

# High Nature Value Farming in South-Eastern Europe:

## Policy Opportunities and Challenges in the EU Accession



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Acknowledgements: Thanks for invaluable input to Sonja Karoglan Todorovic, Darko Znaor (Croatia), Suzana Đorđević Milošević (Serbia), Milan Markovic (Montenegro), Dimce Damjanovski (Macedonia), Pille Koorberg (Estonia - Turkey), Miroslava Cierna-Plassman (Slovakia), Miroslava Dikova (Bulgaria), Nat Page (UK – Romania), Liz Radford, Guy Beaufoy (UK)

Sources and funding: This report was informed by a seminar organised in Zagreb on 3-4th November 2011 with the support of the Dutch Embassy in Zagreb, Croatia and part-funded by DG ENV (European Commission). The seminar involved a range of non-government, academic and government representatives

#### http://see.efncp.org/events/2011/20111017/

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Photo on front cover: Krsto pastures, Mariovo region, Macedonia, Suzana Kratovalieva

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EFNCP brings together ecologists, nature conservationists, farmers and policy makers. This non-profit network exists to increase understanding of the high nature conservation and cultural value of certain farming systems and to inform work on their maintenance.

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#### 1 Introduction

The concept of HNV farmland is a novelty for the South Eastern Europe (SEE) countries. But even in the absence of detailed studies it is clear that the generally very extensive character of agriculture in these countries suggests that there are large areas of HNV farmland in a variety of farming systems. It comes as no surprise that the region is considered as the 'green gold' of South Eastern Europe (Plantlife) and the 'green lungs' of Europe (EEA).

Many of the conservation important landscapes and habitats were created by the centuries old practices of extensive grazing and low-input small-scale cropping throughout the SEE region. The inter-linkage between HNV farming, biodiversity and traditional landscapes is very strong. The recent decline in rural population and in the number of livestock animals has led to land abandonment, especially in mountainous areas. This harms biodiversity by shrinking the area of farmland of high natural value and thus the mosaic of habitats for wildlife. At the same time, intensive agriculture is expanding, which also threatens biodiversity.

HNV farms often operate in the most marginal areas (from agriculturalist perspective) under difficult social and economic realities. In SEE, HNV farming normally deals with the "outlaws" of the official systems (Znaor, 2011):

**The land**, especially grasslands managed in HNV farms is often not included in the official statistical or land registers;

The livestock (cattle, sheep or goats) is not (regularly) registered in the respective farm animals registers;

The products (cheese, milk, kashkaval, salami, etc.) are produced in traditional way not necessarily meeting the respective national or newly harmonized EU sanitary, veterinary or hygiene standards;

**The ecosystem services**: there is a growing recognition on the inter linkage between HNV farming and ecosystem services but so far this is not reflected in any accounting system and thus have no added value for farmers.

**The farmers**: are they consciously HNV farmers or are we trying to impose the HNV concept on people who simply have no other choice?

All these issues pose a variety of challenges for rural development and policy making in the SEE countries. It is clear that in the process of EU accession HNV farming in the region will inevitably change. The biggest challenge ahead is ensuring a well "managed evolution of HNV farming" (Beaufoy, 2011) so that its social, cultural, natural as well as economic values are maintained and developed for the benefit of society and farmers alike.

### 2 Agriculture policy support to HNV farming in selected SEE countries

All countries in SEE are in a process of harmonizing their agriculture policy support to the EU Common Agricultural Policy, although at different stages. The scope of support and size of budgets vary between the countries but they all provide market support, direct payments, still mostly coupled with production as well as rural development measures.

Measures directly supporting High Nature Value (HNV) farming are not yet introduced in any of the SEE countries. HNV farming related schemes are included in all IPARD Agrienvironmental measures designed in the candidate countries. However, they are not presented here mostly because the Agri-environmental measure itself is not prioritized by any of the national governments or the EC.

At the same time, there are a few noticeable examples of indirect measures, financed by national budgets that are resulting in support for HNV farming systems. An overview of the general support schemes and the HNV farming-related measures per country is provided below.

