COMMISSION OF THE EUROPEAN COMMUNITIES

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REPORT FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT

on the application of

Council Regulation (EEC) No. 2078/92

on agricultural production methods compatible with the requirements of the protection of the environment and the maintenance of the countryside

Preface

All farming operations produce effects on the rural environment. The traditional European landscape and associated biodiversity is to a large extent the result of many centuries of agricultural production. Equally important is the contribution of agriculture to the maintenance of rural society. If the countryside is to continue to develop as a living and vibrant environment, the farming sector will play an essential role, both as a significant economic activity in rural areas and as the most important form of land use.

Much farming activity is directly beneficial to the natural environment, whether in maintaining the countryside or, especially in the case of extensive pastures, in preserving valuable and often threatened semi-natural habitats. However, not all farming produces positive impacts on the environment and some agriculture, especially some intensive production techniques brought in over recent decades, is responsible for damage including soil degradation, pollution and over-use of water and reductions in biodiversity.

To an extent, systems of agriculture beneficial to the environment can be promoted through codes of practice, backed up where necessary by legal restrictions. However, within the scope of acceptable practice, farmers may need to respond to economic pressures to intensify good land, to under-utilize marginal land or otherwise adopt farming practices which reduce environmental benefits. Few farmers are able to maintain or adjust to environmentally beneficial techniques where these would lead to diminished income. For this reason, payments from public funds for farmers who incur costs or forego income under agreements to benefit the environment has long been advocated.

The agri-environment regulation, Council Regulation No (EEC) 2078/92, provides for programmes to encourage farmers to carry out environmentally beneficial activities on their land. By recognizing the costs of such activities, the programmes are also intended to contribute to the income of farmers who provide the environmental service. The agri-environment regulation accompanied the reforms of the common agricultural policy which were begun in May 1992 with the changes agreed to several of the most significant market regimes.

Article 10 of the agri-environment regulation requires the Commission to produce a report on the implementation of the regulation and submit this report within three years to the Council and to the Parliament. While some of the early programmes came into force in 1993, most were not approved until 1994, and a few, notably those in the three new Member States, were only approved in 1995.

The first part of the report describes the operation of the agri-environment regulation. The second part explains how it fits in with the common agricultural policy and other Community policy instruments. The third part comprises an account of implementation up to 1997. The final part of the report draws out some conclusions in the light of implementation so far and presents a number of recommendations consistent with the increasing emphasis placed on agri-environment programmes in the AGENDA 2000 document. However, this report is not an evaluation and does not aim to provide a detailed analysis of the impact of the various agri-environment programmes.

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1. OPERATION OF THE AGRI-ENVIRONMENT REGULATION

1.1 CAP reform and the agri-environment regulation

In May 1992 agreement was reached in the Council of Ministers to reform several of the most significant market regimes of the common agricultural policy (CAP), including arable crops, beef, sheep, milk and milk products, and tobacco. The aims of the reforms were to bring production into line with real market developments, to use budgetary resources more effectively, to encourage farmers to produce in an environmentally sensitive way, and to ensure ample supplies of high quality food at lower prices for consumers[1]. In addition to the changes to the markets regimes three measures were introduced to accompany the reforms: agri-environment, forestry, and early retirement. The agri-environment regulation[2] establishes an aid scheme with three overall aims[3]: to accompany the changes introduced under market organisation rules; to contribute to the achievement of the Community's policy objectives regarding agriculture and the environment; and to contribute to providing an appropriate income for farmers who deliver the environmental benefits.

Table 1.1: Specific objectives of agri-environment measures, Article 1(a)-(g).

(a) use of farming practices which reduce the polluting effects of agriculture;
(b) extensification of farming and conversion of arable land to extensive grassland;
(c) protection and improvement of the environment, countryside, landscape, natural resources, and soil and genetic diversity;
(d) upkeep of abandoned farmland and woodlands;
(e) long-term environmental set-aside ;
(f) land management for public access;
(g) education and training.

Table 1.2: Agri-environment land management measures, Article 2(1)(a)-(g).

(a) *low-input and organic farming*: to reduce substantially the use of fertilisers and plant protection products, to keep the reductions already made, to introduce or continue with organic farming;
(b) *extensive crop and forage production*: to change to more extensive forms of crop production, including forage production (by methods other than those covered by (a) above), to maintain extensive production methods, or to convert arable land into extensive grassland;
(c) extensification of livestock production: to reduce the proportion of sheep and cattle per forage area;
(d) other environmental farming practices: to use other practices compatible with the protection of the environment and natural resources, as well as maintenance of the countryside and the landscape, or to rear animals of local breeds in danger of extinction;
(e) upkeep of abandoned land: to maintain abandoned farmland and woodland in good condition;
(f) long-term set aside: to set aside farmland for at least 20 years and use it for environmental purposes, in particular for biotope reserves, natural parks, or protection of hydrological systems;
(g) public access: to allow walkers on to private farmland

1.2 Agri-environment measures

Article 1 of the regulation provides for seven specific objectives which the agri-environment measures may be designed to achieve (Table 1.1). These aims are given effect through measures for land management (Table 1.2) and for training and demonstration projects, set out in Articles 2 and 6. The training measures, which are optional on Member States, should concern farming or forestry practices

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1 Commission press release 21.05.92.

2 Regulation (EEC) No 2078/92, OJ No L 215, 30.7.1992, p.85, as last amended by Regulation (EC) No 2772/95.

3 *idem*. Article 1.

beneficial to the environment[4]. Additional measures may be introduced specifically to provide for training courses, traineeships and demonstration projects[5].

1.3 Premium levels and Community financial contribution

Payments under the programmes are calculated in relation to the obligations taken on by the farmer[6]. Premia are based on costs incurred and income foregone, less any additional income or savings resulting from participation in a scheme. In addition, an incentive element may be added where necessary; incentives must be justified on the basis of objective criteria and normally not exceed 20% of net income foregone and costs[7]. Thus, premia should be regarded as compensation for the costs of delivering environmental public goods and cannot be regarded as subsidies in an economic sense.

Upper limits for premia part-financed from Community funds are laid down in the regulation[8]. These amounts, which were amended in November 1995 in the light of exchange movements[9], are set out in Table 1.3. Community finance is provided from the Guarantee section of the EAGGF[10] at the rate of 75% in Objective 1 regions and 50% elsewhere; the other 25% or 50% is provided by the Member State.

Table 1.3: Maximum levels of premia eligible for part-financing from EAGGF.

category of expenditure	*original max.rates (ECU/ha)*	*max. rates from 1996 (ECU/ha.)*
annual crops for which a premium per hectare is granted under the market regulations governing the crops in question	150	181.1
other annual crops and pasture	250	301.9
annual crops and pasture, if the farmer has given one or more of the undertakings in Article 2 (1)(a) and (b), together with an undertaking in Article 2(1)(d).	350	422.6
each sheep or cattle livestock unit by which a herd is reduced.	210/LU removed	253.6/LU removed
each livestock unit of an endangered breed reared	100/LU reared	120.8/LU reared
specialized olive groves	400	483
citrus fruits	1000	1208
other perennial crops and wine	700	845.3
upkeep of abandoned land	250	301.9
cultivation and propagation of useful plants adapted to local conditions and threatened by genetic erosion	250	301.9
land set aside	600	724.5
expenditure incurred on courses	2500 /person/course	3019 /person/course

1.4 Tendering

The possibility of inviting applications for agri-environment agreements by calls for tender has been discussed by various interested parties. There is no prohibition on this type of process in the agri-environment regulation, provided the conditions of grant are respected. In particular a ceiling on the premia would be needed to avoid that the tendering process resulted in premia which exceeded the maximum allowed for agri-environment measures.

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4 *idem.* Article 2(2).

5 *idem.* Article 6.

6 *idem.* Article 5.

7 Regulation (EC) No 746/96, Article 9.

8 Regulation 2078/92, Articles 4 and 6.

9 Regulation (EC) No 2772/95 OJ No L 288, 1.12.1995, p.35, rectified by Regulation (EC) No 1962/96 of 11.10.1996, OJ No L 259, 12.10.1996, p.7.

10 EAGGF: European agricultural guidance and guarantee fund.

1.5 Environmental capital works

Capital works or investments are not included within the co-financed part of an agri-environment programme. These may be supported under the terms and conditions of the relevant structural funds programme. In particular, environmental farm improvement grants for capital works may be approved under the investment aid regulation[11] and part-financed by the Community.

