Visegrad experience for small-scale family farms in Serbia

3-4 February 2015, Szeged, Hungary

Report
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Introduction

CEEweb together with Young Researchers of Serbia, Eko-Centar, Juniperia, Daphne – Institute of Applied Ecology and Naturalists Club Poland have launched a project on experience sharing and capacity building in small-scale farming. The project “Empower the powerless: Visegrad experience for small-scale family farms in the Western Balkans” aims to place small family farms at the centre of food security, local economy and environmental protection in rural Serbia.

With the first event of our project on 3-4th February, 2015 in Szeged we provided to more than 40 people from various sectors mostly from Serbia, but also from the Visegrad countries an overview of the opportunities that small-scale farmers have in the European Union. The Common Agriculture Policy and the specific legislation on organic farming, but also the financial support to environmentally friendly agricultural practices and rural development can provide valuable help to Serbian farmers during and after the EU accession, as well. Therefore, attention was devoted on the current and future EU agriculture policies with a special focus on the synergies of agriculture and nature conservation, where small-scale farmers have a large role to play. Within the frame of the conference, we also shed light on the economic viability of small-scale farmers from the Visegrad countries showing challenges and special tools for the participants. The practical side of the event was further supported with the visit to an organic farm in Ópusztaszer. The conference not only tried to give experience from the Visegrad countries but enabled and gave space to participants to work in this experience to their specific processes in the Serbian context; sections on networking and small group discussions therefore were integral parts of the event. These served the purposes to induce participants to evolve their thoughts on further steps and formed the basis of the projects’ following steps, the trainings in Serbia.

‘Train the trainers’ event for Serbian farmers associations, NGOs, local and nature conservation authorities

Ágnes Zólyomi, CEEweb’s General Secretary, Dejan Zagorac from Ekocentar and Tijana Ljubenovic from Young Researchers of Serbia welcomed everyone and wished participants a fruitful time of sharing experience, both positive and negative and learning from each other’s successes and failures.

Small-scale farming in Serbia

The first section of the event aimed to give a general introduction to participants about the state of play of small-scale farmers in Serbia showcasing general situation of the agricultural sector, the average small-scale farmers’ challenges and opportunities as well as the status of nature conservation and its relation to agriculture within the country. The section was closed with a discussion of the participants about challenges and potential solutions.

Small-scale farming in Serbia and its benefits for the society and nature conservation - Jeoren Arends, SEEDEV

Jeoren Arends provided a picture on the situation of Serbia and its small-scale farmers. He began with that there is a general confusion regarding the definition of small-scale farmer.

- Does it involve being a small-scale commercial (semi-subsistence) or pure subsistence farmer?
Is it defined by the share of marketed produce? (0-100%)

Serbia has many farmers who own small pieces of land. Within the country there is a discrepancy: in Vojvodina the farms are larger and in the rest of the country smaller.

In general, in Western Europe the number of small-scale farmers is decreasing, their farms are not profitable and they go out of business. Large farms have taken over the mainstream production and they cause much pollution due to acidification and over-fertilisation. Eastern Europe is following this trend slowly.

However, small-scale farmers are socially important, as farming provides them with an income. The economic benefits they provide to society include food security, employment and family income.

In Serbia small-scale farmers find it hard to access markets and compete. Fertilisers are expensive, climate change poses a threat, there is a lack of technical support, health care, transport, internet and young people migrate out of rural areas.

Small-scale farming, however, delivers a wide range of environmental benefits: rich landscape mosaic filled with small plots and biodiversity-rich boundaries. Agricultural intensification removes ecological corridors, stepping-stones and destroys farmland biodiversity. Numbers of species go down, soil loses its fertility and practices such as burning, deep ploughing, heavy machinery and pesticides make the soil lose its elements and water.

But is small-scale farming always environmentally-friendly? Sometimes lack of education regarding the use of chemicals and fertilisation and being overly dependent on the success of the crop makes small-scale farmers overdose on artificial inputs into the soil.

We thus need to convert to “new practices” which would benefit agriculture, people and nature. Rural ecotourism, custody over nature, renewable energy, provision of ecosystem services (e.g. flood protection), PES, natural compensation, good quality organic food and labelling schemes all provide alternatives for small-scale farmers.

The question was also raised whether small farmers have a political voice. It could be important for small-scale farmers to diversify their income and receive state aid if needed. Large farms should try to value the production chain more and invest in processing and middle-sized farmers should invest in new technologies and knowledge transfer to increase competitiveness. Farmers must strive to be creative and open to new ideas and tap into the other stakeholders’ knowledge to maintain the quality of rural life. Besides, in order to better protect ecosystem services the integrative ecosystem service approach can be applied.
The present and possible future of small-scale farming in Serbia – trends, opportunities and cooperation. Organic farming in Serbia – current situation and perspectives, Slavica Stevanetic, adviser in Serbian Chamber of Commerce

In Serbia there are 3 million hectares of arable land and 76% of farms are under 5ha. There are two types of farms: specialised and mixed farms. In general, around 5% of agricultural holdings are state-owned and 95% are located on private land. Agriculture contributes 7.2% to the Serbia's GDP. Main crops are: wheat, corn, soya, sugar beet and sunflower. In general, Serbia has a good climate and great potential for organic production. Thus, its small-scale organic production (no fertiliser, artificial input, growth hormones etc.) could reach European markets. Serbian “protected farmlands” form a good basis for organic production.

