versatile enough to accommodate the particular problems of Finnish agriculture.

### Changes in milk and beef production

EU membership brought about remarkable changes and challenges for the dairy and beef sectors in Finland. As a consequence, a great number of farmers have given up, and those that have continued are likely to change their production systems.

Before accession to the EU silage was cheaper than cereal concentrates, but EU membership has reversed this price relationship. Furthermore, arable-acreage payments have provided an additional incentive for the production of feed grain instead of traditional grassland farming.

The proposals contained in Agenda 2000 are to lower grain prices even further and this could have important effects on the area of grass forage in Finland. Whilst the cost of grass-based forage remains unchanged the price of purchased grain will fall quite dramatically. Despite lower input costs, which are likely to prevent sudden changes in the short run, all the long-term predictions point to a fundamental change in the feeding regimes of livestock with an increasing number of farmers using grain instead of grass.

To cause this change is both ecologically and ethically questionable. Concentrate feeds are not the natural food of cattle which, being ruminants, should consume a large proportion of forage in their diet. As the pressure to increase the volume of milk or beef production rises, it will be more profitable to invest in farming systems which utilise the low price of purchased grain, leading to a more industrialised form of production. With a large proportion of feed coming from outside the farm, there are also likely to be environmentally detrimental effects. All this will lead to an intensification of production and an increase in animal densities which will change the farming landscape. This is because the intensive dairy farms will buy or lease additional quota to take advantage of



**The extremes of farming in Finland. The combination of a harsh climate and changes in farming policy may provoke a profound change to the landscape.**

lower feed grain costs to increase yield per cow. Also, these more intensive, grain fed, dairy systems are likely to create higher outputs of phosphorus and nitrogen, causing more eutrophication of water courses, an increase in erosion and greater emissions of ammonia.

### Policy options to maintain the character of Finnish dairy production.

At present, and as proposed, area payments are paid on cereals, oilseeds and protein crops. For northern member states (the cereals versus grass fodder problem also applies to Sweden although yields are higher so the case is not as extreme) it is important to include grass leys (grass-based fodder crops on arable land) as a 'crop' eligible for area payments.

These payments would also partly compensate for the competitive disadvantage of being unable to cultivate silage maize as in southern member states. One possibility would be to permit grassland area payments in the National Envelope for Finland. This would require an addi-

tional category for Finland to be accepted by the Commission and member states. At the same time, the National Envelope could be used to make policy more regionally targeted within Finland. This is because there is a danger that Agenda 2000 will lead to a polarisation of agricultural with industrial farming in the south and west of the country and increasing abandonment of farming elsewhere.

At present milk quotas effectively limit total milk production. As a solution to adjustment problems resulting from Agenda 2000, an increase in the national quota has been suggested. But additional quota is not likely to solve the profitability problems because of the difficulties of increasing the size of farms. Farms are small, the growing season is short and it is physically difficult to amalgamate farms into bigger units, especially in the central and northern parts of Finland. A significant net decrease in support (predicted to be around euro 50 million in Finland) will lead to the more marginal producers going out of production, which will not be compensated by other farms. If milk quotas were to be abolished, the

yield per cow would be increased by using more cereal concentrates in cattle feed at fewer, more intensive farms.

### The problem of extensification premium in beef production

In Finland, the number of suckler cows is less than one tenth of the number of dairy cows, because of the small size of farms, mixed milk and beef production and the short growing season. Thus, beef production is largely based on the intensive finishing of calves out of Ayrshire or Friesian cows.

Between 80% and 90% of beef producers currently fulfils the requirements of the extensification payment. This is based on the number of livestock units per hectare of 'feed area', which can include arable land not receiving arable area payment. The Agenda 2000 proposal for the extensification payment to be calculated using only the 'temporary and permanent pasture available through the calendar year' is not suitable to Finland because

such a large proportion of the yearly feed consumption takes place during the winter when grazing is not possible. For Finnish conditions, the principle applied at the moment is much more appropriate. Perhaps even more suitable for the Finnish circumstances would be developing the connection between the extensification payment and the animal density by calculating it in relation to all arable land possessed or controlled by the farm. This would obviously help to prevent the environmental problems outlined above which are associated with high animal densities.

If the conditions for the extensification payment are too hard to fulfil the farmers will, if they still produce beef, most probably minimise the feed area which will lead to a further fall in grass forage area. If the Finnish government decided to use area payments in their National Envelope it would be possible to attach stocking density requirements which could favour the most environmentally appropriate

product system.

There are clearly some special features of Finnish agriculture which make interpretations and predictions about the impacts of agricultural policy reforms more difficult. Applying analyses based on the responses of farmers in southern member states may clearly not apply in the northern latitudes of Finland (and Sweden). These differences have been at least partly recognised by the European Commission and even Franz Fischler, EC Commissioner of Agriculture has raised the fact that Finnish agriculture has specific problems in the context of Agenda 2000. The question is whether, in the final negotiations to reach agreement on the reforms, solutions to these problems can be found.