1.6 State aids

In addition to the above, which are the measures eligible for part-financing from Community funds, a Member State may implement State aided agri-environment measures under conditions which differ from those provided for in the regulation, or which exceed the maximum ceilings for part-financing from Community funds[12]. The State aids must comply with the objectives of the regulation and the rules on State aid set out in Articles 92-94 of the Treaty of Rome, which, among other matters requires that the aids are notified to the Commission and approved. State aids for capital items are approved subject to the relevant provisions of the investment aid regulation.

1.7 Farmers' obligations

None of the measures for which premia are paid are currently the subject of compulsory obligations on farmers, although implementation of the programmes is obligatory at the level of the Member States. Farmers may choose whether to continue to exercise their normal farming decisions or to accept the conditions and restrictions set out in an agri-environment scheme. For those who do commit themselves to the programmes, the obligations must be observed for the period set out in the programme, which must be at least five years. In the case of long-term set-aside, the minimum obligation is for 20 years. Only in exceptional cases, such as *force majeure* or where it would otherwise be unreasonable to insist on continuation, may farmers end their participation early.

The regulation makes provision for the inclusion of mandatory measures implementing Community environmental obligations[13]. However, no application of this provision has been approved and the Commission has not been presented with any circumstances in which support for compulsory measures would be justified.

1.8 Approvals procedure

Each Member State prepares and puts forward one or more draft programmes to the Commission for approval. A programme proposal includes, among other matters, a description of the geography and farming in the area concerned, a description of the proposed objectives, conditions for the grant of aid, and expenditure estimates[14]. The Commission examines the programme to ensure its conformity with the agri-environment regulation and consistency with existing agricultural programmes, market regimes, and other Community policies. Member States also notify the relevant national administrative

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11 Regulation (EC) No 950/97 on improving the efficiency of agricultural structures of 20.5.1997, OJ No L 142, 2.6.1997, p.1.

12 Regulation (EEC) No 2078/92, Article 10.

13 *idem*. Article 4(5).

14 *idem*. Article 3.

provisions and supply data to satisfy the Commission that the budgetary estimates, financial control mechanisms and administration are adequate. The programmes are approved by the Commission following the 'management committee' procedure, which includes consultation of the Member States, meeting in the STAR Committee[15], on the basis of a Commission Working Document describing the programme and a draft decision text.

1.9 Implementing rules

The Commission has adopted two sets of implementing rules, the first covered procedures for financial monitoring[16] and was adopted in 1994. The second Commission implementing regulation[17], adopted in 1996, dealt with a wide variety of implementation issues and incorporated the 1994 regulation. In particular, the implementing regulation clarified Member States' obligations with regard to monitoring impacts, evaluation, verifications, systems of penalties, changes to agreements and avoiding double payments. Commission approval practice with regard to extensive farming, linear features, abandoned land, environmental set aside, courses and demonstration projects and calculation of premia were also covered.[18]

1.10 Agri-environment programmes

1.10.1 Zonal and national implementation

Programmes should in principle be implemented through zonal programmes throughout the territory of the Member States[19]. Programmes may comprise all of the land use measures in the scheme, except where there is sufficient justification for restricting the programmes to measures in line with the specific characteristics of an area. In addition, each zonal programme must reflect the diversity of environmental situations, natural conditions, and agricultural structures and the main types of farming practised. The programmes must also respect Community environment policy. The zonal programmes may be supplemented by a national scheme applicable everywhere ('horizontally'), providing for one or more of the measures. The distinction between zonal and national programmes has been interpreted in different ways in the Member States.

127 programmes had been approved by the Commission by June 1997. Most programmes have in addition been amended, some on several occasions. In total the Commission has taken 265 approval or amendment decisions. The programmes are listed in the Annex in bold type; the amendments are indicated by 'mod' (modification). The programmes adopted are extremely diverse in nature, a fact which makes comparisons between Member State programmes possible only to a limited extent, while tools for such comparative analysis are not yet available.

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15 STAR: Committee on agricultural structures and rural development.

16 Commission Regulation (EC) No 1405/94, OJ L 154, 21.6.1994, p. 12.

17 Commission Regulation (EC) No 746/96, OJ L 102, 25.4.1996, p. 19, as amended by Commission Regulation (EC) No 435/97 of 6.3.1997, OJ L 67, 7.3.1997, p.2.

18 The issues and reasons justifying the adoption of the regulation were set out in STAR Working Document VI/8670/95, which was the basis of discussions prior to the drafting of the regulation.

19 Regulation (EEC) No 2078/92, Article 3.

1.10.2 Diversity in implementation

Within each Member State, programmes have been prepared at national or regional and local level, depending on the degree of administrative decentralisation as well as on the environmental diversity of the territory. Emphasis on the different environmental objectives of the programmes varies widely among Member States, both as a function of the environmental awareness of farmers and of the environmental characteristics and needs of the Member States. Programmes which contain measures generally applicable throughout the Member State are found in Finland, Greece, Ireland, Luxembourg, the Netherlands, Portugal and Sweden. In most other Member States, programmes contain a mix of measures applicable throughout the territory and regionally (Austria, Belgium, Denmark, France, Spain, the United Kingdom). In Germany and Italy almost all programmes are regionalized. However, within many programmes, national and regional, some or all measures are targeted on environmental zones and designed to meet particular local objectives. The Commission has not received any proposal for programmes spanning Member State boundaries where similar agri-environment conditions exist on both sides of the border.

Member States have also chosen different ways of combining the measures available under the agri-environment regulation within their programmes. In a few Member State programmes, the distinct measures available correspond exactly to those set out in Article 2(1) of the agri-environment regulation. In other programmes, however, integrated measures have been elaborated, drawing on a number of different headings in Article 2(1) without treating them separately. In total the Member State programmes comprise over 2200 distinct measures.

1.10.3 Broad categories of measures within Member State programmes

In order to compare programmes across the EU they may be divided into similar sub-categories. For the measures listed in Articles 2 and 6 of the agri-environment regulation, three broad categories are evident: environmentally-beneficial productive farming; non-productive land management; and training and demonstration projects. These are listed in Table 1.4.

Table 1.4: Categories of agri-environment measure.

1.	Environmentally-beneficial productive farming
	(a) organic farming
	(b) non-organic farming with environmental improvements
	(c) maintenance of existing low-intensity systems
2.	Non-productive land management (20-year set aside, maintenance of abandoned land, landscape features, public access etc.)
3.	Training and demonstration projects

The main emphasis of the agri-environment programmes in all Member States, with the exception of the Netherlands, is on the first category: over 80% of programme expenditure across the EU is budgeted for the support of environmentally-beneficial productive farming. For a more complete comparison of the programmes this category has been sub-divided according to the intensity and nature of the environmental obligations. It should be underlined that, given the different conceptualisation behind each programme, divisions between categories should be treated with caution and must be regarded as estimates. Table 1.5 shows the approximate percentage breakdown for average programme expenditures, based on programmes approved by March 1996. Figure 1.5 illustrates the division within each

Type of measure / % funding	B	Dk	D	El	E	F	Irl	I	NL	L	Ös	P	Fin	S	UK	EU-15
1(a) organic	20%	24%	1%	14%	4%	3%	2%	23%	2%	1%	17%	4%	5%	15%	2%	8%
1(b) farming with environmental improvements	58%	46%	56%	35%	35%	15%	49%	43%	32%	39%	59%	18%	42%	6%	53%	41%
1(c) maintenance of low intensity systems	5%	16%	21%	0%	15%	79%	21%	22%	0%	56%	21%	68%	42%	71%	30%	35%
2 non-productive land management	14%	14%	21%	50%	42%	3%	24%	10%	0%	3%	3%	6%	7%	1%	14%	14%
3 training and demonstration projects	3%	0%	1%	0%	4%	1%	4%	2%	66%	0%	0%	4%	5%	7%	0%	3%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 1.5: Estimated proportion of budgeted spending in each Member State (1996 programmes), by category of measure.

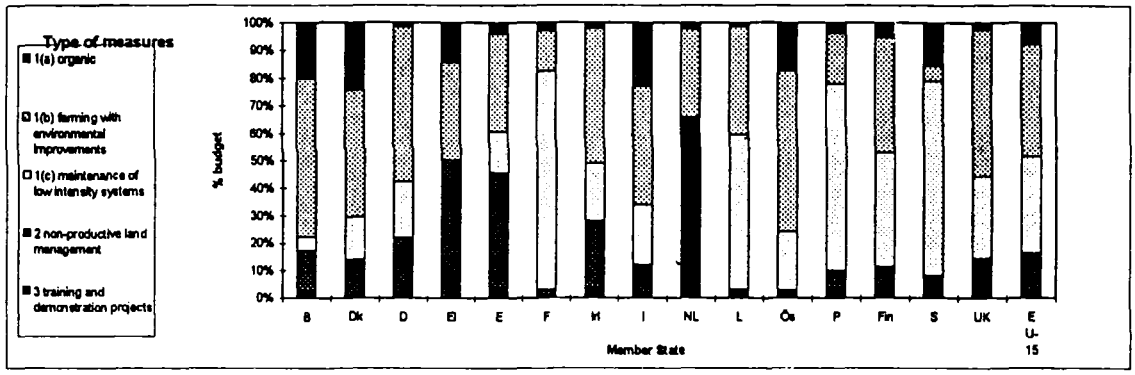

Figure 1.5

Member State budget, showing the diverse approaches to implementation taken across the European Union. For example, the Netherlands has chosen to focus its implementation on demonstration and awakening projects. In several Member States, notably Finland, France, Luxembourg, Portugal, Sweden and some Länder in Germany, substantial measures exist to maintain existing extensive practices, while this type of measure is absent from the programmes in Greece. Implementation in each Member State up to 1997 will be the subject of a Working Document to be presented to the STAR Committee.