In 2010, an Organic Production Law was adopted in compliance with equivalent EU regulations, which renders Serbian organic food in compliance with EU standards and enables its export.

These 5 steps in organic decision making include:

1. Contact with an authorised certification body
2. Small-scale farmer authorises certification body to incorporate his farm into organic scheme
3. Certified body drafts action plan and verifies submitted registration data
4. Undersigning a contract for organic production
5. Control and reporting

Going organic involves using regulated seed varieties and displaying a mandatory organic logo. Serbia is now discussing a national action plan for Rural Development and Industry and Agriculture that will also cover organic production.

Problems of Serbian small-scale farming include an underused export potential, insufficient competitiveness of producers on EU markets, small quantities of produce and unstable supply. Oftentimes farmers have no access to the right seeds, bulbs and onions, which need to be imported from the EU. Prices of organic certification pose a significant obstacle and the resulting prices (organic produce can be up to 5 times more expensive than conventional) make the products less appealing to customers.

Further on, the IPARD Programme in Serbia was introduced showcasing main segments and opportunities:

1. Improving Market Efficiency and Implementing Community Standards Measures
2. Investments in agricultural holdings to restructure and upgrade to the EU standards
3. Investments in processing and marketing of agriculture and fishery products to restructure and upgrade to the EU standards
4. Supporting the setting up of producer groups
5. Preparatory actions for implementation of the agri-environmental measures and Leader Measures
6. Preparation for implementation of actions relating to environment and the
Agriculture and nature conservation in Serbia – Klára Szabados, Institute for Nature Conservation of Vojvodina Province

Agriculture have had an important impact on the biodiversity of rural areas in Serbia. Large herbivores such as wild horse and bison, became extinct before the iron age, what means that natural and man-made grasslands have been maintained by domestic animals for milleniums. Not only the grasslands, but forests and floodplains have been grazed by different livestock species. Large number of local breeds have developed since the medieval times, some of them are protected in Serbia for their valuable genetic resources.

Small farms, slowly reacting to modernisation, in some regions still exist. Their owners possess the traditional land use knowledge, including practices well adapted for local resources and ecological conditions. The knowledge of these farmers is a part of our cultural inheritance, such as traditional crafts and foods - a value that is often underestimated.

Small-scale farming created a mosaic-like, heterogeneous landscapes, preserving the fragments of natural habitats (eg. woodlots) and creating seminatural habitats (hayfields, mountain pastures). However, small farms are disappearing in the process of the agriculture intensification, while the negative impacts on the environment are increasing. The improper use of agriculture technics causes soil erosion and degradation. Fertilisers and pesticides pollutes the soil and the water resources.

For the above mentioned benefits, the low-impact traditional agriculture and organic farming are favoured on the protected areas, offering possibilities for the cooperation with local farmers. Protected areas in Serbia (see picture) are divided into 3 zones. Agriculture is prohibited only within the the smallest, strictly protected zone, while in the other parts habitat management often includes controlled ways of grazing or hay-making and other activities of traditional extensive agriculture.

The National Strategy on the Preservation and Sustainable Use of Natural Resources in Serbia recognizes the biodiversity as one of the renewable resources and defines the ecosystem services as goods and benefits provided by the natural systems. Because the functionality of natural systems can not be protected by isolated reserves, they have to be connected by corridors into ecological network. The ecological network in Serbia is based on the obligations from the Bern Convention on the Conservation
of European Wildlife and Natural Habitats, the national Law on Nature Conservation and the Bylaw on the Serbian ecological network.

In 2010 the preliminary version of the agro-environmental program (AEP) was also developed, in accordance with the EU legislations. The aim of the AEP is to protect the natural resources of agricultural landscapes and provide subsidies for the farmers in the environmentaly sensitive areas. Further development of the agro-environmental schemes and the establishment of ecological network in Serbia needs a cooperation between the nature conservation and agriculture sectors.

Participant discussion and views on challenges and opportunities of small-scale farmers face in Serbia

<table>
<thead>
<tr>
<th>Obstacles, problems</th>
<th>Solutions, recommendations</th>
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<tbody>
<tr>
<td>Farmers cannot sustain themselves and others <strong>without preserving the environment</strong>!</td>
<td>Small-scale farmers need to cooperate and unite vertically (by connecting producers to the market) and horizontally (by connecting producers together).</td>
</tr>
<tr>
<td>Farmers face the problem of lack of access to markets and often end up feeding their produce to livestock.</td>
<td>Farmers should explore the possibilities of ethno-tourism which is the driving force for pottery and trout business, local cuisine, restaurants, local dance and folklore displays, craft workshops for children, teambuilding events, etc. Average guest profile: young visitor comes for a few hours / maximum the weekend on the way to a larger resort (e.g. Zlati Bor). They rarely stay for 3-5 days.</td>
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<tr>
<td>It is sometimes difficult to engage in tourism business as bureaucracy often poses a barrier for entrepreneurs. Low price of ethno tourism is often the deciding factor when selecting a location, which makes it less profitable for farmers and more difficult to invest and innovate.</td>
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<td>Land ownership poses another problem as there is no state-owned land and public property anymore. Thus, situations arise where attractive landscape is privatised and the local farmer cannot take tourists to nearby areas. However, it is the right of citizens to access their countryside - this is the case in the UK where there are public paths and the environment is clean unlike in Serbia.</td>
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<tr>
<td>Outmigration of young people from rural areas causes another problem. It is important to attract young people back to the villages.</td>
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<td>Authorities and regulations sometimes act as a barrier instead of a catalyst which has resulted in many farms perishing under penalties and sanctions.</td>
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<tr>
<td>There is a wide lack of environmental awareness and a common perception that only protected areas are to be preserved. It is important to raise awareness regarding the preservation of natural resources, ecosystem services, energy etc.</td>
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Many Serbs live in rural culturally-rich landscapes, which abroad people pay to visit and do not realise their potential. Thus, they should teach their children to preserve the traditional way of life. However, they still rely on cities for easy access and to intercept some of the tourist traffic. Cities, municipalities and local governments should put more emphasis on advertising local rural tourism. On the other hand, an increase in demand for ecotourism is needed, through social advertising and marketing.