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## EU enlargement and rural policies in Central and Eastern Europe



The enlargement of the European Union to the east will have profound implications for rural areas in Central and Eastern Europe. Under the Soviet regime, employment and social services, such as schooling or housing were linked to big arable and livestock production collectives or state farms. These operated under an economic framework and production targets determined by a central planning system. Smaller-scale manufacturing and suppliers to agriculture and forestry were

### Open juniper scrub in the Bukke Mountains, Hungary.

also located in rural areas, with larger installations being found mainly in sizeable towns. The protection of nature was largely seen as separate from agricultural production and a comprehensive network of protected areas was created in most east European countries. Although they also suffered, for example, from agricultural intensification or drainage

schemes, these areas were generally larger than in the west, and stricter protection regimes and more staff.

### Break up of collectives

The political and economic collapse of the Soviet system in the early 1990s profoundly affected rural areas. State support systems and consumer purchasing power vanished or decreased drastically. While farm prices were declining to world market levels, most collectives were also broken up into small family farms as land was returned to previous owners. Low product prices, the re-structuring of previous collectives and the sheer organisational difficulty of establishing many new small farms led to a dramatic fall in agricultural production. Livestock numbers are currently around 50% of their 1990 levels in many Central and Eastern European countries, and cereal production has generally declined by 20%- 30%. Benefits for the environment have been considerable, with major reductions in the number of intensively managed animals and much lower use of agro-chemicals. In marginal coastal and mountain areas, however, the loss of grazing animals or even outright abandonment of land is a threat to remaining semi-natural grasslands and their associated biodiversity.

The transformation of rural society has been even more profound. The previous collectives have shed a large part of their labour force and the few remaining large agricultural enterprises are no longer able



**Shepherd with his sheep with traditional strip cultivation in the mid-distance; southern Poland. Farming communities in central European countries are set to go through a major period of change in the next decade, but can appropriate policies be introduced which will enable these communities to make the transition without destroying the rich biodiversity that currently exists?**



to provide the previous levels of social services. Employment opportunities and living conditions have as a result declined significantly in rural areas all over eastern Europe. Nevertheless, in several countries now applying to join the EU, the agricultural sector, often in the shape of subsistence farming, still acts as a safety net for many people who cannot find employment elsewhere. New job opportunities need to be created to prevent rural depopulation and maintain living communities. Establishing effective institutions to provide social services in rural areas is part of the broader challenge of ensuring a new pattern of local and regional development.

### Levels of support

Throughout the region, agricultural prices are now significantly below those ruling in the EU in general and production in turn tends to be less intensive. The level of government-funded support for the agriculture sector is substantially below that applying within the EU, though it is now rising in certain countries. Not surprisingly, farmers in Poland and other countries are demanding more support. But, at present, there is a severe shortage of funds for investment and modernisation in many regions.

The marked differences in conditions between the EU and Central Europe have fuelled speculation about the consequences of any shift in the general thrust of agriculture policy in Central Europe towards the CAP model. For example, higher price levels and greater export

opportunities would imply greater investment in agriculture and more intensive production systems. Some farmers in the EU fear competition from lower cost producers in Central Europe, although much of the trade at present flows from West to East and Western food companies are an increasingly powerful presence in the region. On the other hand, if the current CAP system of support for livestock production in the Less Favoured Areas were to be extended to CEE countries, it might help to control or prevent some of the abandonment currently occurring in mountainous and other remote regions.

### The effect of Agenda 2000

The spectre of the CAP rolling rapidly across Central Europe in its present form is rather misleading. In practice, the timetable for harmonisation and the establishment of a common market in agricultural products is uncertain and could be extended over a long period. Furthermore, the Commission has not suggested that all aspects of the CAP market support measures should be extended to the applicant countries. In particular, the Commission assumes that a much cheaper form of the CAP can be introduced to the accession countries because it will not be necessary to pay the expensive CAP 'compensation' payments to arable and livestock producers in these countries. Since the CEEs are not required to adjust to lower CAP prices then, so the argument runs, it is not necessary to offer farmers in these countries compensation payments. The implications of maintain-

ing sizeable compensation payments in the EU while withholding them from CEE countries are not explored in Agenda 2000. It is difficult to imagine that either governments or farmers in Central Europe will accept this imbalance very happily.

The overall intention of the Commission's proposals in Agenda 2000 is to reduce the support price for key commodities, notably cereals, milk and beef, and to compensate farmers in the form of new or enhanced direct payments. For arable crops, these take the form of payments per hectare, while for livestock they are generally headage payments. By attempting to lower CAP prices nearer to world levels, this strategy is likely to narrow the gap between EU and CEE prices. In principle, this will diminish incentives to adopt high yield/high input practices of the kind prevalent in the existing 15 EU states, although technical and structural change could transform some existing systems. It may also create favourable conditions for intensive livestock units. At the same time, CEEs will be required to introduce CAP rules, such as quotas, with implications for output, farm structures and most other aspects of farm management.

One potentially significant change proposed in Agenda 2000 would be a requirement on all EU Member States to at least consider imposing environmental conditions on direct payments received by farmers. This is controversial and the level of obligations to be placed on Member States is not entirely clear.