2. EC POLICY FRAMEWORK

The sections which follow illustrate how the agri-environment programmes are linked to other CAP measures, wider Community policy, and how environmental objectives form a part of the overall CAP.

2.1 Interaction with common market organisations

While environmental measures have been included in structural programmes for many years, agri-environment programmes are closely linked with the market regimes of the CAP, and in particular with their reform in 1992. Payments are drawn from the guarantee section of the EAGGF and the programme is a compulsory one for all Member States. An express aim of the agri-environment regulation is to accompany, or contribute to the achievement of, the reforms of the CAP.

In the framework of the market regimes, positive environmental effects have become more evident in several sectors as a result of changes in support systems and the promotion of environmental conditions to the grant of some premia. However, market regimes in so far as they promote production can encourage farmers to adopt practices which exert pressures on the environment. Particular examples are aid for silage cereals and other premia which reduce the attraction of maintaining extensive grazing. These issues have been explored in the Commission publication, 'Agriculture and the Environment'[20], which underlines that in a sustainable system of production, environmental costs and benefits should be fully integrated into any assessment of economic efficiency. The most recent development has been in the fruit and vegetable regime, which requires producer groups to implement agri-environment measures[21] and specific reference is made to the aims of the agri-environment regulation (Table 1.1 above) The effect of these measures in the market sector could be to reduce the application of agri-environment programmes under Regulation 2078/92. The Commission is seeking to ensure consistency between the national application of the fruit and vegetable measures and relevant agri-environment measures, and to ensure that general principles relating to public payments for environmental outputs are followed.

Agri-environment undertakings raise the environmental profile for the relevant production activities, for which the farmer may also receive market support. Thus the agri-environment measures can contribute to the improvement of the environmental impact of farming supported under the market regimes. This effect is particularly marked in the case of agreements covering the whole of a farm's production.

2.2 Structural policies, cohesion and employment

The contribution of structural programmes and measures (Objectives 1, 5(b) and 6 regional programmes, the Objective 5(a) measures and LEADER projects and networks) to environmental objectives is described in 'Agriculture and environment'[22]. Objective 5(a)

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[20] 'Agriculture and Environment', *A. Cammarata*, CAP Working Notes Series, European Commission, Luxembourg, 1997, ISBN 92-827-3942-2.

[21] Council Regulation (EEC) No. 2200/96 of 28.10.1996 on the common organisation of the market in fruit and vegetables, OJ L 297, 21.11.1996, p.1, Article 15(4).

[22] *See footnote 20.*

originally incorporated some agri-environmental measures, such as premia for extensification and long-term set aside for environmental purposes. These were replaced by the equivalent measures in the agri-environment regulation. However, of the continuing Objective 5(a) measures, two in particular have an impact on the relation between agriculture and the environment: aid for farmers in mountain, and other less-favoured areas to compensate for permanent natural handicaps to farming (compensatory allowances); and investment aid to improve the natural environment.

The aim of compensatory allowances is to support agriculture in less-favoured areas, where it is necessary to protect the countryside, by compensating for natural handicaps to farming. The less-favoured farming areas correspond to a large extent to those areas where environmentally valuable systems of low-intensity agriculture are practised.

Investment programmes may be devised with the intention of meeting the capital needs of agri-environment schemes. In some cases the success of agri-environment measures depends on capital investment, in other cases, the dividing line between capital investments and activities eligible for support under the agri-environment regulation is difficult to draw.

Investment aids, under Objective 5(a) measures and Objective 1 and 6 programmes, cover a far wider range than the agri-environment programme and coordination between the types of programming can present difficulties. The approval and implementation of rural development and agri-environment programmes are subject to different procedures, dates, and criteria which further reduce the potential for matching capital and agri-environment aids. Regional programmes generally, including Objective 5(b), may include agri-environment actions, in particular measures to protect natural zones and traditional landscapes.

In line with practice under the Structural Funds, the Community contribution to agri-environment programmes is higher for Objective 1 regions whose development is lagging behind (75% EAGGF) than for other regions (50% EAGGF). Concerning the cohesive effect of the programmes, the preliminary evidence shows that the larger programmes tend to be available to farmers outside Objective 1 regions, which may indicate that authorities in Objective 1 experience more difficulties in operating programmes or with funding the 25% national contribution.

The Committee of the Regions[23] expressed the concern that, since agri-environment programmes support reductions in intensive farming that lower employment may result. However, this is not borne out by the few studies which have been carried out which show a neutral or positive effect on employment, particularly where the agri-environment undertakings require improved management of agricultural land.

2.3 International agreements

Implementation of the agri-environment regulation contributes to the fulfillment of the European Union's obligations under 'Agenda 21', which was agreed at the Rio Earth Summit in 1992. The Convention of Biological Diversity requires the signatories to prepare national plans for the conservation and sustainable use of biodiversity.

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[23] Opinion of the Committee of the Regions on "The regional consequences of CAP reform", CoR 17/96, 19.2.1996, p. 7

Following the reforms in 1992, the instruments of the CAP, including the accompanying measures, comprised part of the Community's commitments under the Uruguay Round Agreement reached in 1993. Under this agreement, the EU is committed to limiting its aggregate level of support based on yield. Environmental payments are classified in the 'green box' and exempt from quantitative limitations.

In the context of discussions in the OECD, the environmental benefits of agriculture were the subject of a seminar held in Helsinki[24] in 1996. Several Member States of the EU presented their agri-environment programmes as country case studies and the European Commission presented two papers[25] on the Community perspective, one on the operation of the regulation and one by independent experts on the dependency of much of European biodiversity on the continuation of certain extensive systems of farming. In the conclusion to the seminar, the participants agreed that agricultural activities have both beneficial and harmful effects on the environment and the policy challenge is to reduce the harmful effects and enhance the beneficial effects; and that agri-environmental objectives, including the maintenance of landscape, are unlikely to be achieved by agricultural policy reform alone: they require specific environmental policy measures. No single policy solution would be appropriate: a wide array of approaches are available, ranging from voluntary approaches, dissemination of results of research, education and training, to regulatory measures and financial incentives and disincentives to farmers. In addition the seminar recognized that in so far as environmental benefits are dependent on the continuation of agriculture, the opportunities for the total decoupling of support from production are limited. However, farmers should only be paid for the provision of environmental services which the market cannot deliver where their farming activities go beyond a reference level, such as that of good agricultural practice in the region concerned. The seminar also concluded that policy instruments need to be transparent, targeted, tailored to specific environmental situations, carefully monitored for compliance and efficient implementation and evaluated against defined objectives.

2.4 Environment policy

Agri-environment programmes and measures reflect closely the agricultural aims of the Community fifth environmental action programme[26], including that of promoting sustainability in farming methods. In the Commission's progress report on the implementation of the fifth environmental action programme[27], emphasis is placed on the need to integrate environmental conditions into agriculture policy in general[28]. Concerning the agri-environment programmes, the report concludes that an evaluation methodology should be established and, subject to effective implementation in the Member States, an extension of the measures should be considered.

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24 OECD Seminar on the Environmental Benefits from Sustainable Agriculture, Helsinki, Finland, 10-13 September 1996.

25 OECD: COM/AGR/ENV/EPOC/596/112.

26 COM (92)23, 27.3.1992.

27 10/1/96, COM(95)624 final. The Commission proposal for a European Parliament and Council Decision on the progress report commits the Community to a policy of further integration of environmental requirements into agriculture policy.

28 The Treaty of Rome, Article 130r, provides that environment protection requirements must be integrated into the definition and implementation of other Community policies.