An overview of agriculture policy support related to HNV farming in selected SEE countries:

Support type	Croatia	Macedonia	Montenegro	Serbia	Turkey
Direct payments	Χ	X	X	Χ	X
Market support	Χ	Χ	X	Χ	Χ
Rural development	Χ	Χ	Χ	Χ	Χ
HNV farming-related					
Grasslands-grazing / mowing	Χ	-	Χ	pilot	-
2. Local breeds	Χ	till 2009	Χ	till 2010	?
3. Organic, incl. grasslands	Χ	X	Χ	Χ	Χ
4. Investments in HNV farms	?	?	Χ	pilot	-
5. Shepherd salaries	-	Χ	-	pilot	-
6. Training/ advisory	-	?	Χ	pilot	-

Box 1 Opinion of the European Economic and Social Committee on "Rural development and employment in the Western Balkans" – Conclusions and recommendations

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- 1.7 Pre-accession support for agriculture and rural development (IPARD) remains the major source of financial assistance in rural areas. Most of the countries have difficulties in adopting the current EU rural development model due to its complexity and demanding implementation procedures. Therefore, the EU should consider the possibility of simplifying the IPARD management and control principles and procedures to facilitate effective use of funds and measures available.
- 1.8 A major difficulty in accessing IPARD instruments appears to be inadequate administration and institution capacity at national and local levels, and low capacity of potential beneficiaries. The national governments are urged to put more efforts into institution-building and capacity-building of potential beneficiaries.

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1.12 Civil society does not play an important role in rural areas, due to lack of entrepreneurial and organisational skills, demographic problems and poor-quality social infrastructure compared to cities. A possible solution could be to create networks of local civil society organisations in order to reach a critical mass of population and area covered. In this respect the LEADER (3) approach is a potentially useful tool for improving the participation of civil society.

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Source: EESC, 2011/C 376/05, Own-initiative opinion, Rapporteur: Cveto Stantič

#### Croatia

In Croatia, the pre-accession agricultural policy support is completely focused on big intensive farms: In 2009, 1% of the farmers receive 40% of the subsidies with an average payment of 320 Euro/ha (Karoglan, 2011). HNV farming, on the other hand, receives no targeted public policy support. It thus faces a continuous decline in the number of farmers and a resulting loss of traditional land management practices such as hand mowing and traditional hay making, extensive grazing on common pastures, small scale mosaic cropping, etc.

In 2011, the new Law on State Support for Agriculture and Rural Development, in compliance with the EU requirements, introduces a flat basic payment for arable land at 274 Euro/ha and for pastures and meadows at 94 Euro/ha. It also specifies that the support to Less Favourable Areas (LFAs), defined as mountainous areas and islands and other LFAs, would be provided on an area basis. Until then, support in LFAs is provided by a higher unit value of some of the regular subsidies.

Very recently, in November 2011, another piece of national legislation is introduced aimed at maintenance of common pastures. The ordinance regulates the lease of state-owned land for common grazing to grazing communities for a period of 20 years. Grazing communities have

to register as co-operatives in the local government unit where the pasture is located. Each grazing community must have a management plan for the common pasture.

National support is also provided to autochthonous breeds of farm animals and organic farming, including for grasslands. The headage payment for autochthonous and protected breeds is ongoing since 1994. As a result, the number of animals of almost all supported breeds has increased significantly. Additionally, it played an important role for the maintenance of HNV farming, especially on islands and in coastal areas (Karoglan, 2011)

Examples of some of the HNV farming systems requiring special and targeted support in Croatia *Text and photos: Sonja Karoglan* 





The agricultural habitats in the proposed Natura 2000 zones in Croatia represent some 690 000ha. Mosaic landscapes with arable plots, vegetable gardens, traditional orchards and vineyards prevail (57%), while extensive grassland cover 39%.

The majority of agricultural households in the country are smaller than 3 ha and are not registered in the Farm Register. This puts them outside the administrative, fiscal and inspection system de facto meaning that they will not be eligible for any agriculture policy support.





Farmers are getting older and for young people farming, and especially small-scale extensive farming, is not "serious" enough to attract them. As a result, this type of farming is continued mostly to ensure produce for self-consumption in the family.