### Traditional sheep farming in the Hortobagy region of Hungary.

However, if agreed, this is intended to lead to wider application of 'cross-compliance' in the CAP. For example, it might result in farmers having to follow Codes of Good Agricultural Practice or obligations to protect features of conservation interest, at least in some Member States. In the EU, such conditions would be attached to compensation payments, so logically they would not apply in CEE countries, since these payments will not be available. Thus, an important element of the new green philosophy within the CAP would not apply consistently within the enlarged Union.

### Aid for rural development

Given the lack of resources for large-scale policy interventions in most Central and Eastern European countries, the reduced level of agriculture production and the looming shadow of the EU and its Common Agricultural Policy, the task of developing rural development strategies is important.

One starting point which is potentially relevant to Central Europe, is the development of agri-environment schemes compatible with the new EU Rural Development Regulation and the GATT obligations, which apply to all countries in the regions. This might provide the basis of an alternative forward looking model of agricultural support.

### SAPARD

Agenda 2000 includes proposals for two new measures which would apply to CEEs before they joined the EU, known as pre-accession aid. One measure, known as SAPARD, is intended to provide support for agriculture and rural development in applicant countries during the pre-accession period only, meeting up to 75% of the costs of public

expenditure on relevant projects. The funds available from the EU are rather modest, i.e. EURO 530 million rising to EURO 600 million by the year 2006. These must be divided among all the accession countries, although the proportion to be allocated to the individual countries has not been established. In Article 2 of this Regulation, there is a list of measures which will be eligible for support if the applicant countries request it. This includes a range of rural development measures such as improved production, training, forestry, the development of infrastructure, water resource management, diversification and land improvement and reparation. However, there is specific reference to 'agricultural production methods designed to protect the environment and maintain the countryside'. This should provide an opportunity for countries wishing to establish their own agri-environment programmes to do so.

Many governments in the region have invested considerable effort in planning agri-environment schemes which might suit their own conditions. In most cases, this involves developing a new policy concept from scratch. In Hungary, where the government and NGOs have been particularly active in sketching out possible agri-environment schemes and developing maps to identify potential priority areas, new proposals could be put in place relatively rapidly. Other countries are at an earlier stage in honing their ideas and considering how agri-environment could fit into SAPARD applications. Several are developing potential pilot projects. NGOs have been very supportive of this process and have been actively involved in the generation of new proposals in most of the accession countries. It now seems likely that the European Commission will give a positive welcome to pilot agri-environment schemes within SAPARD proposals after a period of some

discussion about the precise scope of this measure.

### ISPA

The second new pre-accession measure is known as ISPA (Instrument for Structural Policies for pre Accession), which applies for the same period as SAPARD, but has a budget of EURO 1 billion per annum. It is broadly the equivalent of the existing Cohesion Fund in the EU, aimed at sizeable environment and transport projects. The environment element is anticipated to amount to approximately EURO 0.5 billion per annum over a seven year period although experience with the Cohesion Fund indicates that the division between environment and transport projects may not always comply with the original intentions. It is likely that individual projects must have a budget greater than EURO 5 million in order to qualify. Agricultural projects are not excluded but they are not likely to be the main priority for this fund. Central and Eastern European governments have an opportunity to spell out their own priorities.

Agri-environment programmes could potentially be an important agricultural policy instrument in all four countries concerned. From a nature conservation perspective agri-environment programmes are urgently needed, principally for reversing the abandonment of valuable grassland habitats or ensuring their appropriate management, but are also important for maintaining the biodiversity value of other agricultural land. As in several Member States of the EU, agri-environment schemes could be one way of improving the living conditions of marginal farm populations by rewarding the 'environmental services' they provide.

The increased attention given to agri-environment questions in the accession countries has revealed the limitations in the availability of reliable information about present trends and their effects. Discussions with biodiversity experts in the southern Baltic and a review of the available literature show that there is a dearth of knowledge about the interaction between agricultural land management and species diversity in farmland areas since 1990. Detailed studies of the biodiversity effects of contemporary land use trends could make a valuable contribution to the design of sustainable rural development schemes.

*David Baldock and Jan-Erik Petersen*



# A central European contribution to a pan-European conservation strategy

Two terms have become increasingly prominent in the scientific and public discussion of nature conservation: biodiversity and sustainability. Building on the 1980 IUCN definition of nature conservation (IUCN 1980) and the Brundlandt Report (Goodland *et al.* 1991), the outcomes of the 1992 environmental summit in Rio de Janeiro clearly addressed both of these issues. However, what is easily stated at a global level can be very difficult to put into practice. We are still a long way from any unifying concepts encompassing the approaches of biodiversity protection, sustainable use and the conventional goals of conservation. Moreover, land-use policies in Europe often seem to hamper the actual processes of nature conservation rather than supporting them.

