



Workshop 2: Wider implications of semi-subsistence farming for society and the environment



Romania Case Study: the role of subsistence and Semi-Subsistence Farms in the delivery of Public Goods



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Connecting Rural Europe



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This case study will draw on the experience of an NGO programme in Romania to illustrate

1. the role of Subsistence and Semi-Subsistence Farms in providing a wide range of Public Goods
2. ways in which Subsistence and Semi-Subsistence Farms can be supported so that they continue to deliver Public Goods
3. the role that NGOs can play in the process.





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What defines a semi-subsistence farmer?



Romania has 4.2m holdings

Categories can be defined by:

- Use of products - 80% of Romanian holdings consume more than 50% at home – subsistence?
- Economic size – 91% of Romanian holdings are under 2ESU in size
- Physical size – 45% of Romanian holdings are under 1ha in size





What defines High Nature Value farmland?

- agricultural land associated with high species and habitat diversity
- managed traditionally and/or extensively
- because of traditional / extensive management, provides broad environmental benefits
- associated with semi-subsistence farming

There is a clear link between small-scale farming communities, High Nature Value, and Public Goods

Biodiversity
Clean air, clean water
Food quality
Food security
Nature tourism

Resistance to flooding
Resistance to climate change
Low energy agriculture
Low energy villages
Short supply chains

Pollination
Carbon sequestration
Agro-biodiversity

- These public goods are an important product of Europe's SFs/SSFs, they have immense economic value.
- There is a strong economic (as well as cultural / aesthetic / moral) case for supporting Europe's SFs and SSFs.



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Public goods from HNV 1: climate change resilience

Adapting to climate change

- Large-scale habitats allow species to adapt to climate change.
- Conversely, these valuable habitats are threatened by some policy responses to climate change, e.g. bio cropping.

Carbon sequestration

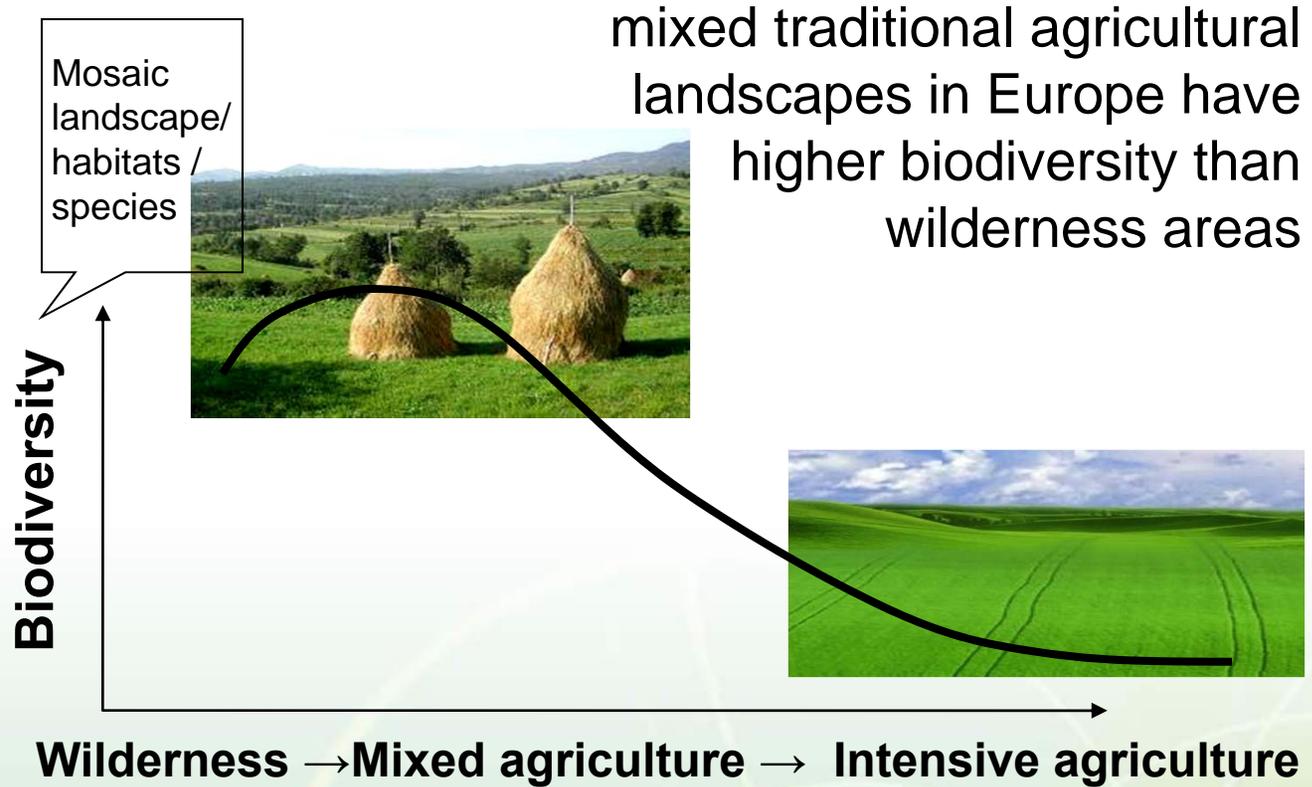
- Soil carbon is the 'premium sink'. Woodland sequesters approx. 6t/ha/yr of carbon above ground, but woodland is selectively felled releasing large amounts back into the atmosphere.
- Grassland and woodland soils sequester similar amounts below ground, up to 140t/ha.
- Extensively managed permanent grassland rich in wildflower species has carbon rich soil.
- Ploughing of unimproved grassland releases huge amounts of carbon into the atmosphere through oxidation as well as releasing nitrates and suspended solids into water courses. Arable soils are ineffective in storing carbon.