Serbian tourism providers cannot compete with neighbouring countries such as Croatia. Thus, they must find a niche, e.g. using the example of Hungary. The Carpathian identity has still to be developed.

Bottom-up initiatives are especially valuable and need to be supported. Despite the initial mistrust of local communities towards foreigners such collaborations often bring positive results.

Learning from EU experience on small-scale farming and biodiversity

This part of the conference focused on providing a brief introduction of the EU policy on agriculture exhibiting the main segments of the Common Agricultural Policy, demonstrating the opportunities of the National Rural Development Programmes for small scale farmers and giving information on the EU legislation of organic farming and production. Besides, the synergies of the EU-wide Natura 2000 protected network and agriculture was also showed in the four Visegrad countries.

An introduction to the EU’s Common Agriculture Policy and small-scale farming in the EU – Agnes Zolyomi and Eduard Nedelciu, CEEweb for Biodiversity

The European Common Agricultural policy was created after the Second World War in the face of a drastic food shortage. In 1958 at the Stresa Conference in Italy, members of the European Economic Community decided to establish an overarching policy for agriculture. The five main objectives of the CAP were to:

1. Increase production by promoting technical progress.
2. Ensure a fair standard of living for the agricultural community.
4. Assure availability of supply.
5. Ensure that supplies reach consumers at reasonable prices.

It was agreed that CAP would:

1. Increase farm incomes by a price support policy;
2. Contribute to overall growth by allowing specialisation within the Community and eliminating market distortions; and
3. Preserve family farming and ensure that structural and price policies go hand in hand.

Already then Sicco Mansholt – the father of the policy – was worried that **fixing commodity prices at a central level would make farmers lose contact with the market.**

From the very beginning, CAP was the single most expensive policy of the EU. By 1985, it accounted for more than 75% of EU’s budget. At the same time, CAP also became one of EU’s most controversial policies. By 1980s, it had led to significant overproduction and raised numerous environmental and health concerns. It was also criticized for favouring large producers and overlooking small-scale farmers.

By 1991, the budget of the CAP increased sevenfold, yet 80% of the aid was going to 20% of the farmers who managed most of the Utilised Agricultural Area (UAA). Thus, the MacSharry reform in 1992 shifted the focus from production to producers: farmers were to be subsidized on a per hectare basis independently of production. New agri-environmental schemes (most noticeably the afforestation measure) were introduced in order to offset the impacts of intensive agriculture and promote more environment-friendly farming practices. The reform reduced the price support for arable crops and laid down the basic organic standards. Rules on animals products were introduced (animal feed, prevention of illness, veterinary treatment, animal protection, livestock breeding, and use of livestock manure) as well as rotation on fallow land.

The 'green payment' in the overall greening architecture

![Image](freeimages.com. Image ID: 1433343)

Through the Agenda 2000, the CAP was restructured into two Pillars. Environmental and food safety aspects were strengthened through the new ‘cross-compliance’ requirement, which meant that in order to receive direct payments, farmers had to comply with a minimum number of rules. The cross-compliance measure had two components: the
Statutory Management Requirements (SMR) and the Good Agricultural and Environmental Conditions (GAEC). The reform also established mandatory Ecological Focus Areas (EFAs) that should comprise 5% of farmland. However, EFAs only apply to farms larger than 15 ha, which excludes 89% of all EU farms! (69% of European farm holdings are smaller than 5 ha).

Green elements of the EU’s Common Agriculture Policy and their special impact on small-scale farming – Nat Page, CEEweb for Biodiversity/Fundatia ADEPT

The presentation started with a question, namely what small-scale farmers produce and why we should support them. The straightforward answer includes the followings:

- High quality food products
- Environment, biodiversity, landscape, water management
- Services e.g. tourism
- Cultural heritage
- Succession
- Regional approach, social cohesion, food security
- Social agriculture, employment and connected local employment
- Ethics, fairtrade, animal welfare

The presentation then was continued with providing basic introduction of the EU’s Common Agriculture Policy’s two pillars.

**Pillar 1**

Art 9: active farmers – It is important that *active farmers* be correctly defined so that payments go to real farmers rather than mere landowners.

Art 14: Transfers between Pillar 1 and Pillar 2

Art 41: Redistributive payment – smaller farms up to 30ha receive higher direct payments.
Art 43-46: Payment for climate and environment:

- Art 44 Crop diversification (small farmers do not have to comply)
- Art 45: Maintain permanent pasture (applies to all farmers)
- Art 46: Ecological Focus Areas (applies to farms above 15ha only) - requirement to maintain nature friendly landscape features (under previous CAP there was an incentive to remove them) to enhance soil; encourage natural enemies to pests etc.