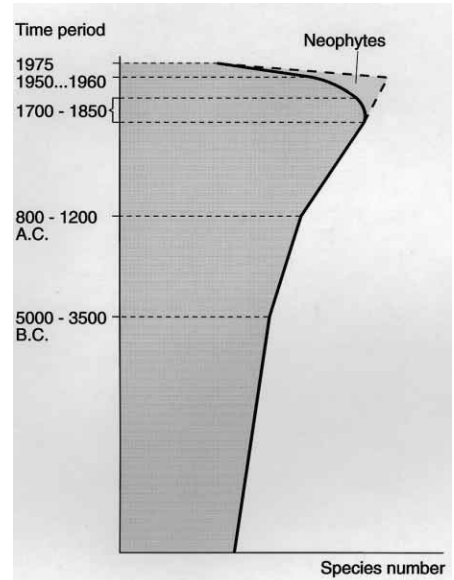
Central Europe has a long tradition in nature conservation, dating back to the first half of the 19th century. Despite this, the region appears to have little contribution to make to a global conservation strategy. It has some international relevance for migratory animals, but has no outstanding 'hot spots' of biodiversity. Because of the effect of the ice ages, the area is not rich in endemic species (with only about 50 in Germany) compared with, for instance, the Mediterranean area. There are, however, some species, such as the red kite *Milvus milvus* and the European beech *Fagus sylvatica*, for which Central Europe holds a global responsibility. But what is most obvious is that, like most of Europe, truly untouched and natural ecosystems no longer exist, and have been absent for a long time.

However, this centuries-long interaction between human societies and nature, might in itself be the basis for developing sound concepts on biodiversity and sustainability. On closer examination, although lacking outstanding natural features, the overall biodiversity in Central Europe is still high, even taking into account the dramatic losses during the past century. In Germany alone more than 45,000 animal and 28,000 plant species (including fungi) have been recorded together with more than 500 types of ecosystems (Bundesamt für Naturschutz 1996). Taking into account the small area and the climate, these are very high numbers. So it would appear that use by man and a high level of biodi-

versity need not be an inevitable contradiction. So, what can we learn from this situation that might be applied to an overall concept for the future development of Europe's landscapes?

## Biodiversity and sustainability in cultural landscapes

Since end of the last ice age (about 12,000BC) Central Europe's nature has been under the continuous influence of humans. Hunting and gathering by the first human occupants, which caused a considerable loss of the megafauna but might have supported the spread of some plant species, was gradually supplemented and eventually replaced by shifting cultivation around about 4,000BC. But even then, local over-exploitation might have been a relevant factor, indicated in the historical record by the sudden breakdown of cultures. Vast clear-cuttings during the Middle Ages shaped a landscape pattern which still persists today in many places. Within two centuries, nearly two-thirds of the natural and semi-natural forests were clear cut and converted to farmland and pastures; this, dating back 1,000 years, was the beginning of present day Central European cultural landscapes.



**Figure 1 Reconstruction of the increase of plant species in Central Europe over time (redrawn from Sukopp & Trepl, after Falinski).**

But the loss of the dominant natural ecosystem (forest) did not result in a decrease of biodiversity. From ancient times the number of plant species continuously increased up to about 1850 (Fig. 1) and, as far as we know, the same is true of many animal groups. Loss of naturalness on the one hand was obviously over-compensated for by the new open types of habitat, the considerable increase of habitat diversity per area and new ecological processes, such as the dispersal of animals and plants by man and his livestock. The outstanding features of these new

**Table 1 Some examples of processes and functional parameters in Central European cultural landscapes that have changed fundamentally since about 1800.**

	Historical situation	Recent state
<b>Use of the plot</b>	Multiple (forests, mixed field-grazing systems)	1 plot = 1 type of use
<b>Soil impoverishment</b>	Extended by the use of fallows and stubble fields	Several mechanical treatments per year
<b>Keeping of livestock</b>	Public land (allmende, common land) transhumance, herdsmen; mixed groups of animals	Herds of single species, paddocks; livestock kept in stable with additional fodder
<b>Stochasticity of production in time and space</b>	High; mainly depending on actual local needs	Significantly lowered through planning and international markets
<b>Efficiency of production</b>	Not precise, thus leaving 'space' for nature	High, technically optimised
<b>Spectrum of regionally produced goods</b>	Relatively wide	Increasingly narrow as a consequence of EU politics and loss of by-products
<b>Nutrient supply</b>	Minimum factor; partially acquired by degradation of adjacent ecosystems	Vast over-fertilisation including semi-natural ecosystems and water; availability independent from landscape
<b>Chemical pollution</b>	Practically none	High general background level; locally extremely high levels
<b>Level of disturbance by land use</b>	Limited to the vegetation period	Throughout the year



**Spatial composition and mechanisms of nutrient extraction and transfer (arrows) in historical agricultural landscapes in Central Europe (from Plachter 1996).**

cultural landscapes are the intimate mosaics of different habitats, ranging from the semi-natural to wholly artificial, and the strong regional character of the landscapes, resulting from the varied relationships between local cultures and their use of the natural resources.

