Reflections from external evaluators on the future of olive production systems on sloping land

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The Olivero project focuses on olive plantations on sloping land and in mountain areas, for which the project proposes the term "SMOP". This type of plantation is defined in terms of broad characteristics, but the project does not develop a concrete, quantified definition, e.g. criteria such as altitude, or degree of slope.

Although the particular characteristics of SMOPs clearly are relevant for environmental considerations such as soil erosion, the presence of slope and/or mountains also has a direct and indirect infuence on economic viability. Thus, the SMOPs concept can be seen as a surrogate for defining a more disadvantaged or "marginal" type of olive grove, in contrast to groves on flat land that generally are of greater productivity and economic viability, due to better soils, larger holdings, fewer obstacles to mechanisation, better access, etc.

The stated objective of the project is to "to assure that a sustainable use will be made of the natural resources land and water in the sloping and mountainous olive production systems (SMOPS)". This is an extremely ambitious objective, and requires a detailed and structured analysis of :

- Environmental aspects, especially the effects of olive production systems on water and soil resources. The project also attempts to look at biodiversity effects.

- Socio-economic considerations, especially in terms of the viability of different olive-production situations, as this will determine future patterns of use (intensification, extensification, abandonment).

- Policy considerations, both in terms of policy effects on farming systems and thus on the environment, and in terms of policy effects on the economic viability of production systems.

Crucially, to achieve the overall objective, the project should generate from its analysis a set of detailed and concrete recommendations in terms of farming systems and policy. Furthermore, if policy makers are not made aware of these recommendations, then the objective will not be achieved.

In practice, the project generates a considerable amount of data on different types of SMOPs in the chosen case-study areas. These data illustrate a wide range of different physical situations, farming practices, economic situations, as well as the effects of different olive production systems on water and soil resources.

Generally, these data generated through the Olivero project confirm the findings of previous research in the same area (such as Beaufoy, 2001). Although the findings are not ground-breaking, the detailed socio-economic and environmental case studies produced by the project constitute a valuable output and a resource that can be built on in future projects.

Some considerations of environmental sustainability are developed to a useful level of detail, especially effects on soil. Current levels of soil erosion in some SMOPs areas are shown to be clearly unsustainable. Similarly, the levels of humus in the soil often are lower than the sufficiency threshold ranging between 25 and 30-35 g of SOM kg^{-1} of dry soil, respectively in sandy and clay soil. Policy strategies need to be developed to address such clearly identified problems of unsustainability in olive farming.

However, some of the environmental issues analysed in Olivero appear to be treated less rigorously. For example, the consideration given to the effects on biodiversity of different production systems is extremely superficial. No data are provided on the particular elements of biodiversity present in olive ecosystems (species, habitats), or on the relationship between specific farming practices and species or communities of species.

On the socio-econonic aspects, the case studies illustrate clearly the problems of economic viability suffered by many SMOPs, while in certain situations they appear to be relatively more competitive. Economic viability is a critical issue, especially in relation to abandonment. Viability thresholds need to be defined and quantified in order to design effective strategies for sustainability.

On the policy area, several aspects are analysed only partially, and could usefully be developed further, for example:

- What is the *scale* of sustainability issues such as soil erosion in SMOPs, and what would be the appropriate combination of policy measures to respond to each issue? On what geographical scale should instruments be implemented? What would be the financial cost of addressing each issue? These questions need to be answered in order to know the scale of financial resources that need to be transferred from CAP Pillar 1 to Pillar 2 in the case of SMOPs.

- Proposals in relation to good farming practice should distinguish between conditions that should be obligatory (cross-compliance) and those that should be paid for under agri-environment schemes.

- How does the current implementation of cross-compliance in each country correspond to the approach proposed in project?

- Do current agri-environment schemes address the scale of environmental needs sufficiently?

- In order to achieve a level of economic viability for olive groves of particular environmental value, what level of support payment is needed (e.g. to achieve parity with other local employment opportunities)?

The project analyses possible future tendencies in SMOPs under different policy scenarios. In terms of the project's sustainability objective, the picture painted by the scenarios is a quite negative one, with various combinations of abandonment, intensification, and corresponding environmental impacts. Environmental impacts may increase through intensification of surviving systems (e.g. irrigation) and the abandonment of the least productive systems.

Especially for the more marginal types of olive grove, the risk of abandonment is shown to be extremely high. This is partly a result of low productivity, and partly due to socio-economic problems in the areas concerned. However, it is also a fact that the CAP has disadvantaged olive plantations of lower productivity for decades through subsidies paid in proportion to production, and by supporting new irrigation generally in lower altitude, flatter areas. This policy situation continues largely unchanged at present, even following the "decoupling" of the 2003 CAP reforms.

Overall, policy is the critical variable that can determine whether the project's objective "to assure that a sustainable use will be made of the natural resources land and water in the sloping and mountainous olive production systems (SMOPS)" is achieved. In the "Policy Off" scenario, there is no future for marginal, low-intensity groves, and environmental degradation resulting from abandonment will continue. Similarly, currently unsustainable exploitation of soil and water resources can only be addressed through policy measures.

Olivero highlights some of the inadequacies of current policies. For example, the fact that Member States have not taken advantage of the opportunities under the recent CAP reforms to redistribute Pillar 1 support by using the optional 40% National Envelope for olive groves of environmental and social value. The project also finds that "it is questionable whether the cross-compliance regulations and the agri-environmental measures will be able to mitigate these adverse environmental effects."

It is clear that a sustainble olive sector cannot be achieved without some fundamental changes in policy, or at least a rapid development in the use of currently available policy instruments. One of the limiting factors has always been the lack of clear proposals for change, and lack of awareness and discussion of alternatives.

Unfortunately the extensive research undertaken under the Olivero project has not been converted into concrete policy proposals or strategies for addressing the sustainability issues addressed in the project. This may be because policy analysis was not built into the research method at the same level as the analysis of agronomic and environmental questions. Rather, the development of policy proposals seems to have been attempted towards the end of the project, once the primary research had been completed.

EU research projects such as Olivero are an outstanding opportunity for analysing EU policy responses to specific sustainability needs, such as those relating to SMOPs. Such projects are unique in having the necessary budget, time, expertise and data for this work. Most EU policy studies operate under far greater resource restrictions.

The generation of extensive data on farming systems and environmental effects is not directly helpful for policy development. Policy makers generally do not have the time to search for data, or to analyse research findings, and then to convert this information into

effective policy design. If research projects have an explicit aim to feed into policy development then they should realise from the outset that policy analysis and design are at least as complex as the research of farming systems and environmental effects, and should be integrated fully into the method.

The EU and its Member States have spent a considerable amount of public money on the Olivero research project. In spite of certain weaknesses, the project illustrates clearly the sustainability problems affecting EU olive farming, and the inadequacies of current policy responses. Will the EU and its Member States respond to the project's findings by improving their policies?

Or is there a fundamental absence of integration between EU research programmes and EU policy development? The two appear to move along parallel lines but not to feed into each other sufficiently. New approaches are needed to ensure that policy development responds adequately to the findings of research projects, and that research projects address adequately the needs of policy development.

Reference:

Beaufoy G, 2001. EU policies for olive farming: unsustainable on all counts. WWF/Birdlife.