The Directive on the protection of wild birds and their habitats[29] introduced measures to protect certain species of bird, such as the establishment of special protection zones. Under the Habitats Directive, Member States establish sites of special interest for biodiversity which together will form a coherent European ecological network, 'NATURA 2000'. For those habitats which comprise traditionally-farmed environments, agri-environment measures such as reducing the use of pesticides and fertilizers, setting-aside field boundaries and scheduling farm activities can be applied. In addition the measure for environmental set-aside may be used to create wilderness habitats, such as wetlands. Under the Nitrates Directive[30], Member States designate vulnerable zones based on water sampling results and establish mandatory action plans, usually comprising restrictions on farm activities[31]. In addition codes of good practice are promoted. In several Member States additional measures to reduce the effects of leaching, including flooding land, conversion of arable land to pasture and reducing or ceasing the use of nitrate fertilizer, have been implemented under the agri-environment programmes.

The Commission has proposed a framework water directive[32], bringing together all aspects of water policy, with a view to coordinating measures to be taken within river basins. Many agri-environment programmes already address water quality issues.

2.5 Genetic resources, research

Programmes include measures to rear animals of local farm breeds in danger of extinction, to protect genetic plant resources in agriculture and to promote biodiversity of plant and animal species. The agriculture and fisheries research programme (FAIR) of the Community's fourth framework programme for research (1994-1998) covers agriculture-environment interactions[33]. Genetic resources supported under agri-environment programmes and relevant research projects and other studies funded by the Community will be the subject of Working Documents to be presented to the STAR Committee.

2.6 Animal welfare and hunting

Agri-environment programmes cannot be used to support activities which would contravene Community standards of animal welfare. Although, no areas of conflict have arisen during the first years of implementation, the Commission includes in all decisions approving agri-environment programmes the condition that approval of programmes is without prejudice to Community rules on animal welfare. In relation to wild fauna, programmes designed specifically to develop hunting and shooting areas are not eligible for support.

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29 Directive 79/409 of 2.4.1979, OJ L 103 2.5.1979, p.1. This scheme was included within the more comprehensive Directive 92/43 of 21.5.1992 on the conservation of natural habitats and of wild fauna and flora, OJ L 206 22.7.1992, p.7.

30 Directive 91/676 concerning the protection of waters against pollution caused by nitrates from agricultural sources of 12.12.1991, OJ L 375 31.12.1991, p.1.

31 In particular the application of manure is limited to 170 KgN/ha.

32 COM(96)59 final, 21.02.1996, 'European Community Water Policy'.

33 Section 4.1.2, 1996 Work Programme, Agriculture and fisheries research.

3. PROGRAMME IMPLEMENTATION UP TO 1997

3.1 The initial phase: programme approvals

The agri-environment regulation set a deadline of July 1993 by which time programmes should have been sent to the Commission for approval. Most programmes were received by or soon after this date and, by the end of 1993, the Commission had completed an overview of all notified programmes. In most cases the content of programmes and the budgetary estimates had to be adjusted to conform more closely to the provisions of the agri-environment regulation. As a result of the initial delays only 16 programmes were approved in 1993, but 83 new programmes and amendments were approved in 1994 and 59 in 1995. By the end of 1996, agri-environment programmes had been launched in all Member States with the exception of Luxembourg, where implementation had been considerably delayed.

3.2 Budget estimates and EAGGF provision

Initial estimates of programme budgets for the first 5 years (1993-97) were extremely high - 2½ times the Commission's estimate in 1991 at the time of the adoption of the agri-environment regulation. Following initial discussions with Member States, and then as programmes were approved and implemented, the amounts were revised downwards as shown in Table 3 1.

Table 3.1: Evolution of EAGGF budget estimate

Estimate 1993-97 (EU-12)	ECU million
Commission estimate, December 1991	2256
Initial programme forecasts, December 1993	5830
Revised forecasts, July 1994	3670
Budget in approved programmes, October 1995	3915
Likely out-turn (1997 estimated)	2455

For the new Member States, amounts were recorded in a declaration to the Treaty of Accession totaling ECU 1529 million for the period 1995-97. Table 3.2(a) compares the estimates, the amounts retained in approved programmes with the likely out-turn. The most substantial short-falls have been in those Member States and regions for which agri-environment programmes were a new departure, such as parts of Italy, Spain and Greece. In Member States which had previous experience of managing programmes, such as Austria, Finland, Germany and France the programmes were more rapidly implemented. Expenditure for EU12 has fallen short of budget in each year up to 1996 (Table 3.2(b)). For EU15 there was a substantial underspend in 1995 owing to the late

Member State	EAGGF contribution MECU				
	budget estimate(1)	approved programme budgets(2)	Out-turn 1993-97 MECU (3)	% estimate	% - approved budgets
B	25	18	3	12%	18%
Dk	56	30	19	34%	63%
D	1050	986	918	87%	93%
El	120	22	11	9%	49%
E	400	399	125	31%	31%
F	690	626	509	74%	81%
Irl	210	144	163	78%	113%
I	650	511	432	66%	85%
L	7	6	4	60%	78%
NL	71	55	25	35%	46%
P	151	150	148	98%	99%
UK	192	111	98	51%	88%
EU 12	3622	3056	2455	68%	80%
Ös	525	716	806	154%	113%
Fin	405	403	399	99%	99%
S	495	223	126	25%	57%
EU 3(4)	1425	1342	1331	93%	99%
EU 15	5047	4397	3787	75%	86%

(1) based on initial Member State estimations
(2) at Dec.1996 (3) 1997 estimate (4) 1995-97

Table 3.2(a)

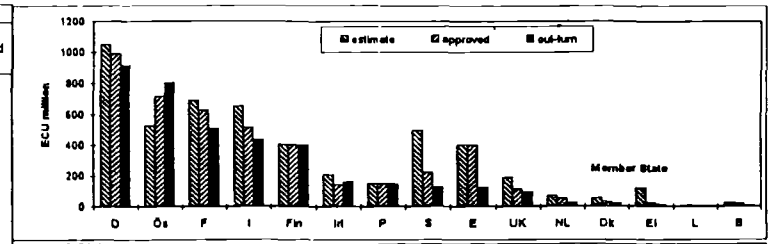


Figure 3.2(a)

ECU million	1993	1994	1995	1996	1997
					est.
EU15 budget			950	1342	1193
EU15 out-turn			486	1391	1867
EU12 budget	130	322	638		
EU12 out-turn	123	224	488	550	1066

Table 3.2(b)

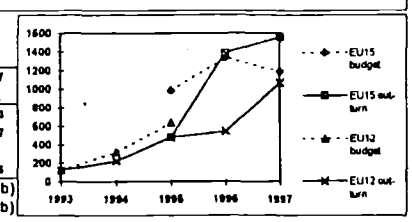


Figure 3.2(b)

implementation of the programmes in the new Member States. First payments in these countries were not made until 1996, in which financial period two years' expenditure for Austria and Finland were recorded, and expenditure for EU15 slightly exceeded the budget. In 1997, two years' expenditure was made for Italian programmes, and the latest estimates point to an overshoot of the budget for EU15 of about ECU 350 million.

3.3 Total programme budget

Agri-environment programmes are part-financed by the Community (EAGGF, guarantee section) at the rate of 75% in Objective 1 regions or 50% in other regions. The balance of the co-financible programme is paid by the Member State or the region. Table 3.3 illustrates the total programme out-turn for each Member State (1997 is estimated) showing the parts

Total cofinancible expenditure 1993-97 (ECU million)			
Member State	EAGGF	Out-turn Member State	Total
B	3	3	6
Dk	19	19	38
D	918	376	1294
El	11	4	15
E	125	42	167
F	509	509	1018
Irl	163	54	217
I	432	282	714
NL	25	24	49
L	4	4	9
P	148	49	197
UK	98	94	192
Ös	806	746	1553
Fin	399	399	798
S	126	126	252
EU15	3787	2458	6244

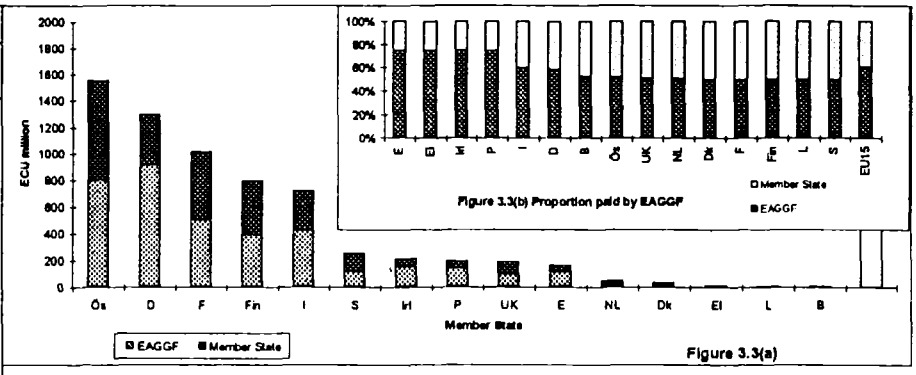


Table 3.3 : Member State and EAGGF contributions (cofinancible expenditure) out-turn 1993-97 (est.)

contributed by Community and national funds for the period up to 1997. Five Member States account for 86% of the expenditure, corresponding to the programmes which have had widest application.