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Public goods from HNV 2: Biodiversity benefits



Source: after Hoogeveen *et al.*, 2001

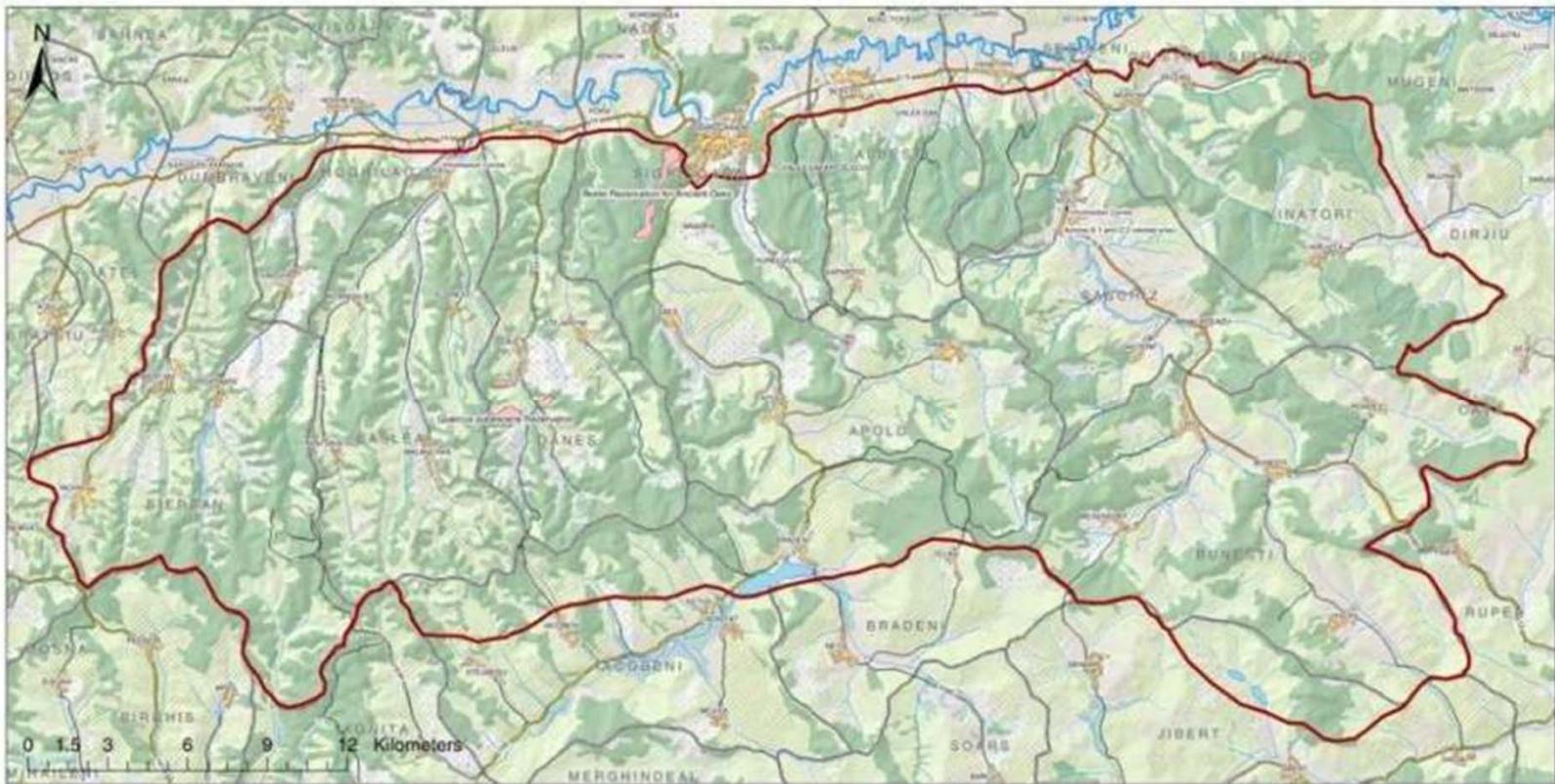
..... **etc.**





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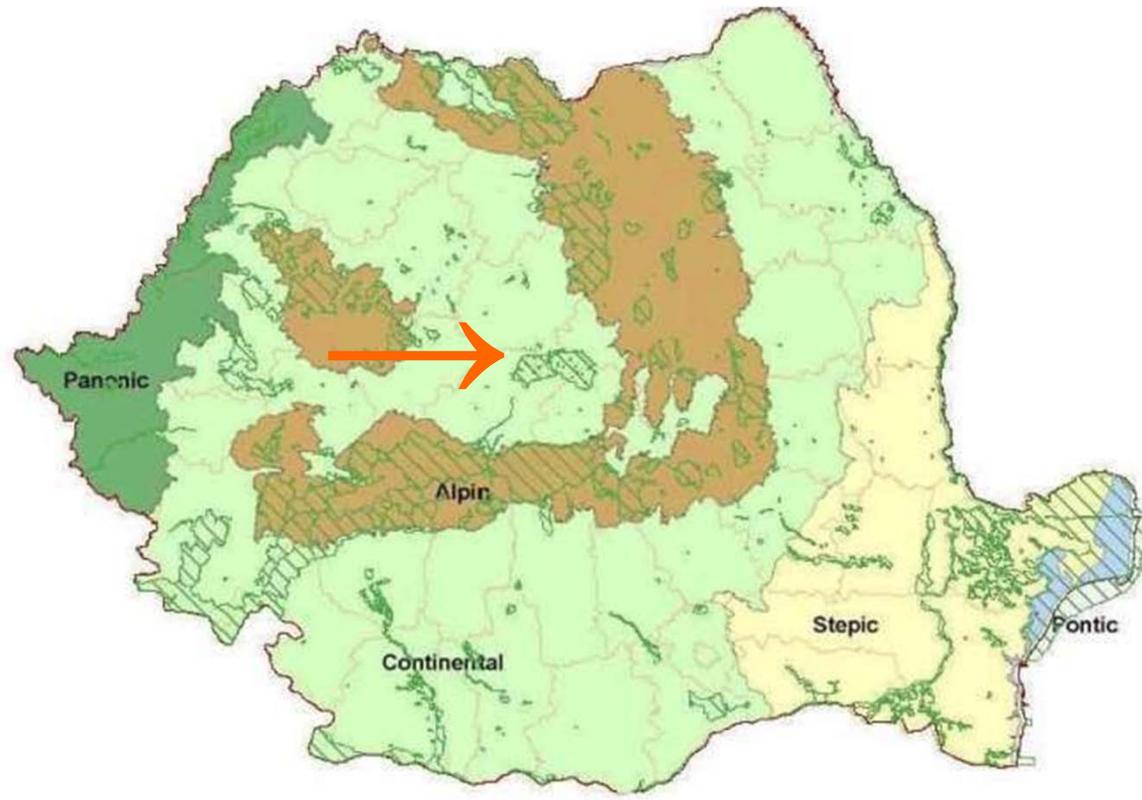
The case study: Tarnava Mare, a lowland area of high biodiversity, 85.000ha
farmed by 5.000 families in small-scale farming communities





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One of Romania's largest farmland SCI/Natura 2000 sites, and also a pilot
LEADER Local Action Group
Allowing the use of a variety of RDP tools





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**Some of the most important wildflower-rich lowland hay meadows in
Europe with associated wildlife of European importance**





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This is a man-made economic landscape



Only continued management by local farmers can maintain the
landscape, and its beneficial supply of Public Goods





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This landscape is in serious decline

- breakdown in markets – **especially milk**
 - competition from imports
 - additional burden of EU hygiene regulations
 - Small-scale farmer incomes are well below acceptable levels
- Collapse of cow numbers (~25% in 2 years)
- Abandonment of mowing on up to 50% of hay meadows in some areas
- Loss of traditional management
- Loss of farming communities which provide security in periods of economic crisis
- LOSS OF PUBLIC GOODS





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Does this matter?