Without external support, practices such as hand mowing and traditional hay making are gradually disappearing.

#### Mediterranean grasslands historically used for sheep grazing



Around a million of hectares of grasslands most of which potentially of High Nature Value are 'lost' in the official data systems. It is not included in the national statistics or in the Farm Register which most likely means that it will remain outside the Land Parcel Identification System (LPIS) which is a basic requirement for receiving CAP support.

Many of these areas are already being abandoned and typical man-made features such as stone walls are degrading.

#### Traditional low input olive groves on the Croatian coast



Low-input traditional olives and intensified traditional plantations (systematic use of mineral fertilisers and pesticides) still prevail. A large part of typical terraces and dry stone walls is abandoned, but in some places they are still very well preserved.

Almost half of families living on the Croatian coast and 93% of families living on islands are cultivating olives as either their basic or additional working activity. If support for the more extensive practices is not provided it is most likely that the management will be intensified in favour of higher yields and less hand work.

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#### Macedonia

The agriculture policy support in Macedonia prior to the EU accession process was characterized by ad hoc policy decisions that were frequently changing. The harmonization with the CAP began in 2004, and rural development policy was introduced in 2007. Since then the overall agriculture budget has increased significantly and in 2009, the ratio market support vs. rural development was six to one.

Direct payments are provided to all animals above a certain minimum – 5 for cattle, 10 for goats and 30 for sheep. The support is digressive and farms with up to 80 LU receive 100% of the support, while farms with more than 300 LU receive 20%.

In Macedonia, as in Montenegro, some of the most commercial sheep farms are utilizing the mountain pastures so these direct payments are indirectly contributing to the maintenance of the extensive sheep grazing system.

The support to organic farming includes meadows and pasture in organic livestock production as well as for sheep and goats in organic production. The support for organic sheep and goat breeding is 50% on top of conventional direct payments. It is also digressive: 100% of it is paid to sheep flocks up to 500 heads, and only 10% of it is paid to flocks above 2,000 heads. In addition if farmers sale their produce as organic, they receive another support of 2-5% of the amount but not more than 2500 Euro. The area of organically certified pastures, meadows and wild plants was 205 ha in 2009.

Support to the local breed of Busha cattle, one of the best adapted breeds to the mountainous conditions of the Balkan region, was introduced in 2009, but was not implemented in 2010 and 2011.

In addition to IPARD measures focusing mostly on investments in farms, processing and marketing, and diversification of rural activities, Macedonia is also financing rural development measures with its national budget. One of them – supporting shepherds' salaries, is the only measure implemented for nature conservation in rural areas. It is introduced in 2009 and the budget for 2011 is 50 000 Euro. It is reported to have a limited uptake mostly due to the low level of salary payment as compared to the social payments that shepherds usually receive in addition to their shepherding payments.

### Examples of some of the HNV farming systems requiring special and targeted support in Macedonia *Photos: Zoran Naletoski*

#### Mountain pastures



Grasslands represent 51% of UAA. The majority permanent pastures are with low productivity. Almost all pastures are state owned and farmers pay for using them.

High mountain pastures in western Macedonia are traditionally used for sheep grazing in the summer. The size of sheep folds is 500–1000 heads on average. In recent years there is a continuous decrease in the number of animals resulting in pastures abandonment.

#### Food processing in sheepfolds (bachila)



32 sheepfolds (bachila) existed in Bistra mountain. Today, only 9 or 10 are still used in the summer due to the decrease of livestock.

Livestock breeding and processing of meat and dairy products are done in a traditional way using mainly manual work.

Only in the winter sheep are moved close to the villages and kept in barns (shtali).

Extensive use of grasslands by subsistence and semi-subsistence farmers



The current structure of livestock production in Macedonia is comprised of a large number of individual farm producers whose production is mainly for their own consumption and an increasing number of commercially-oriented family farms.

The livestock of small farmers are usually grazed around the villages almost throughout the year (summer-winter grazing) and are additionally fed with hay and concentrate.

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### Montenegro

In the last several years, the Montenegrin agricultural policy is marked by persistent efforts to respond to the pressing needs of agriculture and rural areas in the country alongside the harmonization of the national support measures with the CAP requirements.