The development of EAGGF expenditure is shown in Table 3.4. It is evident from this table that programmes in Germany, Spain, France, Portugal and the UK became operational

EVOLUTION OF EAGGF EXPENDITURE EAGGF part only : million ECU						
Member State	1993	1994	1995	1996	1997	Total up to 1997
B				2	2	3
Dk		2	3	6	9	19
D	37	123	223	232	304	918
El				2	10	11
E	8	14	16	33	54	125
F	67	73	106	119	144	509
Irl			19	43	100	163
I			54	42	336	432
L					4	4
NL	1	1	4	8	12	25
Ös				541	264	805
P		12	39	40	58	148
Fin				257	143	399
S				43	83	126
UK	10	7	20	26	36	98
EU 15	123	231	485	1391	1556	3786

Table 3.4

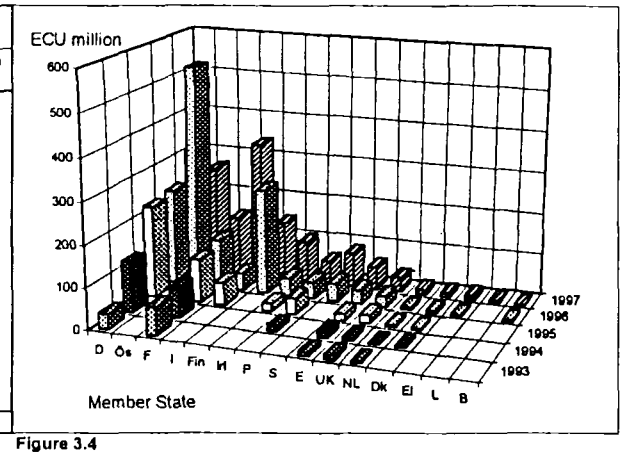


Figure 3.4

reasonably quickly. For most Member States there was a delay of two or more years before programmes were in place. The process of developing new programmes has not come to an end. In Denmark programmes were redesigned and relaunched in 1997 and significant new programmes are under development or have been launched in the UK, Greece and Sweden.

1996 and 1997 were the first full years of application for most Member States. The estimated expenditure for 1997 is given in Table 3.5, which shows substantial implementation in most Member States. Figures are also shown in Table 3.5 for the total proportion of EAGGF (guarantee) expenditure spent on agri-environment programmes. Comparison shows that on

Total cofinancible expenditure 1997 (ECU million)			
Member State	EAGGF	Member State	Total
B	2	1	3
Dk	9	9	17
D	304	124	428
EI	10	3	13
E	54	18	72
F	144	144	287
Irl	100	33	134
I	336	224	560
L	4	4	9
NL	12	11	23
Ös	265	244	509
P	58	19	77
Fin	142	143	285
S	83	83	166
UK	36	34	70
EU15	1597	*095	265.

Table 3.5

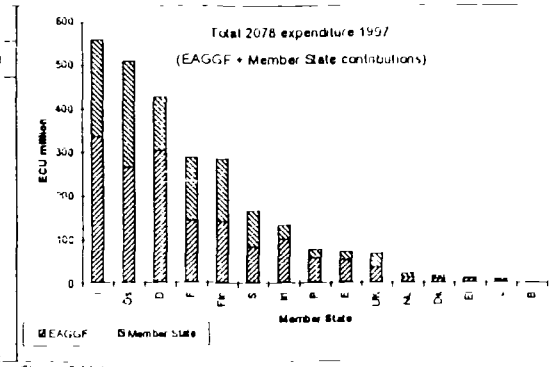
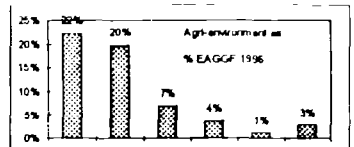


Figure 3.5(a)



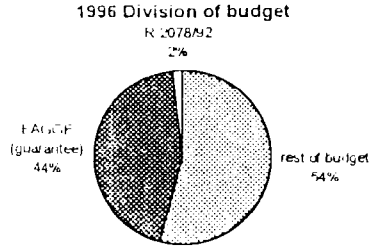
1996	2078 as % EAGGF	1996	2078 as % EAGGF
B	0%	L	0%
Dk	0%	NL	1%
D	4%	Ös	22%
EI	0%	P	6%
E	1%	Fin	20%
F	1%	S	7%
Irl	3%	UK	1%
I	1%	EU15	3.6%

Table 3.5(b) and Figure 3.5(b)

average, 3.6% of guarantee expenditure was accounted for under the programmes. The proportion is substantially higher in the new Member States ranging from 7% in Sweden to 22% in Austria. Despite the high figures in a few Member States expenditure on agri-environment programmes represents only 1.6-1.8% of the total EU budget, as shown in Table 3.6.

ECU billion	out-turn				estimate
	1993	1994	1995	1996	1997
Total EC budget	67,760	65,929	73,555	85,094	87,651
of which EAGGF (guarantee)	34,590	32,970	34,503	39,108	41,233
of which agri-environment	123	231	485	1,391	1,557
agri-environment as % of total budget	0.18%	0.35%	0.66%	1.63%	1.78%

Table 3.6



3.4 Implementation data

By the mid-point in the 1997 budget year, 1.35 million agreements had been signed with farmers, covering 17% of all holdings and persons employed in agriculture in the EU.

Member State	Number participants	Total no. employed in agriculture (AS/LU 1995)	
	number	000	%
B	1 242	102	1%
Dk	8 193	114	7%
D	554 836	1197	46%
EI*	1 839	130	0%
E	29 589	1119	3%
F	177 695	1080	16%
Irl	23 865	140	17%
I**	63 841	1 389	4%
L	1 922	6	32%
NL	5 854	243	2%
Ös***	180 000	267	67%
P	125 479	507	25%
Fin	91 509	156	59%
S	68 969	124	56%
UK	21 482	533	4%
EU15	1356 315	7857	17%

*1995 d.ta, **1996 data, ***estimated

Table 3.7 Number of participants at 15.4.1997

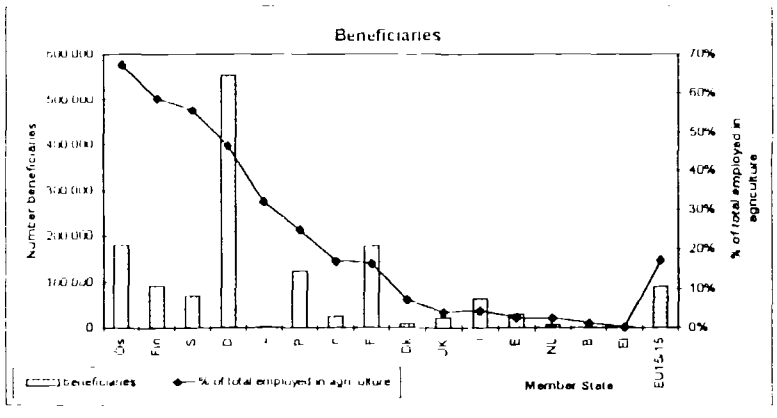


Figure 3.7

Table 3.7 shows a break-down by Member State. In Austria the programme reached nearly 70% of those employed in agriculture and around 50% in Finland, Germany and Sweden.

Agreements covered 22.3 million hectares, or 17% of the utilized agricultural area (UAA) of the EU. The most widespread programmes were in Austria, Luxembourg and Finland (over 70% UAA). Coverage was over 30% of UAA in Sweden and Germany (Table 3.8). The level of premia per hectare averaged 117 ECU per ha, with most average premia falling in the range 60-150 ECU/ha (Figure 3.8(b)). Figures for Greece and Italy are not available.