However, although historical land-use systems in Central Europe initially benefited biodiversity they were not sustainable in a modern sense. Manpower and nutrients were the limiting factors of production in these systems and deficiencies in transport resulted in a high local diversity of use and habitats, which develop to meet the requirements of the local communities. Sophisticated systems of nutrient transfer were developed, linking the management of pastures, forests and arable land. Many pastures and a considerable part of the forests were impoverished by nutrient extraction (Fig. 2). Thus, many present-day Central European ecosystems originate from degrading uses. Ironically, it is just these ecosystems (e.g. moorlands, heathlands and grasslands) that are now regarded to be most valuable and are protected because of their high levels of biodiversity and vanishing species (Plachter 1996).

There is an ongoing debate on the value of such landscapes. 'Purists' in nature conservation argue that nature untouched by man no longer exists and the influence of man has just resulted in 'degraded' nature and landscapes. This perspective might be applicable to areas of the world, where a low density of human population allows for a complete separation of people and nature. But this view simply reflects the common perspective of our modern technical societies that regards separating nature and human culture as a practical possibility, which of course does not correspond to reality (cf. Plachter & Rossler 1995).

In the populated areas of the world,

the consideration of human use and interaction with nature has to be a fundamental element of any conservation concept. But conversely sustainable land use techniques must sufficiently respect the local opportunities and restrictions of the natural environment. Cultural landscapes are better thought of as the interaction between nature and human societies, rather than the impact of humans on nature. It is a striking that recently both conservationists and historians have taken up this idea (cf. Phillips 1998). Cultural landscapes therefore begin to offer a promise of unifying the concepts of both disciplines. The World Heritage Convention of UNESCO adopted cultural landscapes as a specific category of properties in 1992 and the European Council is actually preparing a European Landscape Convention.

### Recent functional changes

From around 1850 biodiversity in Central Europe has declined greatly, as in most other parts of the world. Conventionally this process has been correlated to the loss of habitats and the fragmentation and isolation of semi-natural habitats by arable land, roads and settlements. But a structural interpretation alone does not explain sufficiently the overall impoverishment of biodiversity. Functional properties of the landscapes have also changed, perhaps more fundamentally than the structural ones (Table 1). Important resulting trends are:

- Self-contained local systems of resource use and production have been broken up by the importation of energy, nutrients and products.
- The interdependence of people and local cultures with local natural resources and constraints have virtually ceased to exist. This has not only resulted in an enormous loss of local cultural identity and environmental knowledge but has also created a uni-

formity in European landscapes and nature.

- Because of the natural constraints described above, traditionally man supported and enhanced nutrient gradients within the landscape, providing a broad spectrum of environments for animals and plants. Today, the overall trend is towards eutrophication of ecosystems and resulting impoverishment.
- Natural ecosystems as well as historical land use are characterised and shaped by a high level of stochasticity (random events, such as floods, landslides, lightning strikes or drought). Of course, people strived to prevent such events because they threaten property and human life. But historical land-use systems at least partially provided substitutes. The level of randomness in land management is greatly reduced by planning, private ownership and the technical accuracy of modern land-use systems. It is often forgotten that dynamic change is basic to all living systems. If we try to 'protect' any given state of a population of an ecosystem, if we deterministically plan the future development of a landscape by 'fixing' the destination of each single plot (ignoring dynamics and stochasticity), the results will be obscure. Although the protection of ecological processes has long been recognised as an important task for nature conservation, it is rarely seen in practice. Perhaps one way of approaching this would be to define 'limits of tolerance' for the natural elements of landscapes rather than trying to fix the conditions for every single plot – the conventional nature management approach.
- Contemporary nature conservation (and agri-environmental) management often aims to reconstruct historic states by biotope management or reintroduction of 'low-intensity' types of land use. This approach mostly neglects that the intangible, functional and





**Alvar on the island of Oland, Sweden. This steppe-like ecosystem, one of the most important in Europe, has been shaped by extensive livestock grazing for the past 2,000 years.**

social components of these cultural landscapes might have changed radically. This makes the sustainability of this management questionable.

Within historic European landscapes the rearing of livestock, and the often vast pasturing systems, playing a central role in the creation of semi-natural ecosystems on a scale large enough for natural processes to operate (plant and animal dispersal, cyclic vegetation change, predictable events).

Many of the factors, which made Europe's cultural landscapes 'outstanding' even in a global perspective, have already mostly disappeared. The ecosystems, which we are actually protecting in scattered reserves, are often nothing more than persisting structural remnants of the past, and like historical monuments are witnesses of a former culture. Even sophisticated management plans cannot substitute the former interactive processes between people and nature.

### Consequences

Of course, we cannot turn back the clock. But we can study the historical systems of land use and their influence on biodiversity and we can adopt those elements, which fit into modern concepts of use, production and conservation. We should view the current parallel discussions on the future of agriculture policy and on the European-wide concepts for nature conservation as a unique opportunity to re-unify agriculture, forestry and the protection of biodiversity (see page 4). Learning from the past in this sense would mean:

1 Land use should not be determined by international political decisions, the global market and subsidies. Policy should encourage local decision making based on regional opportunities and natural constraints. This would

begin to help recreate a diversity of land-use cultures, counter the loss of regional identity and slow the trends towards uniform landscapes. There are some indications in the philosophy of Agenda 2000 that national governments may be able to support regional production systems.