The extensive farming practices, characterized by low levels of mechanization and/or chemical inputs and especially the low levels of marketed production are considered as a significant barrier to contemporary market competitiveness. On the other hand, the traditional and extensive characteristics of Montenegrin farming are recognized as an opportunity for organic production and marketing of environmentally-friendly products. Montenegrin agricultural policy is trying to balance these often conflicting development approaches (market competitiveness vs. environmentally-friendly).

As a result, direct payments in the livestock sector are being paid to animals in both intensive and extensive farming systems. A minimum and maximum threshold by farm is set – cattle between 3 and 50 animals; sheep between 20 and 300, goats between 10 and 300. This effectively leads to supporting mainly commercial family farms and excludes the majority of the semi-subsistence farms. The local breeds received a top-up payment to the basic direct payment.

A positive feature of the Montenegrin support approach is that it aims to support all farms/animals/areas above the specified minimum sizes. This means that the farms that are targeted by the policy can rely on some support every year. The drawback of this approach is that when the overall agriculture budget is decreased this is reflected in reduced payments per LU or hectar. This doesn't allow secure planning ahead especially when larger investments are concerned.

At the same time, investment support is also provided to extensive livestock production systems in order to fulfill the minimum EU standards on the basis of tender calls.

The measure on sustainable use of mountain pastures was introduced in 2010. Since then, a total of 2025 holdings and 25 250 LU of cattle, sheep, goats and horses are supported by a headage payment of 20 Euro/LU for a minimum of 5 LU. The support is given to the agricultural holdings practising transhumance for at least two months in a year.

Support to revitalisation and reconstruction of old olive trees is also provided. The requirement for reimbursement of revitalisation costs is an olive grove put in order and revitalisation of minimum 10 trees.

Examples of some of the HNV farming systems requiring special and targeted support in Montenegro *Photos: Dr. Milan Markovic* 

#### Mountain pastures and shelters "katuni"



Permanent pastures represent 62% (325 000ha) of UAA and provide an abundant resource for extensive cattle and sheep breeding.

The majority of cattle are raised in small family farms of less than 3 animals. This means that they are not eligible for either the direct payments or transhumance support.

### Extensive sheep breeding in commercial farms



Preliminary results of the Agriculture Census in 2010 show that the numbers of sheep and goats are increasing compared to the previous census in 2003.

Some of the most commercial sheep farms are de-facto using extensively mountain grasslands contributing to the maintenance of the HNV characteristics.

#### **Extensive management of olive trees**



Traditional olive growing is characteristic for the Adriatic coastline and especially the municipalities of Ulcinj and Bar. Olive groves occupy around 3,200 ha. In 2009, the total number of olive trees is 460,250 of which the productive trees are 406 890.

The majority of the olive trees are still managed in a traditional way which leads to utilizing only half of their production potential. On the other hand, the newly planted trees which are increasing in the recent years are all being managed intensively.

Serbia

The dominant form of agriculture policy support is production subsidies to intensive agriculture. The scope of support and budgets are changing frequently which makes it difficult for planning even for the biggest producers. In Serbia, as in most of the other SEE countries, there is no targeted national support for HNV farming. However, two indirect measures are also applied here and had an important role for the maintenance of traditional practices in the HNV farming areas.

Support to autochthonous breeds of farm animals is provided in the period 2004-2010. There is a headage payment to a wide range of domestic breeds - hens, goats, sheep, pigs, donkeys, ponies, buffalos and cattle, for above a minimum number of adult animals. Its basic requirement is that both farmers and animals have to be registered in the respective official registers. Despite the very limited budget of around 150 000 Euro annually, the number of animals increased steadily for the 7-year period of implementation. The main problem was that the budget was fluctuating annually, and in 2011, there was no budget for it.

Support is also provided to organic agriculture, including organic grasslands in rotation and livestock since 2005. In 2009, there were above 2 000 ha of grasslands in conversion. Organic management of pastures is not directly supported. Farmers have to be registered and have a contact with an approved controlling body. They have to continue the organic management three years after the support is received. The beneficiaries are excluded from the other governmental subsidies (including the one for conservation of endangered local breeds).