- Yes, this is not just a cultural and aesthetic issue.
- Loss of traditional management and public goods will have **serious and costly environmental socio-economic consequences** across Europe

Is this inevitable?

Question: if traditional land management in the area no longer offers a livelihood to small-scale farmers: how do we keep these farmers on the land?

- Existing support measures especially RDP work in small areas.
- Useful lessons can be drawn from successful models and used more widely.
- But they are not sufficient: targeted HNV payments are also needed: **degressive** so that payments interesting enough for the very small farmer while not over-paying the bigger farmer

→ Some examples of use of existing support measures





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1. Agri-environment payments

- ✓ specifically designed to support HNV farmed landscapes
- ✓ measures simple and well-designed – 2 levels of payments
- ✗ not accessible to many small-scale farmers who are the most vulnerable economically and the most effective in delivering Public Goods and HNV farmland conservation targets

How to increase farmer uptake?

In 2005 in cooperation with MARD ADEPT established a Farm Advisory Team:
farm visits, workshops, office dedicated to completing SAPARD applications





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Impact of Advisory service

- ✓ application process for agri-environment measure simplified
- ✓ SAPARD minimum was 5 ha, reduced to 1ha in Measure 214.
- ✓ participation of farmers in a-e measure was **6.6 times regional average**:
av. 200/commune with advisory service against regional av. 30/commune
- ✓ Land area under a-e measure **3.8 times regional average** : 2021ha /
commune with advisory service against regional average of 538ha/commune
- ✓ smaller-scale farmers participated: av. application size 10ha / commune with
advisory service against regional average of 18ha/commune

BUT: 45% of RO holdings are not eligible for Direct Payments or a-e payments (under 1 ha minimum) –these small parcels are especially linked to HNV.

- Can 1 ha minimum be reduced further?
- Develop/promote schemes under which small farmers under 1ha can club together





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2. Supporting community grazing

Common grazing is a strong tradition in Tarnava Mare, and essential to the survival of small-scale farming communities. However, grazing associations generally do not receive Direct Payments and a-e payments for common grazing. System is breaking down under economic pressure

Seica Mare model.....

- Town Halls cannot claim for direct payments and a-e payments (✓APIA has acted)
- Seica Mare Town Hall makes a 5-year agreement with the village grazing association: 1.000ha (✓assisted by DADR Sibiu)
- Association claims €250.000/year for direct payments and a-e payments
- Association agrees to invest these funds in common projects
- Funds can be used as co-financing for investment projects under Axis 1





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3. Securing markets for basic products

Crisis in dairy sector - need for a market solution

- Over 75% of registered producers have under 10 cows.
- Collapse in market for milk → collapse in cow numbers → severe damage to HNV landscape

Total number of cattle in 6 communes of Târnava
Mare area 25% fall in one year, 2008-2009

- 5701 in 2008
- 4200 in 2009



Without a market for milk, agri-environment payments
alone will not halt this collapse.





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Working with dairy farmers to improve milk hygiene, and so improve the market

1. Small investment in Milk Collection Points
2. Workshops offering simple improvements
3. negotiations with processors for better prices (1 RON/l compared with 0,7 RON/l) linked to quality and quantity assurances.

Impact: within 6 months, three villages have improved milk collection points, improved milk quality, milk collection reinstated:

→ income again to 60 small scale farmers.

Milk Collection Points could be promoted through Axis 1 investment measures, **BUT** small-scale producers cannot find credits and do not have capacity.





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4: Adding value to local products

Without a market, agri-environment payments alone will not halt collapse in rural economy. ADEPT is working on small-scale projects to add value to local products with biodiversity/quality assurance brand

Traditional land management



High value products linked to brand image - cheese, meat, honey, jams, tourism, crafts



Such activities could be promoted through Axis 1 Producer groups, **BUT** thresholds are too high for small-scale producers.





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5. Hygiene regulations to suit small farmers.