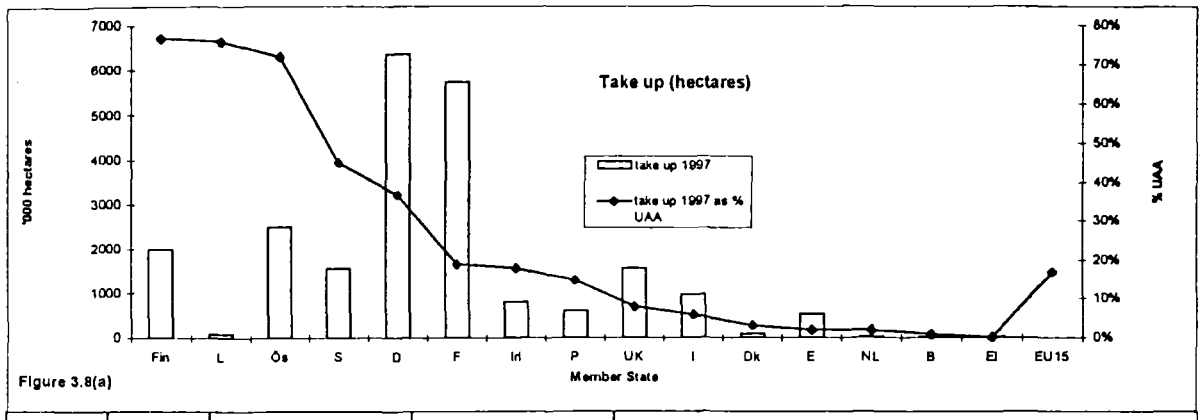


Figure 3.8(a)

Member State	Total cofinancible expenditure 1997, est.	Total take-up at 15.4.1997 (only area payments)	Average payment per ha. 2078	UAA (Utilized agricultural area) (ASEU 1996)	estimate of % UAA within 2078
	ECU million	'000 ha	ECU/ha	'000 ha	%
B	3	17	84	1 366	1%
Dk	17	94	186	2 715	3%
D	428	6353	89	17 344	37%
El*	13	12	n/a	5 741	0%
E	72	532	81	25 092	2%
F	287	5725	42	30 277	19%
Irl	134	801	147	4 444	18%
I**	560	977	n/a	17 294	6%
L	9	97	90	127	76%
NL	23	31	260	1 981	2%
Ös	509	2500	140	3 449	72%
P	77	606	137	3 981	15%
Fin	285	2000	124	2 605	77%
S	166	1561	156	3 438	45%
UK	70	1322	55	15 852	8%
EU15	2652	22628	117	135 706	17%

Table 3.8 * *data 1995;* ** *data 1996.*

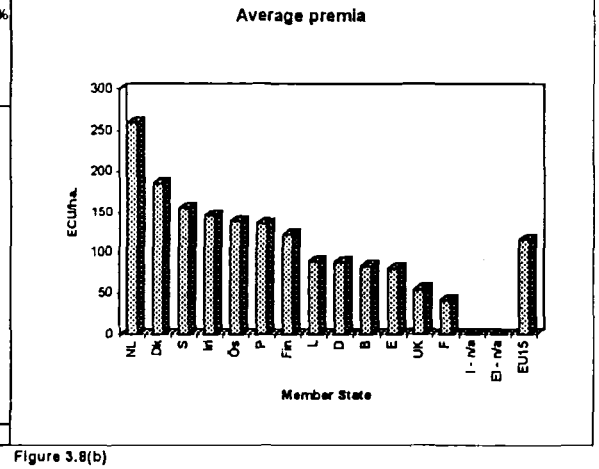


Figure 3.8(b)

Further detail of the implementation in the Member States will be the subject of a Working Document which the Commission intends to present to the STAR committee. From the outline data presented it is clear that some Member States make very substantial use of the opportunities under the regulation, while in others implementation is at low levels or restricted to certain areas. Low implementation may reflect difficulties for Member States or regions to secure the national contribution to funding. A similarly diverse picture is evident within Member States for those programmes which have been managed on a regional basis.

3.5 Monitoring, evaluation and follow up by the Commission

The possible impacts of the land management measures fall into three categories covering the three aims of the agri-environment regulation: impacts on the environment; on agricultural production; and socio-economic impacts. For the measures concerning public access and training and demonstration projects, different criteria are needed. The Commission drew up a guide to monitoring and evaluation in 1995 identifying all the areas which needed to be analyzed and this was presented to Member States in the STAR Committee as a Working

Document[34]. This document lists all the elements which need to be considered in planning evaluations and presents basic principles, such as the need to establish base-line data.

Following adoption of the implementing regulation, which includes a provision setting out the obligations on the Member States to monitor and evaluate programmes[35], the Commission received details of monitoring and evaluation strategies for all Member States except Luxembourg and Portugal. By October 1997, official evaluation reports had been received in respect of some programmes in Austria, Finland, France, Germany, Greece, Italy, the Netherlands, Spain, Sweden and the UK. Most evaluation reports broadly correspond to the criteria set out by the Commission in 1995. The results will be set out in more detail, together with addresses where the reports may be obtained, in a further STAR Working Document. However, some of the main conclusions reached are set out below, bearing in mind that the evaluation process for most programmes is at an early stage.

Concerning differences in programme implementation, these are due to a variety of factors, including the presence of pre-existing agri-environmental policies, the perception of the viability of measures, regional or local agricultural and environmental conditions, and budgetary restrictions and consequent choices made at the national level. The reports conclude that premia levels are function of the degree of targeting of a measure, the agricultural activity concerned, the degree of constraints imposed, level of active participation expected or desired, physical conditions, production costs, regional priorities and the availability of national matching funds.

Concerning the effectiveness of programme application, previous administrative experience and the provision of adequate information are identified as key factors in successful programmes. Growth in rates of up-take suggests an adoption path very similar to the classical one for innovations: innovators then early adopters and in some cases reaching the stage of the advance majority. This is not surprising since in most cases agri-environment programmes require the farmer to introduce technical innovations. Despite their importance, information and training have received generally scarce attention from Member States, with the notable exceptions of the Netherlands, and to a lesser extent Sweden.

Effects of schemes on the farmer's income under the CMO regimes or other schemes such as the agri-forestry programmes can be decisive factors in limiting adoption if farmers are not persuaded that the agri-environment payment adequately covers their losses. This factor concerns in particular compensatory payments for arable crops and payments under beef and sheep regimes which are based on headage payment and thus encourage production within the limits set out in the CMO. Agri-environment programmes are also adversely influenced by concern that in foregoing arable cultivation the farmer might lose the possibility of access to payments should a new base area or fully decoupled payments be introduced; for dairy production agri-environmental take-up is limited by concerns over the future of the unused quota. Concerning new schemes, competition with afforestation programmes has been identified in some regions.

The evaluation reports also highlight the difficulties and expense of scientific monitoring, absences in base-line data and difficulties in the use of indicators. Concerning the development

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34 Working Document VI/3872/97, which consolidated previous Working Documents.

35 Commission Regulation (EC) No 746/96, Article 16.

of indicators, the Commission is contributing to work within the EU and in international fora, particularly in the OECD. Work on indicators covers a vast range of areas, including in particular the following six aspects: discharge of nutrients into eco-systems and waters; discharge of plant protection products into eco-systems and waters; effects on climate change and global warming; deterioration in the biodiversity of wild flora and fauna; changes in cultivated landscape; development of genetic resources (domestic fauna and plant varieties).

In order to follow the progress of the implementation and evaluation of the agri-environment programmes, the Commission holds regular bilateral meetings with the Member States. In this way the Commission had early knowledge of the development of programmes, problems with implementation and of the high number of amendments to programmes which Member States began to submit soon after adoption.

3.6 Assessment of measures by category[36]

3.6.1 Environmentally-beneficial productive farming

(1) organic farming

In some Member States the consumer demand for organic produce has expanded enormously in recent years. The benefits to the environment where normal farming systems convert to organic production are extremely high, for example in terms of ceasing the use of pesticides. Throughout the EU there are well-established organisations which monitor organic farms, maintain standards, and promote organic produce in line with the provisions of the Council regulation on organic standards[37].

Evaluation reports highlight the proven environmental benefits on soil and water quality and on biodiversity. Profitability is dependent on market possibilities and size of premia. Given the volatility of organic markets, it is difficult to predict effects on income. The Commission intends to present a Working Document to the STAR committee on support for organic farming.

(2) non-organic farming with environmental improvements

Adjustments to farming practices supported in Member State programmes include reducing inputs, strict scheduling of farm activities, leaving strips beside fields free of spray, undersowing grass in crops, reducing stocking density, causing the periodic flooding of low-lying land, etc. These and similar techniques may reduce substantially the stress on the environment and, if well managed, can result in an increase in biodiversity and reductions in pesticide use and nutrient loss. This type of measure may require extra work and result in reduced levels of production. Integrated farming techniques, provided they comprise low levels of chemical inputs, are increasingly widespread and schemes are supported under agri-environment programmes. As with organic production, organizations are being established to monitor production and control standards. However the lack of common standards and consequent proliferation of labels in some places has led to uncertainty for consumers and others.

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36 Categories described at Section 1.10.