- 2 Nature conservation should be practised through a regional approach. No general Europe-wide targets should be imposed on individual sites. Nature conservation needs regionally specified guidelines and advice which land users can implement (cf. Plachter & Werner 1998). Developing new management systems for cultural landscapes must be a process that incorporates the knowledge and experiences of the land user, most often the farmer.
- 3 The evaluation of European biotopes and landscapes should take in to account much more functional criteria rather than purely physical characteristics. This functional approach should include the role of human use, management systems and biological processes. For the purposes of evaluation, assessment of biodiversity is usually restricted to certain groups of conspicuous organisms – birds, larger animals and flowering plants. But from a functional point of view, biodiversity is much more linked to the inconspicuous species that make up most of the biomass; the soil-dwelling and freshwater organisms and, in the oceans, the algae and the invertebrates.
- 4 Stochasticity, dynamics and nutrient gradients are important natural processes which generate a high level of biodiversity on a landscape level. Planning and political instruments should seek to enhance these. Large-scale, extensive pasturing systems can

play an important role in this context, especially in those areas that will no longer be profitable using conventional agricultural systems (Fig. 3).

- 5 If agriculture policy is going to evolve with more environmental objectives, it should seek to develop support and incentives which are targeted at farmers and foresters, but only if they
  - adapt and link their production systems to regional carrying capacity of the land;
  - at least meet, but preferably go beyond, basic good husbandry and maintain the biological quality of their property;
  - find ways to sell at last part of their products as close as possible to their location (regional markets) thereby internalising the system and making it more sustainable.

Harald Plachter

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## Sustainable agriculture in the Baltic Sea region – focusing on EU enlargement



This two-day seminar was held in Debe, Poland at the end of January and was aimed at representatives of environmental NGO's throughout Europe. The meeting was organised jointly by the Coalition Clean Baltic and Polish Ecological Club with funding from the Nordic Council of Ministers. The seminar provided an opportunity for delegates from EU Accession countries to consider the pros and cons of current EU agri-environment policies and to discuss how best to implement such programmes in their own countries.

The delegates recognised that the forthcoming enlargement of the EU could be a major contribution to a Sustainable Europe - a Europe where all EU Member States, old and new, substantially reduce their pressures on the local, regional and global environment and protect and improve biodiversity effectively. It was, however, also recognised that if the enlargement was mismanaged then it could accelerate the pressure on the European environment and lead to further depletion of natural resources.

After much interesting discussion, the meeting ended with the production of two statements to be directed to the EU Commission and EU Council of Ministers – one concentrating on Paving the way for sustainable agriculture in the enlarged Europe and the other concerned specifically with organic farming.

The full text of each of these statements is available by e-mail from Johan Niss ([johan.niss@snf.se](mailto:johan.niss@snf.se)) or Gunnar Noren ([gunnar.noren@snf.se](mailto:gunnar.noren@snf.se))

**Traditional farming in southern Poland.**

## Evaluation of agri-environmental programmes: European Commission Report STAR working document VI/7655/98

For a couple of years now, the European Parliament (through the Committee on Budgets) has been asking for an evaluation of the expenditure under Regulation 2078/92. This Committee was not happy with a report produced by the Commission in December 1997 and asked for an evaluation before the end of 1998. The Commission responded rapidly with publication of an extensive document based on 150 reports from Member States. Members and staff of the parliament have

voiced satisfaction with this report and COBU news (the newsletter of the Budgets Committee) recorded that 'The Commission should be commended for this report' – this is something that does not happen every day in Brussels. Interestingly, it is also recorded that the Parliament has pressed for a reserve for agri-environmental actions of ECU 20 million. Although this represents only about 1% of the Agri-environmental budget it is an important gesture showing that the Parliament supports the mea-

sures.

The document presents technical information describing the state of progress in evaluating programmes. It also describes and explains aspects of Agri-environmental policy, highlighting elements relevant to the new agri-environment measures within the draft regulation for rural development, under Agenda 2000.

Contents include:

The agri-environment challenge; The process of evaluation; impact of the agri-environment measures; Administrative issues; Conclusions; Member State monitoring and evaluation reports; 15 Member State's programmes and evaluation plans.

Since publication the Commission has put the report on the web at:

[http://europa.eu.int/comm/dg06/envir/index\\_en.htm](http://europa.eu.int/comm/dg06/envir/index_en.htm)

*Eric Bignal*



## Announcements and Noticeboard

### COPA/COGECA

The Forum has been strengthening its contacts with European farmers' organisations, in order to increase mutual understanding of the different perspectives of the issues we face. The Forum's Director has participated in international round tables organised in Brussels by COPA (the Committee of Agricultural Organisations in the European Union) and COGECA (the General Committee for Agricultural Cooperation in the European Union). These were held at COPA's 40th Anniversary Conference on 30 November 1998 and the meeting of Presidents of agricultural and cooperative organisations in Europe on 11 February 1999. A central theme of both round tables was "The European Model of Agriculture - the way ahead", the policy paper by COPA/COGECA, and the degree to which this coincides with the views of other organisations.