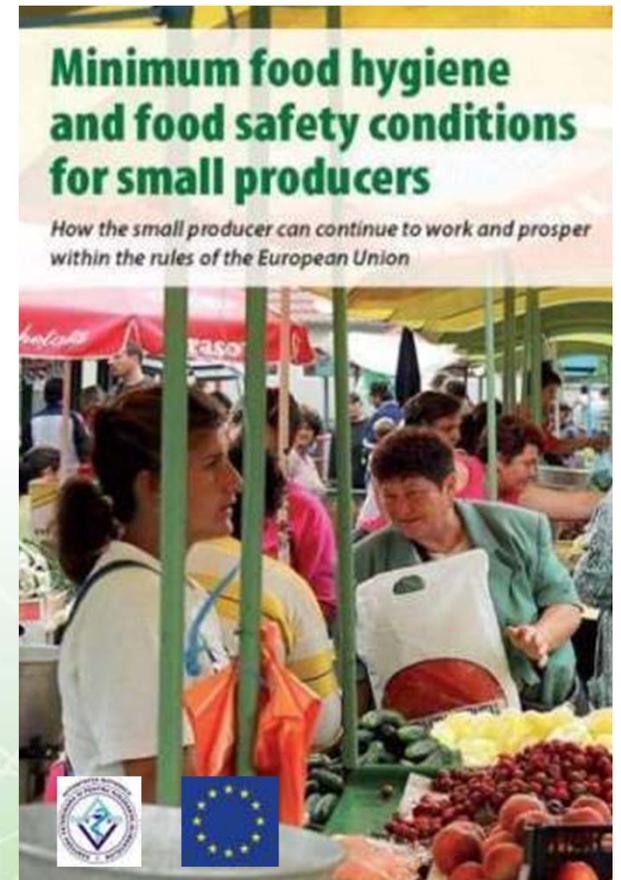
2007: small producers threatened by interpretation of EU hygiene regulations causing ban on direct sale of local products: urgent clarification was required.

ADEPT partners worked with ANSVSA to clarify FLEXIBLE approach to be applied to direct sales by small-scale producers in marginal areas:

- 852/2004 Article 13: "authorities should be flexible in the standards of equipment and safety measures they impose on small producers, so long as it does not compromise food hygiene"
- EU DG SANCO Guidance on 852/2004: "requirements should be adapted to accommodate traditional methods of production, and the needs of producers in geographically disadvantaged regions"

Message published in booklet supported by EU Delegation

Impact: Removal of unintended policy outcome. Farmers markets selling local/traditional products now spreading: would not have occurred without active MADR and ANSVSA support.





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6: the role of Natura 2000

Natura 2000 in support of semi-natural landscapes and small-scale
farming communities

- ADEPT has a LIFE+ Nature project 2010-2013, for grassland habitats
- Natura 2000 has important role as support for small-scale farming communities in Natura 2000 areas

BUT

- Currently Natura 2000 status brings no direct benefits to farmers within RO N2000 sites, although the “brand” offers marketing opportunities.
- HNV landscapes and their communities are often not found within N2000 sites. **Need for HNV payments that are not limited to sometimes arbitrary N2000 boundaries**





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7: the role of LEADER

Important potential role in support of small-scale farming communities

- Tarnava Mare area is a pilot Local Action group: But LEADER is still not fully active in Romania
- Some simplification desirable:
 - Should LAGs be required to follow same rules as Axis 1 investment measures, even though LEADER is not a commercial investment measure?
 - Should reimbursement be only partial (max 80%) and retrospective, no advance payment?
 - Should LAGs be obliged to follow onerous public procurement procedure?

Simplifying LAG procedures will be repaid in community response delivering RDP targets.

At EU level, LEADER is a very effective measure for involving and stimulating communities. **Proposal: a LEADER-type measure directed specifically at farmers, to provide advisory and economic stimulation role**





To summarise:



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- A Public Goods perspective strongly justifies more action to support the continued traditional activities of Romania's SF and SSF farmers.
- Targeted funds for HNV support will be very cost-effective in helping the EU to meet multiple biodiversity, climate change mitigation, ecological disaster prevention, and socio-economic targets.
- There are a variety of measures under current CAP, which if coordinated in innovative manner can do much to support the SF and SSF farmers associated with Public Goods

BUT these measures are complex to coordinate and rely on local initiatives to be effective. And even with these measures, SF and SSF farmer income is below acceptable limits: more is needed if we are not to lose these valuable systems.

ACTION TO TAKE?

- Improve delivery of the range of current RDP measures, and increase eligibility of small farmers under 1ha or 2 ESU
- Create a specific HNV measure, most effectively by degressive Direct Payment
- Develop Farm Advisory Services to coordinate and deliver the range of measures required to secure these landscapes. NGOs can help. Farmer-targeted LEADER measure in new CAP can help.





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Thank you!

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