A pilot measure for the maintenance of highland pastures and grazing practices is introduced with GEF/World Bank funding in the region of Western Balkan Nature Park. A grant for grasslands management was offered to animal owners to a maximum amount of 5 000 euro. The key condition was that the owners' flocks had to spend minimum 90 days on the pasture. Eligible costs included shepherd salary, transport costs, costs for food, clothes and shoes for shepherds as well as camp equipment and milk equipment costs. As a result of the pilot scheme around 400 LU of cattle, horses, sheep and goats grazed at 5 different locations on a total 2250 ha of upland grasslands.

Examples of some of the HNV farming systems requiring special and targeted support in Serbia Text and photos: Prof. Dr.Suzana Djordjević-Milošević

#### Semi-intensive grazing on highland semi-natural grasslands



Low intensity grazing by cattle and sheep in upland pastures in the coniferous forest zone, and less frequently in openings in mixed forest. This type of management has created some of the most attractive mountainous areas of Serbia. Their characteristic feature is the mountain summer shelters for animals and people "katuni".

Special support is required to motivate people to take animals on the summer pastures as well as for the maintenance of "katuni".

#### Combined use of mountain grasslands



Sheep production across two specific zones has been preserved in southeastern and eastern Serbia as a successor to a form of production in which nomadic flocks roamed from the south to the north of the country.

The recent abandonment of highland pastures is jeopardizing the survival of pastures in the lowlands due to overstocking. This in turn leads to soil degradation and erosion on slopes, while the abandoned grasslands are being invaded by juniper, blackberry and other shrubs.

#### Free range systems of Central Serbia



In an extensive livestock system, free range pigs, sheep

and poultry graze on semi-natural vegetation in managed orchards (mainly plums) and in forests patches.

Today this type of small-scale farming is being modernized, with animals increasingly reared in sheds. Additionally, veterinary requirements are getting stricter which altogether threatens this traditional system.

Turkey

Turkey provides a wide spectrum of agriculture support to its farming sector including many coupled direct payments. The Agriculture Strategy Paper 2006 – 2010 specifies that 10% of the agriculture budget would be directed to rural development and further 5% to environmental support.

The Environmentally Based Agricultural Land Protection Program (ÇATAK) in Turkey started as a pilot in 4 provinces in 2006. It provided support for three years to farmers in order to prevent the land loss caused by water and wind erosion, desertification, saltiness, contamination by wastes and inputs used in agricultural production. Overall, it aims to address the negative impacts from agriculture than seeking to support the positive synergies between farming and nature.

Examples of some of the HNV farming systems requiring special and targeted support in Turkey Text and photos: Pille Koorberg





The state-owned rangelands largely used for grazing represent around 13,6 million ha. Due to problems with the implementation of the law on pastures (Rangeland Act, 1998) there is still no effective support to the farming systems associated with them such as common grazing on village pastures or seasonal grazing in more mountainous areas.

**Extensive mixed farming systems** 



Around 60% of the family farms in Turkey manage less that 6 ha of land usually comprised of a mixture of cultivated land (cereals and fodder crops), fallow land, pasture and some fruit trees. The majority of crops are grown for own consumption.

**SEE** countries

### 3 Main issues and challenges to HNV farming policy in

The **concept of High Nature Value farming is a novelty** in all countries in South-Eastern Europe where the issues of negative environmental impact from agriculture to environment still come first to mind. But it is also an attractive concept for communicating the biodiversity benefits to policy makers in the countries (Koorberg, 2011).

At the same time, the **political awareness** of the needs and hurdles of these farms as well as the willingness to take a pro-active approach to address them are low. Additionally, there is little knowledge on the functioning mechanisms of the CAP support, thus the ability to formulate opinions on the current or future support options is limited (Chartier &Malcolm, 2010). Thus, the environmental integration in agriculture policy in SEE remains largely an EU-driven process. Where positive national developments have happened they have depended on the interest, talents and enthusiasm of a particular person (Djordjevic-Milosevic, 2011) instead of being a systemic process.