**Pillar 2**

Measures that can be combined to support small-scale farmers:

Art 14: Knowledge transfer

Art 15: Advisory services – key parts of any Rural Development Program. It is important for locals with specific local knowledge train farmers.

Art 16: Quality schemes – Important measure for high quality organic products and local food recognition.

Art 17: Investment in physical assets – co-financing is required, small farmers are resultant to apply or do not have money. However, increased support (even up to 80%) is possible for organic farmers.

Art 19: Farm and business development – a grant fund, if eligibility (in the form of agricultural output) is too high, small farmers cannot apply.

Young farmers measure

Art 27: Setting-up of producer groups and organisations

Art 28: Agri-environmental and climate measures - Payments for a commitment: to reduce fertiliser and pesticide use, apply hand mowing, adjust mowing timing to bird breeding etc.

Art 31: Areas of natural constraint

Art 35: The Cooperation measure – supports local action for innovative development.

**HNV grassland support measure - Romania**

High Nature Value Farmland was mapped in a rough way (above 50% permanent grassland); it works well, and 2.3 million ha (1/4 of Romania’s agricultural area) are declared eligible for HNV payments. This is the most successful measure in the whole Romanian RDP with 230 000 participating farmers who receive 282 EUR per hectare per year. Benefits include keeping farmers on the land and preserving grasslands that require low intensity management.

Art 42: LEADER – Community Led Local Development programme
The EU’s legislation on organic farming - Agnes Zolyomi and Eduard Nedelciu, CEEweb for Biodiversity

In the face of agricultural intensification, more and more consumers realise that using more environmentally friendly farming practices and ensuring chemical-free produce is important. The organic agriculture sector was one of very few that registered growth during the economic recession. Between 2002 and 2011, the amount of land managed organically doubled and the growing trend continues. Within the organically managed areas, 45% are pastures. Of organic livestock, 46% are cattle and 30% are sheep. Only 5.4% of UAA – Utilised Agricultural Area – is managed organically, most being located in the old EU Member States. There is a large discrepancy where Spain Italy and Germany account for 40% of all EU-27 organic area, Austria alone for 19% UAA, but Ireland for just 1.1%. Among new Member States, the more prominent organic producers include Estonia, Latvia and the Czech Republic. Compared to conventional farms, average organic farms are larger (34 vs 12ha).

The pie chart of organic production looks the following: olives (31%), grapes (17%), nuts (13%), citrus fruit (2%) other permanent crops (16%), and other fruit (21%). In 2011, the organic market was worth almost 20 billion EUR.

The beginnings of organic legislation can be dated back in 1991, when a regulation on organic farm produce and foods and organic standards for plants were proposed. Organic farming was defined as aiming to function in a closed cycle as much as possible. Any use of GMOs in organic production was ruled out and an EU organic label was created. Food can only be labelled as organic if 95% meet the required standards.

In 2007, the regulations were updated to allow for more flexible import of organic products from non-EU countries including US organic food.

Pillar 2 of the Common Agricultural Policy has a measure on organic farming (although it is not a popular one among farmers) while it is up to the Member States to put emphasis on
organic farming in their Rural Development Program. Much more training for farmers is still needed to promote organic practices and their benefits.

The EU’s Natura 2000 network’s benefits and opportunities for agriculture in the Visegrad countries – Małgorzata Siuta, CEEweb for Biodiversity

Protection of Natura 2000, its species and habitats is a EU commitment under the Birds and Habitats Directives. The idea behind the Natura 2000 network is to be a protected area system, which does not exclude economic activity and relies on a partnership between people and nature. As much as 40% of Natura 2000 areas are agro-ecosystems. 10% of EU UAA lies within Natura 2000.

Yet, when one compares conservation status of habitats associated with agriculture, it is clearly visible that compared to those with no association with agriculture, the former are doing much worse. This is due to the following factors: land abandonment, lack of traditional management and intensification of agricultural practices in other areas.

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<table>
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<th>CAP Pillar 1</th>
<th>CAP Pillar 2</th>
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<tbody>
<tr>
<td>European Agricultural Guarantee Fund (EAGF)</td>
<td>European Agricultural Fund for Rural Development (EAFRD) (administered through RDPs)</td>
</tr>
<tr>
<td>Polluter Pays</td>
<td>Provider Gets</td>
</tr>
<tr>
<td>Direct payments which support the economic viability of low-intensity Natura 2000 farms and farming systems in the face of economic pressures for intensification or abandonment.</td>
<td>Key source of funding which supports conservation management of Natura 2000 farmland and the sustainable socio-economic development of the Natura 2000 farming systems and associated local communities.</td>
</tr>
<tr>
<td>Green payment: for practices contributing to environmental protection and CC mitigation</td>
<td>Agri-Environment Climate, Organic, Natura 2000, Areas of Natural Constraints, forestry measures</td>
</tr>
<tr>
<td>- Permanent grasslands, crop diversification and Ecological Focus Areas</td>
<td>Extended scope of Natura 2000 compensation to cover farmland and/or forest land in other nature protection areas with environmental restrictions which contribute to improve habitat connectivity</td>
</tr>
<tr>
<td>- Natura 2000 farmers only have to implement the greening practices compatible with Natura 2000 objectives</td>
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Visegrad countries:

1. Poland
   a. Agriculture contributes less than 3% GDP ... but... 19% of the population employed in agricultural and food industry
   b. Direct payments important in preventing land abandonment, maintaining mosaic rural landscapes that support biodiversity
   c. 2007-2013 RDP: budget of 17 billion EUR

2. Hungary
   a. 3% of population in agricultural sector (2010)
   b. Dualistic farming structure: very small and very large farms
   c. 2007-2013 RDP: 5.3 billion EUR budget
   d. 21 different agri-environmental schemes
   e. Targets 25,000 farms/land users (10 000 of which are Natura 2000) = 1.2 million ha
   f. Hungary had largest planned budget for Natura 2000 payments (measure M224)
   g. Support for grassland management

3. The Czech Republic
   a. Agriculture contributes 3% of GDP employing 2.8% of the workforce (2005)
   b. Majority of farms are large
   c. Intensive farming in many areas, few landscape features for wildlife
   d. Budget: 3.7 billion EUR
   e. Support for Natura 2000 areas which are at the same time located in the first zones of National Parks and Protected Landscape Areas

4. Slovakia
   a. 92% of agricultural area - farms over 100 ha, only 9% of agricultural area farmed by owners (2007)
   b. RDP 2007-2013: budget 2.6 billion EUR
   c. Agri-environment payments (M214) has the third largest budget (15% of the total public expenditure of the programme)

Case studies from the Visegrad countries on benefitting farmers with nature conservation

Showing the results and potentials of the agri-environmental schemes in Slovakia through some cases – Eva Viestova, Daphne, Slovakian Institute of Applied Ecology

Within Slovakia, both large intensively managed farms exist in the South and small extensively farmed plots can be found in the North.

Prior to joining the EU, Slovakia had a Pre-Accession Programme for Agriculture and Development (SAPARD). First agri-environment schemes for grasslands were implemented in 2003. In 1999, the country ordered a map of High Nature Value grasslands called the
National Grasslands Inventory, which included an information system and an extensive database of species. This data was extensively used and applied when creating agri-environment schemes and drafting Rural Development Programs. A system of grassland certification included a certificate for High Nature Value grasslands.

Other agri-environment schemes included changing arable land into grasslands, protection against erosion, a basic scheme and wetland protection. The latter was not successful as wetlands were not in the database system and thus not eligible for payments. Gradually, the organic scheme was also launched.

In general, farmers were enthusiastic regarding the Common Agricultural Policy despite its complexity, which caused some confusion. Many farmers realised that they were already implementing the agri-environment measures prescribed by the CAP. However, until this day there is insufficient control of some of the subsidies – it can occur that farmers receive the subsidies but do not manage the land accordingly. In the last funding period, between 2007 and 2013, agri-environment schemes covered 80% of valuable grasslands. Lessons learnt in the process of introducing CAP and agri-environment measures were mostly the importance of effective and clear communication and awareness raising, although some initial confusion among the farmers is unavoidable.

Showing cooperation between farmers and nature conservationists through a Czech example – Martin Strelec, Juniperia, the Czech Republic

As the common perception of farmers is often that they do not care about nature or do not understand it, Juniperia decided to make a survey regarding farmers’ environmental knowledge and know how. They conducted interviews with farmers about their environmental awareness, motivation, know-how and the barriers that stopped them from appropriately caring for the land. Juniperia staff talked to farmers about their attitude towards nature, landscape and how they benefited from biodiversity. They found that farmers had a very positive, affectionate and emotional attitude towards nature and landscape, were aware of biodiversity related benefits but had a negative experience with environmental regulations, restrictions and penalties. Farmers were found to be reliant on nature more than city-dwellers and Juniperia staff concluded that their motivation to manage their land well was sufficient to motivate them to shift towards more environmentally friendly practices. Importantly and surprisingly, it turned out that among farmers whose land was designated as Natura 2000, only 20% were aware of that fact. Many farmers mentioned that Juniperia was the first environmental institution that consulted them and asked them questions. They appreciated the interest in hearing their voice. Following the survey, Juniperia issued publications for farmers about protected areas. These combined chapters on Natura 2000, grasslands and their natural value (environmentalists’ priorities) with specific topics on farming solutions – to do with the Nitrates Directives, grazing intensity and limitations (which were the topics the farmers found most confusing). The publication was prepared specifically about the area in question.

Another tool tested by Juniperia were Farm Environment Plans. Their goal was to educate farmers about all of biodiversity on the farm, which in turn would enable one to target priorities issues and species.
Farm Environment Plans included maps of valuable habitats, habitat characteristics and ecology, current state of habitats, management requirements and were accompanied by photos. The plans were meant as a guide and incentive to incentivise farmers to implement proper management through education and creation of locally specific knowledge.

The third tool that Juniperia applied in the Czech Republic were Watershed Management Plans. The area selected for the test round was heavily utilised and facing problems with soil erosion and local flooding. Juniperia thus set out to build new natural landscape features to prevent the flooding. They conducted an analysis of water runoff, mapped erosion problems, proposed new landscape features and finally received funding to implement their recommendations from the local government.