### Rare wild herbivores

The Forum provided the Chairman for an international conference entitled "Bringing back the bison?" held at Farnborough, England on 1-3 October 1998. This was organised by Marwell Zoological Park, to explore the potential of combining two challenges. One is to provide grazing animals to maintain nature protected areas in regions where agricultural intensification has led to a lack of grazing animals in the region. The second is to have available sufficient grazing area for zoos trying to maintain rare wild herbivores whose wild populations no longer exist or are very restricted. There may be potential for these two problems to be solved together in some cases. There are also interesting parallels with low-intensity grazing systems in farming.

### European Commission DGVI Consultative Committees

The first meetings of some of these committees (see *La Cañada* 9, p.10) have now been held. Members of the Forum network have participated in the Committees on the Common Agricultural Policy, Agriculture and the Environment, Rural Development, and the Promotion of Agricultural Products. Most Committees will be meeting twice a year, and it

will be a major challenge to pull together the experiences and perceptions of the different sectors involved.

### Planta Europa 1998

The second meeting of the Planta Europa network was held in Uppsala, Sweden in June 1998, partly overlapping with the Forum's conference in Luhacovice in the Czech Republic. At the invitation of the organisers, a small number of delegates from the Forum's meeting dashed to Uppsala, so that the conclusions from there could be made available to Planta Europa's conference. There are many areas of common interest, and the Forum looks forward to further cooperation in the future. We hope to have a report on Planta Europa's conference and follow-up in a future issue.

### Grassland inventories in Central and Eastern Europe

The Forum contributed to a Technical Workshop on National Grassland Inventories and Strategy Projects in Central and Eastern European Countries, held in Bratislava, Slovakia on 31 January to 2 February 1999. This was organised by the Royal Dutch Society for Nature Conservation and the Daphne Centre for Applied Ecology (Slovakia), with financial support from the Netherlands Government. Healthy debate generated a good consensus across the countries concerned for future approaches to grassland classification, inventory and conservation. A feature of particular interest to the Forum is the need, identified by many participants, for more information on the farming systems of value to biodiversity and how to maintain such forms of management.

### Sustainable Rural Development – a Baltic perspective in the EU enlargement process

First announcement of a seminar organised by WWF in Riga, Latvia 7th-8th April 1999. Invited parties include: EU representatives, representatives of related national ministries, parliamentarians, local and regional decision makers, NGOs, associations (farmers, forest owners, etc.), other interested groups.

For several years all three Baltic countries (Estonia, Latvia, Lithuania) have been actively preparing for joining the EU in the coming years. Consultations with EU institutions, harmonisation of national legislation, use of pre-accession financial instruments like PHARE have already influenced national policies in different sectors. In the very near future several new financial instruments will be introduced which are related to agriculture and rural development. E.g. ISPA (Instrument for Structural Polices for Pre-Accession) and SAPARD (Special Action for Pre-Accession Measures for Agriculture and Rural Development). These will have a strong impact on rural policies and lifestyles. If their support is not focused adequately, they could have negative environmental consequences in all three countries. On the other hand, they could also provide important backing for a forward-looking sustainable development in the Baltic States, building on the natural riches of our countries.

The goal of the seminar is to initiate discussion among all interested parties about how to ensure nature conservation and environmental protection within the changing socio-economic framework of the Baltic countries.

The seminar is organised by WWF (Worldwide Fund for Nature), and will include working sessions on EU accession policies, possible environmental impacts, case studies and workshops.

More detailed information will be provided during the coming months. If you want to make sure you receive future mail-outs, or if you have any questions, please contact: Martin Rekis, WWF Latvia, K. Barona 64/8, LV-1011 Riga, Latvia. Tel: +371-7311488; Fax: +371-7311939. E-mail: mrekis@wwf.org.lv

### British Grassland Society – call for offered papers on grazing management

*The principles and practice of grazing for profit and environmental gain in temperate grassland systems* 29 February- 2 March 2000 Cairn Hotel, Harrogate

This is a BGS conference relevant to research workers, consultants, farmers and other land and countryside managers involved with any type of

grazing. Grazing is now more topical than ever, since farmers are subject to an unprecedented combination of pressures. Financial and political pressures are driving farm businesses to cut costs wherever possible, and grazing is inherently the cheapest way of feeding ruminant livestock. Yet farmers must be increasingly aware of the impact of agriculture on the environment and on the welfare of livestock, on conservation of the landscape and on the enhancement of bio-diversity to which governments are committed.

This symposium will address the science and practice of grazing in both intensive and extensive systems. An international panel of speakers will review plant and animal growth and production in grazing systems and opportunities for their manipulation, the understanding of animal grazing behaviour, the environmental impact of grazing, and the practice of grazing for profit. There will be workshops on research methodology, grazing for profit, and grazing for bio-diversity. Each of these with introductory papers setting challenges for the future.

Generous time has been reserved for both offered theatre papers and posters. Posters will be displayed throughout the conference, with a special session set aside for poster viewing with authors in attendance.

Both types of offered paper will be published in the proceedings, which will be produced in the BGS Occasional Symposium Series.