There are some good examples of what can be done for HNV farming with small amounts of the national budgets (Montenegro, Serbia). The big issues are related to the **unpredictable nature of this support**: decisions are taken annually both on the size of budget and the availability or indeed, cancelation of the measures (Serbia). Additionally, payments are often delayed putting farmers in difficult economic situations.

The support provided to farms is still **not complex enough** to cover all aspects of HNV farming and future EU standards in order to ensure a favorable environment for development – on farm investments, off-farm grazing 'infrastructures'- water pools, shelters for shepherds and animals, etc.

Information, knowledge and capacity at local and regional level are all particular issues for the proper utilization of available national and EU funding. HNV farming exists under the most marginal circumstances with a range of social and economic pressures – farmers are ageing, education level is low, most of them are outside the official administrative and fiscal systems. The advisory systems need to accommodate these specific characteristic and provide adequate response to them instead of just offering general extension services.

**Preparations** for two of the main systems for **administering CAP support** – Land Parcel Identification System (LPIS) and Integrated Administration and Control System (IACS) have only started in Croatia, Macedonia and recently in Montenegro. Given the large areas of common land use mostly for grazing, as well as the unresolved land ownership and land use issues, the implementation of EU area-based support schemes such as Agri-environment and Less favourable areas will face serious problems.

Coordination, communication and cooperation is a major gap at all levels – between national level ministries of agriculture and environment and finance, between national and regional and local level administrations, between governmental and non-governmental organizations, between research institutes and advisory services, between farmers and institutions.

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Lessons learnt from Bulgaria, Romania and Slovakia

The experience of three NGOs working in three of the new member states – Bulgaria, Romania and Slovakia, provided valuable insights of the processes related to the development of policy measures aiming to support HNV farming in countries with similar socio-economic conditions prior to accession.

A number of common elements related to policy development interactions emerged:

**NGOs** were and still are the proactive partner in the proposal and design of HNV farming related measures. NGOs have to find the most appropriate way to talk to decision makers at national level in order to present their ideas. In the EU accession process, a very valuable support in this direction was provided by the **European Commission** who was always looking for the opinion of NGOs and putting relevant pressure on the national ministries.

The **link from local to national and European levels** is a very important one and requires equal commitment to all levels. At national level, work with like-minded NGOs in coalitions always brings more fruitful results: brings in diverse experience from more local areas, builds stronger civil society and has more powerful position in negotiation with government.

The presentation of the policy measures always has to **consider the benefits to the Ministry** and preferably to be linked to some ongoing policy process. In most cases nature conservation goals have to be presented without explicitly mentioning them (Cierna-Plassman, 2011). In the period prior to EU accession NGOs are often seen as reliable sources of expertise and knowledge than watch-dogs by both the ministries and the EC.

Whenever possible, **simple solutions within the existing systems** are preferred because on the one hand, the negotiations with institutions take a long time and, on the other, complicated measures are more difficult to grasp by the final users – the farmers. *Adept* designed farm record sheets adopted by the Ministry which are easy for farmers to complete and at the same time reduce the risk of failure.

Other key elements in the NGOs – ministries interactions are related to the **use of good local data and examples** which allow realistic and reasoned justification of the proposals. The national grassland inventory made by *Daphne* played a crucial role in the targeting of grassland measures in Slovakia.

Work with local communities requires a holistic approach. It involves regular meetings and participation in public debates, discussions and hearings. *BSPB* provides **advocacy support to local coalitions as well as support for local promotion** initiatives related to traditional foods and products from HNV farming systems.

Adept engaged in combating hygiene regulations for small producers by organizing village milk collection points, by clarifying EU regulations in a way that is not damaging small-

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scale farmers viability and last, but not least, this clarification provides authorities the confidence to apply flexible approach to small-scale producers.

As a result, there are 9 Milk Collection Points serving over 170 farmers, and over 700 cows. The benefits are for both biodiversity (1500 ha of grass maintained by grazing/mowing) and business (negotiations with processors for better prices linked to quality and quantity).

