Agriculture in areas with natural handicaps: a special health check

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The Committee on Agriculture and Rural Development adopted the own-initiative report drawn up by Herbert DORFMANN (EPP, IT) on agriculture in areas with natural handicaps: a special health check following the Commission Communication 'Towards a better targeting of the aid to farmers in areas with natural handicaps'.

It recalls that 54%, more than half of the utilised agricultural area in the EU is classed as less-favoured areas. Members stress the importance of an appropriate compensatory payment for less-favoured areas as an indispensable tool to secure the provision of high-value public goods such as maintaining the management of the land and the cultivated landscape in these regions. Less-favoured areas, in particular, are often of high value in terms of the cultivated landscape, biodiversity preservation and environmental benefits, as well as rural employment and the vitality of rural communities.

Members note that, as a result of the reform of legislation on support for less-favoured areas and the adoption of Regulation (EC) No 1698/2005, the previous category of 'intermediate LFAs' has been abolished and eligible areas are defined as areas 'affected by significant natural handicaps'. The socio-economic criteria used prior to the 2005 reform by some Member States may no longer be used to delimit areas with 'natural handicaps', but may continue to be used to define areas with 'specific handicaps', which are supported pursuant to Article 50(3)(b) of Regulation (EC) No 1698/2005. The report stresses the need to manage these less favoured areas not only with a view to producing nutritious foodstuffs, but also as a contribution to overall economic development, increased quality of life and demographic and social stability in these areas. In this sense, it calls on the Commission to take into account also the social implications of the new classification for areas with natural handicaps. Members point out that, in contrast to agri-environmental measures, compensatory payments for less-favoured areas must not be subject to additional specific conditions regarding the method of land management which would go beyond cross-compliance requirements. The LFA scheme must in principle offer compensation to farmers who are also land managers operating with significant natural handicaps which the market does not compensate for as such. The committee stresses, however, that LFA payments must be linked to active farming of the land, i. e. the production of food.

It takes the view that the eight biophysical criteria proposed by the Commission could, in principle, be suitable for delimiting areas with natural handicaps to a degree, but stresses, that the criteria may not be used in all cases for objectively delimiting areas with natural handicaps. The proposed eight biophysical criteria might not prove to be sufficient and the proposed threshold value of 66% of the area might not be found suitable in all cases for determining the actual handicap in a manner respectful of the great diversity of EU rural areas. The crop grown, the combination of soil types, soil moisture and climate are, among others, also factors relevant for the purpose of determining the actual handicap in a given area. Accordingly, the committee recommends that the case for socio-economic criteria such as distance from markets, lack of services and depopulation be re-examined, on a purely objective basis. It urges the Commission to take into account all the standpoints expressed during the consultation with the Member States, regional and local authorities and farming organisations, regarding the definition of areas with natural handicaps. Members make suggestions for the revision of criteria, including the inclusion of a geographical criterion referred to as ‘isolation’, the review of the definition of the criteria of 'soil moisture balance' and 'field capacity days’. The Commission is asked to pursue its research efforts with a view to

including potential additional criteria in the new LFA scheme in order to further adapt its proposals to practical difficulties farmers are facing and build a robust set of criteria which will remain suitable in the long term.

In addition, in order to apply these criteria and establish realistic threshold values in practice, it is essential that the necessary biophysical data are available to the Member States and regions with a sufficient degree of accuracy in relation to the natural environment. The committee supports, therefore, the test of practical application of the proposed criteria introduced by the Commission. It calls for the detailed maps that are to be submitted by the Member States to be used if necessary to adapt the limit values of the criteria, defining areas with natural handicaps, and the proposed threshold value of 66% at Member State or regional level (to the reality in terms of the natural environment). It emphasises that a final opinion on the basic territorial unit chosen, the criteria and the threshold values proposed by the Commission can only be given when the detailed maps drawn up by the Member States are available. In the absence of such simulation results, the proposed 66% threshold as well as the thresholds defining the criteria themselves must be viewed with considerable caution and can only be objectively and appropriately adjusted once the national maps are made available. Members call on the Commission therefore promptly to examine the results of the mapping exercise and, on this basis, to draw up as soon as possible a detailed communication to the European Parliament and the Council on the delimitation of areas with natural handicaps.

When the final map of intermediate disadvantaged areas is drawn up, objective national criteria should also be taken into account in order to make possible the adaptation of the definition of the areas to the different specific conditions in each country.

The report states that a degree of voluntary, national fine-tuning of the criteria for support for areas with natural handicaps to be necessary in order to be able to respond appropriately to particular geographical situations where natural handicaps have been offset by human intervention. However, where land quality has been improved, the burden of ongoing associated maintenance costs such as drainage and irrigation must be taken into consideration. The committee proposes that farm data (such as farm income and land productivity) be used for this purpose, but the decision on the criteria to be used for fine-tuning must lie with the Member States since many Member States have already developed a suitable system of differentiation which should be maintained.

Lastly, the report emphasises the responsibility of the Member States in connection with the objective designation of areas with natural handicaps and the formulation of balanced programmes for rural development, and underlines the need for partnership with regional and local authorities in this process.