37 Council Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs, OJ No L 198, 22.7.1991, p.1.

Evaluation reports highlight the complex variety of measures applied in the different programmes. Environmental benefits are shown in respect of water quality, the reduction of erosion, the preservation of the agricultural landscape especially in the case of perennial crops and conservation of biotic resources. Monitoring water quality is shown to be problematical as positive effects may take many years to be realised. This suggests that relevant programmes need to be continued for decades in order to be effective. It is also frequently impossible to attribute environmental benefits to the actions of an individual farmer. In some regions, with fertile soils or with many livestock units per farm, there has been a low take-up of environmentally beneficial measures which limit production capacity. In these areas the environmental threats may be severe and the effectiveness of current approaches may be questioned.

Management agreements in sensitive zones aimed at promoting biodiversity seem to achieve high value positive effects, and take-up has been high where the authorities have been able to target promotional and information activities and where the agreements do not require big changes in applied farm technologies. In cases where greater changes to farm procedures are needed with the active involvement of farmers as 'guardians of the countryside', the level of the premium can be a key element in determining the level of take-up.

Concerning preservation of genetic resources, the programmes show a clear positive effect on genetic resources while there is no effect on market balance. The measure for preservation of useful plants threatened by genetic erosion has not been applied to a sufficient extent for conclusions to be drawn.

(3) maintenance of existing low-intensity systems

The environmental obligations may be fairly light, comprising the maintenance of traditional farming methods, maintenance of the landscape, low levels of inputs, low levels of stocking density and, in the case of grassland, a prohibition on ploughing or disturbing natural features on the land. The premium per hectare is correspondingly low, reflecting the extensive nature of the farming. In marginal areas, however, where a substantial effort is required of farmers to stay on the land, and where traditional low-intensity systems are necessary for the continued protection of the environment and maintenance of high natural-value sites, this type of measure can be a valuable instrument to help maintain the environment and the traditional farmed landscape. Similar programmes exist, for example under the structural funds, designed to maintain agriculture in disadvantaged farming areas[38].

The evaluation reports show that measures for the promotion and maintenance of extensive grassland have had a significant impact in several countries by preventing intensification, underuse or abandonment. It is usually based on the limitation of livestock/land ratio and on restrictions on the use of nitrogen fertilisers. Environmental benefits include the reduction of erosion, the preservation of the pastoral landscape and conservation of biotic resources. The measure has a higher impact on market balance when it takes the form of conversion of arable land into extensive grassland. In some Member States some reduction in production has been estimated. The measure should provide an environmental benefit to society, i.e. the farmer should provide positive externalities.

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[38] eg. Compensatory allowances under objective 5(a) of the structural funds; see section 2.2.

3.6.2 *Non-productive land management (maintenance of abandoned land, environmental set-aside, landscape features, public access)*

Measures which promote the conservation or restoration of habitats or biotopes, for example through permanent flooding of land, normally entail very significant reductions in, or the complete cessation of, production. There may, however, be a substantial amount of work to be done on the land under the terms of the farmer's undertaking. It is very unlikely that such habitats would be created without public land purchase or the type of agreements available under agri-environment programmes. In the same way, a substantial effort is required of farmers who undertake to clear abandoned land of scrub in order to guard against fire hazards or who keep up stone walls, terracing, hedges, ponds, wells, and farming landscape features which may be essential to guard against erosion. Concerning 20-year set aside, all agricultural activity is normally disallowed. However, where the control of unwanted undergrowth is specified, the most desirable method of doing this may be to use grazing animals for a short period of a few days, and subject to strict controls. Few programmes have been developed to promote public access[39]. In one case, it became clear that farmers expected compensation to be calculated as a function of disturbance, particularly near to urban centres. Calculations based on income foregone and costs incurred are not always seen as the most suitable basis by farmers.

Evaluation reports show that the long-term set-aside measure is usually limited to particular areas in order to achieve specific objectives in nature conservation. The 20 years length can limit potential take-up. As the measure can be very important for conservation purposes, it is important to study how to increase participation. Analysis of past experience for Member States suggests that the rigidity of the 20-year agreement is a dissuasive factor and more significant than the level of premium in determining take-up. Different mechanisms suggested include premia which are indexed linked or allow farmers to leave agreements after a shorter period than the full 20 years.

Evaluations of the measures for upkeep of abandoned farmland and woodland illustrate that this measure can give a positive contribution to conservation (erosion, landscape) while securing the role of farmers as providers of these services. The measures have no impact on market balance. Level of premium need to cover the costs sustained by farmers.

3.6.3 *Training and demonstration projects*

Training is provided at various levels. For individual farmers, courses focus on the measures in the national programme and specific issues related to the protection of the environment and the maintenance of the landscape. Training is also given in some cases to experts who draw up farm plans, advise farmers, or train others. Demonstration projects are normally closely linked to the themes of the national agri-environmental programme and focused on the promotion of appropriate production methods, knowledge and technology.

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39 Some Member States have a general right of public access to farmland enshrined in their domestic law.

3.6.4 Integrated and whole-farm plans

Programmes in a few Member States adopt an integrated approach to implementation of the measures. For example, in one case, all aspects of the farm are analysed and a series of measures comprising farming methods, creation of habitats, conservation of landscape features, and training for the farmer are agreed. The success of these programmes will depend on the quality of the planning and expert advice from advisors. Concerning whole farm agreements, one interim evaluation report has concluded that all agri-environment agreements should be based on undertakings applying to the whole farm.

3.7 Developments in programme management and administration

3.7.1 Level of take up

In many programmes, but by no means all, the levels of take-up have been substantially below initial estimates. The Commission has identified six main reasons, as summarised

Table 3.9: Reasons for low take up.

(a) initial difficulties and the resulting delays experienced in the start-up phase of the programme may have discouraged some farmers. Most programmes have been approved and are now in operation and farmers can see that the programmes are established and the opportunities deserve serious consideration;
(b) estimates of take up provided to the Commission by some Member States may have been over-optimistic;
(c) levels of compensation for costs and income foregone may be considered by some farmers to be insufficient and/or incentive payments may be considered too low for some measures;
(d) unavailability of matching funding from national or regional sources;
(e) farmers may be reluctant to bind themselves into contracts for 5 years or more;
(f) lack of adequate publicity and insufficient promotion of schemes.

in Table 3.9. Against this, a few Member States and regions have experienced very high levels of take up, in some cases beyond the budgetary capacity of the programmes. Divergencies between high and low levels of take up have resulted in an overall imbalance between Member States and between regions. The Commission has sought to encourage implementation in those Member States where it has been insufficient and to limit spending beyond the agreed financial ceilings.

3.7.2 Land tenure

Particular difficulties have arisen in the case of leased land and traditional land tenure systems, such as common-held land or land on renewable leases, technically terminable at one year's notice. For leased land, the lessor is required to ensure agreements can be carried out for the agreement period. However, some measures and some programmes have been withheld from farmers unable to meet the conditions of grant by reason of the land tenure arrangements.

3.7.3 Control measures and penalties

The agri-environment programmes have presented considerable difficulties for checking the performance of undertakings. Many environmental land management measures require activities to be undertaken at different times of the year. Unlike systems of control for the market regimes, where one visit to a farm is needed for verification purposes, for the agri-environment programmes several visits may be required to check the full range of undertakings given. As far as possible, the systems for the control of

programmes and penalties for wrongful payment have been adapted to the integrated control and administration system[40].

3.7.4 Calculation of premia and maximum co-financible amounts

Premia are in principle payable for undertakings which go beyond a minimum standard on the basis of net income foregone, costs incurred and the need to provide an incentive. Thus premia neither contain an income element nor can they be considered as being subsidies. The Commission seeks to ensure that premia are held within the criteria, both to be in line with the provisions of the agri-environment regulation and to ensure that programmes retain their 'green box' status. The regulation sets ceilings on the amounts to be reimbursed[41] according to land use. However, in the case of mixed farms, farms which practice rotation, or farms with varied environmental features, the application of different maximum amounts for different fields can become confusing.

3.7.5 Extensification

In some programmes, measures designed to achieve extensification by paying per livestock unit removed have been less successful than equivalent stock removal measures which pay a per hectare rate for environmental stock management. A particular difficulty with the measure including payment per livestock unit removed is that separate land management measures may be excluded or the maximum premia halved[42].

3.7.6 Landscape and historical features

Several Member States have included proposals to support the maintenance and creation of farm features such as terracing, hedgerows, stone walls, ponds, single trees, and so on. Justifications advanced have included protection of amenity value (especially the visual aspect), promotion of biodiversity, preservation of ancient boundaries, and cultural heritage. The Commission has accepted the maintenance of these features in co-financed programmes, usually as ancillary measures to the main environmental land management of farmland or combined with the condition that farmers must adhere to good agricultural practice on the adjacent fields. Archaeological sites have normally been excluded on the ground of insufficient environmental justification. Some historical remains, however, particularly earth works, can be argued to both be part of the landscape and require changes to, or limitations on, farm practice for their preservation.