All three NGOs provided **advisory support to farmers using mobile teams** providing information on funding mechanisms and application process, on farm biodiversity and simple explanation of the "revolutionary agri-environmental measures". This regular contact ensures a personal approach to every farmer and farming situation and gains credibility at local level. It also enables the ongoing monitoring of the implemented schemes or measures. It also improves significantly the delivery of the measures.

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## 5 Recommendations and next steps towards successful HNV farming policy in SEE

Often the discussions on the needs of HNV farming refer to small scale and subsistence farmers who are by far the dominant group of farmers in the region. However, the participants in the Regional HNV farming policy workshop all agreed that the High Nature Value is **not a result of the scale** of production **but of the low intensity of production systems**. Both Montenegro and Macedonia provided examples of commercial sheep farming of extensive production that maintain large areas of mountainous HNV grasslands.

The workshop recommendations are grouped in several key categories: policy and regulations, markets and consumers, information and awareness, and willingness for cooperation.

#### **Policy and regulations**

The baseline of the recommendations is that the official system for **policy support doesn't have to be a barrier to HNV farming** – the specific rules require decisions of the national administration not EU one. For example, in Spain all land is eligible for support while in other countries such as Bulgaria million hectares are excluded.

Policy support to HNV farming needs to be multi-annual in order to **provide farmers with the security and stability** that taking all these serious decisions and steps to enter the official system will be worth it. Frequent changes in support measures and budgets are very problematic as they give no certainty for farmers to commit.

Contracts for policy support have to be at least of 5-year duration **PLUS support for investments on farms** since small or extensive farmers have no access to independent investment funds. Additionally, HNV farmers have to be prioritized in other RDP measures and national support schemes in order to have access to them –otherwise, they have no chances for competing.

Support is also needed for **scientific research to reveal the economic benefits** of this type of farming, including the ecosystem services it provides.

**Better preparation** for the implementation of CAP support is required in the candidate countries and this is especially relevant for HNV farming. The impact of purely technical interpretation of LPIS can be very damaging on support for grazing areas. A very considerate adoption of criteria and definitions has to be elaborated to make sure that it creates an enabling framework and not a barrier for support.

CAP is surely a very important tool for supporting rural areas but it only is not enough. Structural funds are also needed for community action and small enterprises. A number of existing EU legislation on veterinary and hygiene and land issues should be softer for HNV farming OR there should be specific modifications at national level to reflect the particular characteristics.

Information and awareness

A series of key questions need to be addressed in the region:

- What is the image of HNV farming?
- What is the perception of HNV farms?
- Who is interested in preserving HNV farming?
- Who are our new partners in HNV farming?

This requires improved information and awareness of policy makers and administrators at local, regional and national level. Support the national advisory services to become more aware, educated and informed on the needs and potential of HNV systems. Good examples of HNV farming need to be collected and promoted widely in the region.

But it also requires improved direct communication with farmers – are they consciously HNV farmers, are they willing to enter the official administrative and support system; will they continue to be HNV farmers once they enter the official system; what type of incentives will motivate them continue HNV farming?

#### **Markets and consumers**

Two key aspects of market related activities can bring public recognition for HNV farming and both of them are still rather underdeveloped:

- Monetarization of ecosystem services and the direct and indirect benefits to people and nature.
- Promotion and marketing of food and other products from HNV farming systems, including if necessary "HNV farming" label.

#### Willingness for cooperation:

A summary of workshop participants' willingness to cooperate on the next steps towards viable HNV farming in the SEE region comprises:

- Collect and develop good practice to be multiplied. Work with people interested to work with local communities to agree on the best way for their development, including local projects like BSPB one supporting the maintenance of traditional grassland management and providing grant support to people.
- Branding and marketing of products, especially of family farms and local community.
- Organize a follow up conference from the workshop focused on high level policy makers, thus ensure that projects implemented by different NGOs create policyrelated synergies in the region.
- Increase knowledge of people and institutions at local and regional levels. The
  development of concrete measures is important, but we also need to ensure that
  there is an adequate awareness rising related to it.
- Improve and strengthen cooperation between NGOs and Ministries of Agriculture.
- Nature conservation bodies can improve the applied research related to grasslands management.