Landscape and biodiversity as farming products: some Polish examples and experiences with agri-environmental schemes, theory and practice - Pawel Pawlaczyk, Naturalists Club Poland

The biggest problem in Polish agricultural landscapes is land abandonment. Small agricultural plots, meadows and forest clearings disappear under natural succession, especially in Northern Poland. Farm abandonment on the one hand and agricultural intensification on the other hand both led to loss of farmland biodiversity. As Polish agriculture contributes little to the country’s GDP compared to the proportion of workforce it employs, Polish politicians believe it necessary to change the structure of agriculture, employ fewer people, intensify and enlarge the farms to make them more profitable.

Poland started to implement the CAP in 2004 upon joining the EU. Payments were thus directly linked to farmed area (rather than production) and were significantly lower than in the old Member States (due to the application of the Historical Principle). Poland is characterised by an extensive application of Less Favourable Areas payments – a Pillar 2 payment yet used similarly to Pillar 1 schemes. As Poland has a large proportion of the population employed in agriculture, they form an important constituency. As many politicians wanted to maximise the number of “happy farmers” Poland implemented a simple CAP available to as many farmers as possible. Less Favoured Areas payments were applied to almost all of the country (in the South due to the hilly landscape and in the North due to poor soils rendering 80% of country area eligible for the scheme. The result was beneficial to farmland biodiversity as the payments kept farmers on their land. In a few years, the farm abandonment trends were reverted. Now almost all meadows are mowed (even if the grass is not used for anything) and pastures grazed. Many farmers engaged back in farming practices.

Cross-compliance rules were turned on gradually. Specific Polish agri-environmental measures include:

- Eco-farming (certified organic)
- Integral farming (farming with diverse production, less fertilising)
- Rare breeds
- Soil and water protection (keeping vegetation cover on fields)
- Buffer zones (2007-2014, not continued, as there were not enough funds and few farmers were interested).
Habitat support schemes
- Basic for meadows and pastures
- Advanced for specific natural habitats and bird habitats

A map of valuable habitats was not prepared for all of Poland in advance. Thus, confirming the presence of indicator species was necessary to certify land parcels.

The system of agri-environment measures was initially implemented in the whole country. At present, habitat payments are available in the whole country, while bird schemes are applicable to Natura 2000 sites only due to a smaller budget.

Overall, the system of agri-environment payments can be seen to work well. In 75% of cases site identification was correct. The natural value of habitats was maintained and the system established a clear link between payments and natural value. Challenged included the level of complexity and time needed understand the system and learn to use it. Unfortunately, every 6 years the system changes, new Rural Development Programmes are drafted and farmers are lost again. The agri-environment system is also not relevant for very small farm parcels as it involves too much effort to prepare the scientific expertise.

Cross-compliance has been observed not to be very useful for Polish forestry. Although there is a requirement to follow Natura 2000 management plans, the farming agency is unable or unwilling to control activities damaging to habitats and species. The landscape elements category is reduced to monuments, which are very few! Even if infringement is identified, penalties are often decreased.

Polish Farmland Bird Index has been stable over the past years as compared to a decreasing index in other European countries.

Hungarian cases on benefitting farmers and nature with Agri-environmental measures – Gergő Halmos, BirdLife Hungary

Twenty one percent of Hungary is covered with Natura 2000; out of that, 26% are grasslands and 12% is arable land. Hungary has higher farmland bird densities than Western Europe; flagship species include the Eastern imperial eagle *Aquila heliaca*, the red-footed falcon *Falco vespertinus* and the great bustard *Otis tarda*.

Unfortunately, many farmland bird species are characterised by an unfavourable conservation status in the Pannonian Biogeographical Region. Common bird species such as tree sparrows, starlings, swallows, swifts and skylarks are decreasing – a trend similar all over the new EU Member States. Farmland birds are in a much steeper decline than forest and non-farmland bird species.
Hungary has horizontal and zonal agri-environment payments. Typical High Nature Value measures are to postpone mowing, reduce overgrazing, prohibit chemical use, apply bird-friendly mowing, maintain buffer zones around nests, prohibit draining and arrange consultations with nature conservation institutions. It has been observed that the decline of biodiversity in areas with higher percentage of agri-environment payments is slower. While general schemes do not always bring positive results, schemes tailored to the needs of specific species, such as the great bustard scheme have helped to preserve the most valuable species.


Hungary has identified the keys to success in terms of good agri-environment payments as well designed and targeted measures, high enough payments, continuity and predictability of schemes, good quality of information and communication with farmers and awareness raising.

The following section aimed to shift focus from the connection of nature conservation and agriculture to the economic viability, profitability of small-scale farmers and relevant tools. The section started with a general introduction of the situation and possibilities of Hungarian farmers. This presentation was followed by several cases that demonstrated direct marketing, local markets, trademark development, central distributors of small-scale and organic products, community development and products from protected areas from all four Visegrad countries.

Opportunities and limitations for small-scale farmers in Hungary – Zsófia Benedek, Hungarian National Academy of Sciences

Local farmers face many limitations in terms of regional restrictions or the quantity of products they can sell; however, new legal regulation eases the procedure of being recognised as a small-scale farmer. Community development by agriculture is becoming more common these days, supported by numerous networks, NGOs, platforms and knowledge and skills exchange programs.