Authors wishing to offer a paper for either theatre or poster presentation at this conference should send a brief outline (200 words on a single side of A4) to arrive at the BGS office before 1st March 1999. Please state the form of presentation preferred. Successful authors will be notified in early April and, since the proceedings will be available for delegates on arrival at the conference, will be required to submit final scripts by August 1999.

Further information on this conference is available from the BGS office at: No. 1 Earley Gate University of Reading Reading RG6 6AT Phone 0 1189 3 18189/Fax 0 1189 666941 E-Mail: bgs@patrol.i-way.co.uk M B Helps, Society Secretary

## Managing high-conservation-value farmland: policies, processes and practices

Just eight months after the meeting, the Forum is delighted to announce publication of the Proceedings of the Sixth Forum in Luhacovice.

The Conference marked ten years of existence of the Forum with its first full conference in central and eastern Europe – at Luhacovice in the White Carpathians of the Czech Republic, near the Slovak border. Our hosts were the Czech environmental non-governmental organisation VERONICA. In the Proceedings, the general structure of the programme of the meeting is retained, as well as incorporating poster presentations.

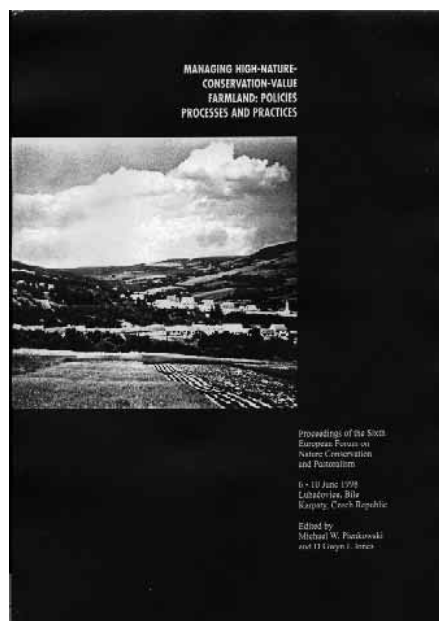
The contents include sections on the following:

**How much do we know and what do we still need to investigate about the detailed ecological relationships between livestock management practices and wildlife value?**

This begins with the First Colin Tubbs Memorial Lecture. Given by Roy Dennis, it raises the value of cattle grazing in managing woodland nature reserves – a subject which might fill some reserve wardens with dread. However, our ideas of appropriate cattle densities have been heavily distorted by intensive systems. There are interesting comparisons with Hans Kampf's paper. This addresses the situation of re-creation of a model of pre-human grazing systems. Whilst the areas on which this is possible may be limited, the parallels and continuities with the low-intensity human-managed grazing systems are fascinating.

**What management practices are required to maintain the wildlife value of low intensity farming systems?**

Bill Grayson continues the debate from



the previous section by considering a commercial grazing operation designed to provide the management necessary for nature reserves. On a wider scale, Jindrich Kvapilik examines the management options for permanent grassland areas in the Czech Republic. Luigi Guarrera explores ways of working with local farmers to ensure the continued welfare of threatened wildlife, following short-term measures based on land-acquisition.

Helena Bartoszuk, Andrzej Gorski & Josef Tyburski explore ways of overcoming the abandonment of farming practices essential to the maintenance of nature value in one of the most important wetlands in Europe. Jan Seffer & Viera Stanova outline a comparable situation in attempts to restore meadows in a river floodplain. Aleksei Lotman, Eve Magi &

Maire Toming provide another comparable example, illustrating how widespread is this problem of abandonment.

**How useful have agri-environment schemes been in delivering and maintaining environmental aims and objectives?**

Some existing schemes are examined from various viewpoints in Germany (Karlheinz Knickel & J Schramek), Austria (Wolfgang Suske; and Christina Mayer & Hans Karl Wytrzens), Ireland (Liam Lysaght; Tina Aughney & Mike Gormally), Sapin (Begonna Peco, J J Onate, F Suarez, J E Malo, J Aguirre & C Cummings), and Belgium (Thierry Walot, S Rouxhet & J-P Ledant), together with proposals relating to Hungary (Hannah Bartram, Matthew Rayment, Jim Dixon & Szabolcs Nagy), Finland (Annika Michelson) and the Czech Republic (Monika Prochazkova).

**Future challenges and opportunities for existing European Union countries and for Central and Eastern European countries.**

Anna Barnett's view from the European Commission of their Agenda 2000 proposals is complemented by David Baldock's commentary. Ferenc Tar provides a viewpoint on agri-environmental issues from a central European ministry of Agriculture.

There are summaries of four workshops and the discussions and the overall conference, summarised expertly by Agata Zdanowicz.

*Managing high-nature-conservation-value farmland: policies, processes and practices: Proceedings of the Sixth European Forum on Nature Conservation and Pastoralism 6th-10th June 1998 Luhacovice, Bile Karpaty, Czech Republic.* (Edited by M W Pienkowski & D G L Jones). European Forum on Nature Conservation and Pastoralism, Islay, UK 1999. ISBN 1 902855 00 0. Available from EFNCP, 102 Broadway, Peterborough PE1 4DG, UK; price £25.

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