An important possibility for small-scale farmers is the sales in short food supply

Typical places of purchase among Hungarian consumers in case of different products. Source: AKI, cit. in. Juhász-Szabó (2013)
chains. The main ways to sell their produce are:

1. Markets (including farmers’ markets)
2. On-farm and roadside sales
3. Fairs and festivals
4. ‘Pick your own food from the farm’ actions
5. Consumers’ purchase groups, vegetable box schemes, home delivery
6. Community-supported agriculture
7. Etc.

There are different market types in bigger Hungarian settlements that small-scale farmers can access:

- Traditional markets and market halls (TM, mostly retailer-dominated, but usually some tables are dedicated to small-scale farmers, too)
- Farmers’ markets (FM, farmers from 40 km can sell, except in Budapest, where there is no restriction)
- Organic markets (OM, certification is needed)

The Hungarian Academy of Sciences has conducted a survey while visiting 20 markets in large Hungarian cities. They gathered information regarding farmers’ backgrounds, education, market preferences, funding, future plans, corporate membership and their use of different market channels. The results showed that a typical small-scale farmer comes from a farming family, owns 8 hectares of land on average and produces without much external financial support, does not like to cooperate and has no specific future plans. The survey proved traditional farmers to be older, less educated, not engaging in food processing and making choices mostly based on tradition. Non-traditional farmers were shown to be younger, more open to innovate and more often choose to go organic.

In terms of environmental impact, non-traditional farmers use fewer chemicals on their farms. However, they travel more to attend farmers’ markets (that are characterised with higher available prices) so their overall positive environmental impact is questionable.

Conclusions:

- New marketing channels make small-scale farming attractive to many, but farmers using more traditional channels rarely exploit these new possibilities in Hungary
- Cooperation would be needed to make small-scale farmers more competitive economically and environmentally
- NGOs might play a key role in enhancing social, economic and environmental sustainability by organizing small-scale farmers
Direct marketing by trademark development, distributors and local markets – Péter Kajner, Alliance for the Living Tisza

Small-scale retailing relies on a short food supply chain (SFSC). Small and medium farmers (SMF) face numerous difficulties as they produce in smaller quantities and have trouble to transport their goods to the market. As supermarkets can afford to lower the prices, small and medium farmers need to look for other channels to sell their products, try to shorten the supply chain and sell directly to the customer. Therefore, small-scale farmer must often rely on their customers’ preference for healthier and fresher produce and having a relationship with their farmer.

There are two types of Short Food Supply Chain (SFSC):

1. Direct contact – the producers or farmers sell the product to the final consumer him/herself or in cooperation with other producers, e.g. by inviting the consumer to their farm, selling their produce in an online shop or offering home delivery.
2. Short retail chain – the producers sell the product to an intermediary person. This method is more difficult due to a complicated legal environment in Hungary; nevertheless, many NGOs are working on it.

There are several methods for SFSC to access the consumer and earn their trust:

1. Create an internet database of local products (drawbacks: farmers rely on NGOs or project teams to update the database)
2. Form clusters of local producers (drawbacks: not profitable without EU or governmental support)
3. Create trademarks to build the trust relationship between consumers and producers (drawbacks: farmers rely on NGOs’ help).
4. Set up community-supported agriculture, where the consumer and producer are abound by a contract to share the farming-associated risk.
5. Set up local producers’ markets where customers purchase the food and the feeling of being closer to tradition and cultural heritage.
Local food products from Nature Protected Areas in Poland - Pawel Pawlaczyk, Naturalists Club Poland

**Honey from heathlands**
- Problem: heathlands overgrowing by trees, active conservation needed
- Solution: Local product developed - heath honey
- Outcome: Management of bee pasture - heathland conservation

**Barycz Valley fishpond Milicz carp**
- Fishponds - Important Bird Areas
- Extensive fish production = conservation of bird habitats

**Wielki Bytyn Lake vendance**
- Synergy between conservation of stonewort lake and vendance habitat conservation
- Fishing not necessary from the ecological point of view, but extensive fishing allowed - fishermen are influential supporters of lake conservation

**Trout from natural rivers**
- Natural rivers with rich biodiversity are most attractive for angling
- Anglers societies are main allies for saving rivers' natural hydromorphology

**Sheep cheese from Carpathians**
- Traditional sheep grazing is necessary for maintaining alpine grassland biodiversity. Traditional sheeps management presents natural succession.

**Cranberry from peatbogs**
- Unsustainable!
- In Polish conditions collecting cranberry is in conflict with habitat conservation!

**Fruits form traditional orchads**
- using traditional local varieties
- promoting traditional recipes

**Sprat and herring ("seal's favourite") from the Baltic**
- Fish safe for marine mammals, used as a local speciality and to raise awareness of necessity of conservation of seals and porpoises
- Inspite of the campaign Polish fishermen oppose seal and porpoise conservation
Economic opportunities and community development in regard of fruit orchards of the CEE region – Katalin Hudák, Ecological Institute for Sustainable Development

Traditional orchards are a way to practice sustainable development while maintaining low pressure on the environment and high quality of product. Traditional orchards are often located in historical buildings such as castles orchards, church gardens, cemeteries, along roadsides, in house gardens and on city outskirts. Nowadays, a lot of fruit trees grow in the gardens close to the house.

However, tradition orchard are declining due to several reasons such as abandoning, illegal cutting, aging, changing of cultivation, use for building areas or firing after years that caused the dangers of orchard.

But in 2012, a movement formed in Hungary to protect traditional orchards from disappearing due to industrial development, firing after years, abandonment, illegal cutting, aging, changing in cultivation methods and land conversion.

Traditional orchards are subsidised by the Hungarian government and EU funds. Benefits of natural orchards include preserved landscape, peace and quiet, preservation of traditional knowledge, fruit, hey and income. LEADER projects constitute a good tool to support local markets and local products. Traditional orchards can be interesting for tourists interested in culture heritage, attending village festivals and walking along nature trails.

Opportunities and tools to increase competitiveness of Slovakian small-scale farmers - Eva Viestova, Daphne, Slovakian Institute of Applied Ecology

The SAPARD rural development programmes (2004-2006, 2007-2013) were run in Slovakia using EU funds for different measures and activities. Unfortunately, it took a long time for the Slovak society to understand the EU support system and begin to tap into it. Finally, Slovak small-scale farmers created the following online platforms promoting traditional farming and support one another:

Source: http://www.bioprevas.sk/sk/E-shop/Nasa-ponuka.html
<table>
<thead>
<tr>
<th>Platform</th>
<th>Topic</th>
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| “Family farms“ [www.rodinnefarmy.sk](www.rodinnefarmy.sk) (run by Ekotrend Coalition of Ecological Farmers) | 1. news and activities  
2. I am a farmer section  
3. I am searching for my farmer section (farmers’s map)  
4. Get the products to the consumers |
| “Support your farmer” [www.podporfarmara.sk](www.podporfarmara.sk)     | Cooperation with celebrities, NGOs                                     |
| “Sales from your yard” [www.predajzdvora.sk](www.predajzdvora.sk)     | 10 rules for sales from your yard                                    |

Currently, many activities take place in Slovakia in support of the local farmers:

- First conference for family farms (in 2014)
- Workshops for farmers
- Open doors and visits of the farms where farmers have the opportunity to present themselves
- Local markets, Christmas markets
- Traditional folk festivals etc.

The government is very much aware of the importance of small-scale farming. It created a strategy for supporting young farmers and family farms as well as supporting agricultural diversification and the integration of traditional farms into the food supply chain.

Basic set of measures for family farming in the Rural Development Programme 2014-2020 include:

- measure 1 – Knowledge transfer and information activities
- measure 2 – Advisory services
- measure 4 – Investments in physical assets
- measure 6 – Farm and business development (6.1. Young farmers, 6.3. Small farmers, 6.4. Investments in creation and development of non-agricultural activities)
- measure 9 - Setting-up of producer groups and organisations
- measure 16 – Co-operation
- measure 17 – Risk management
- measure 19 – LEADER
The conference continued with the excursion to the nearby Pipacs (Poppy) Organic Farm, where the farmers provided a basic introduction about their agriculture practice, selling and marketing methods and further development ideas and options.

Photos of racka sheep in Pipacs (Poppy) Organic Farm

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Outcomes

Following the excursion, the event was continued with small group discussions centred at three main topics: cooperation between the farming and nature conservation sectors in Serbia, communication towards farmers and the experience exchange among the Visegrad countries and Serbia. The outcomes of the discussions are summarized as follows:

I. Cooperation between the farming and nature conservation sectors in Serbia

- Insufficient waste managing and environmental impact control;
- Poor communication (regulations are not compliant, usage of public space should be solved, citizens are uninformed – their education is necessary);
- The concept of agroecology is still unclear;
- Economic and other incentives are needed;
Education/availability of information about BAT, information about alternative eco products instead of traditional ones (ex. what could be used instead of pesticides).

II. Communication towards farmers (to plan future communication—how to motivate farmers to participate in training, how to prepare materials, where to post materials, how to communicate with associations, etc.)

- Stakeholders: farmers and agriculture house holdings, local government, veterinary services, business sector (such as agricultural pharmacies, banks, insurance companies, facilities for tourism and trade services, manufacturing industry), governmental organizations, civil society, media, international organizations and institutions (ex. EU, embassies);
- Message transmission: problems (lack of information and its unavailability, low level of education and environmental awareness, municipal infrastructure) message content (adjusted to every stakeholder and technical availabilities – sms, e-mail, newspapers, flyers, tv spot, etc);
- The content Message should be explicit and warning, it should influence to awareness, as well as based on good examples.

III. Experience exchange among Visegrad countries and Serbia and getting the most out of the project

- Conditions for farmers for accessing the local market (ex. at green market);
- Will small farms be able to survive in the urban areas (ex. cattle breeding);
- Manufacturing industry in urban areas;
- Clarification of NATURA 2000, experience transfer of Visegrad countries regarding IPARD program and organic production (import, export, certification process, dealing with waste such as died animals, slaughterhouses, etc);
- Certification process of agriculture production starting from minimal conditions for getting the certificate;
- Concrete examples of small farmer’s adjustment to environmental low and legislation;
- Way of association of small farmers - LAGs (Local Action Groups);
- Who helped farmers beside NGOs;
- How to best educate farmers about ecology, environmental protection and organic production
All presentations can be found on the event website: http://www.ceeweb.org/event/sharing-experiences-on-small-scale-farming-between-visegrad-countries-and-serbia/

While the uttermost care has been taken in preparing this conference report, the reader should note that the text might not been revised thoroughly by all the speakers. The slides presented at the event are available on www.ceeweb.org

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