3.7.7 Endangered breeds and crop varieties

In approving programmes to support the rearing of endangered farm animals, the Commission has established a list of eligible breeds[43] of *equidae*, cattle, sheep and goats. In addition minimum eligibility criteria have been established. Requests have been made to develop the criteria and to extend the measure to other breeds. Some Member States have also proposed measures to support the growing of threatened crop

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40 Regulation 746/96, Articles 19 and 20.

41 Regulation (EEC) No 2078/92, Article 4.

42 *idem*. Article 4(3)

43 STAR Working Documents VI/5104/92 and VI/3879/94.

varieties, and the Commission has accepted measures for individual local crop varieties clearly in danger of extinction.

3.7.8 20-year set aside and management of abandoned land

The 20-year undertaking has proved to be unpopular with farmers, although for certain environmental objectives 20 years is needed. Some Member States have established 5-year set-aside by citing other measures in the regulation or combining measures with set-aside options under the arable regime. However, market set-aside, does not cover pasture and the conditions of use may not be optimal from an environmental perspective.

In limited circumstances, the maintenance of abandoned land may be undertaken by non-farmers[44]. Concerning maintenance of abandoned woodland, the Commission has sought to prevent the measure being used in circumstances where local authorities have the responsibility for up keep or where the owner is available to assume responsibility for the woodland.

3.7.9 Training and demonstration projects

Most Member States have included measures or programmes for training of farmers and demonstration projects. Since many agri-environment agreements require farmers to implement new techniques or understand complex environmental processes and balanced systems of production, the training measures, which are optional on Member States under the regulation, may be seen as essential to the success of certain programmes. The Commission intends to present Working Documents to the STAR Committee on training and demonstration projects.

3.7.10 Non-premia measures

Many measures could be envisaged to promote agri-environment techniques which do not involve premia payments although there may be organisational expenses. Examples include farm and local area planning, provision of advice on the farm environment or natural history, self-help groups, etc. An enormous amount of data is available about environmental processes and farming systems. However, allowing farmers access to the information and enabling them to acquire the knowledge calls for a greater imaginative effort than the publication of booklets summarising codes of good agricultural practice. New technology provides opportunities for delivering information and providing training needed for farmers to be able to manage their environment effectively and to understand the processes involved.

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[44] Regulation 2078/92, Article 5(1)(c) and Regulation 746/96, Article 6.

4. CONCLUSIONS

4.1 Outstanding issues

4.1.1 Justifying support for existing extensive systems

In the case of agri-environment measures which support existing extensive systems, the extent of the environmental impact must be under continual scrutiny. Such measures should be focused on zones where real farming difficulties exist as a result of the declining profitability of traditional farming systems which are environmentally valuable and where abandonment of the land use or the decline in pasture management (or, in some cases, intensification) would be the logical economic choice. In marginal farming regions, where the threat to the environment is posed by a tendency to abandon or to reduce pasture management, the costs calculation must take these economic realities into account. In these areas the environmental justifications for continuing a particular type of extensive agriculture are compelling, underlining the importance of appropriate measures to secure the future of this farming. In other areas, farmers receiving premia must also be shown to make real efforts which benefit the environment and, where necessary, consideration must be given to strengthening measures following independent evaluation.

The minimum standard of acceptable agricultural practice which farmers should follow without receiving premia is not uniform across the EU. It differs between Member States and between regions according to state of advancement of agriculture, and local, socio-economic, and environmental factors. It is not a static concept even within one region and will develop over time. In some Member States the application of codes of 'good agricultural practice' is compulsory; in others they are voluntary. As farming standards develop, so should the measures contained within the agri-environment programmes which are intended to go beyond the application of minimum standards. However, the level must be practically feasible in the light of conditions prevailing in the region concerned.

In relation to 'income foregone', the calculation must be based on the reasonable income which the farmer does not receive as a result of the undertaking. This should exclude calculations for a method of production or land use which the farmer would have been unlikely to implement.

4.1.2 Targeting

Some of the agri-environment measures having significant benefit for the environment require farmers to forego a considerable level of income, for example by giving up productive farming on certain parcels of land altogether. It follows that, given normal public budgetary constraints, these measures are better targeted on small areas (and fully funded) than available too widely with the result that premia are too low or the measure is simply not implemented due to a lack of matching funds.

Agri-environment measures should only be available in an area in so far as the environmental conditions addressed are common throughout the area. Highly detailed obligations specific to one type of land and farming tradition will of necessity be most limited in geographical application. Measures which apply in a uniform way across an

entire region or Member State or, possibly, across several Member States, should only cover environmental circumstances or objectives common to the larger zone.

4.1.3 Regionalization and responsibility

The formulation, implementation and evaluation of agri-environment programmes should remain primarily the responsibility of the national or regional authorities. They have the necessary knowledge, data, resources and commitment to establish programmes best suited to the local circumstances and which will command local support. The development, implementation and evaluation of programmes should be the subject of a broad consultation at local or regional level, including environmental and farming organisations. Through such a process measures can be targeted on regional priorities, such as the need to reduce nutrient leaching, preserve natural habitats designated under NATURA 2000 or guard against fire and erosion risk.

However, it should be recognised that a regionalized approach based on administrative units does not always lead to appropriate solutions from the point of view of environmental geography. For example, where a single agri-environment need spans a regional border, such as the need to reduce nitrate run-off into a single river system, a strong argument can be made to encourage regional authorities to co-operate closely and present consistent or at least compatible measures to address the common problem. In addition, there are some types of measures, for example basic support for existing low intensity systems, or premia for almost identical organic production systems, where regional differences would be hard to justify and a regional approach may even result in anomalies. These measures are better suited to a national or trans-national approach.

4.1.4 Tendering

While no proposals to award agreements on the basis of tender calls have yet been made, a few Member States have expressed interest in this procedure. Tendering would be unlikely to deliver better value in relation to certain agri-environment obligations, particularly where agreements need to be developed with farmers individually. However, for suitable measures, tendering would offer the prospect of a more rational means of approving agri-environment expenditure.

4.1.5 Diverse sources of funding

The Community now supports environmental activities, to be carried out by farmers, not only through the agri-environment programmes, but also by means of the forestry and early retirement programmes, Objectives 1, 6 and 5b programmes, the LEADER programme, investments under Objective 5a, and in some cases, through the markets regimes. In addition, Member States which have the available national resources are able to operate extensive systems of State aided measures and top-ups to co-financed measures. These diverse sources of funding must be well co-ordinated if anomalies are to be avoided in future. AGENDA 2000 contains proposals to rationalise all measures into integrated regional programmes, in which it will be essential to ensure that the environmental aims are clearly identified and retained and not diluted as a result of the programming process.

AGENDA 2000 also proposes for the development of the Compensatory allowances scheme to become a basic instrument to maintain and promote low input farming

systems. Compensatory allowances provide a basis to support farmers subject to farming handicaps.

4.1.6 Horizontal application

AGENDA 2000 proposes to continue the application of agri-environment programmes throughout the territory of Member States. Within the new Objectives 1 and 2 areas, the programmes will be preserved together with other elements of regional programmes. Outside these areas, agri-environmental programmes will form part of the same legal framework as other rural policies. Where an agri-environmental zone crosses a regional boundary, the programming process will need to be respected in the different areas.

4.1.7 Funding

AGENDA 2000 gives an indicative expenditure for the three accompanying measures of ECU 2.8 billion in the year 2000. Growth in expenditure is expected to come from those Member States where implementation has been low so far and programme developments throughout the EU. Since expenditure is and, under AGENDA 2000, will remain under the guarantee section of the EAGGF, accurate forward estimates of expenditure are essential. The Commission has received in the past some particularly optimistic forecasts of expenditure which made the budgetary process difficult. The Commission will continue to look for improvement in forecasting using all means at its disposition.

4.1.8 Interaction with markets regimes

Although a number of market regimes include agri-environment measures, or conditions relating to environmental practice, there remain substantial economic pressures to intensify and maximise revenue. Changes to markets regimes which alleviate pressure on the environment are likely to have a more general environmental impact than agri-environment measures, which are usually applied on a limited area. Where such changes impact on running agri-environment programmes, the latter must be adapted to the revised economic circumstances.

4.1.9 Evaluation and monitoring

The EU lacks sufficient base-line data of the environmental state of its farmland. Where agri-environment programmes are applied a particular effort is needed to carry out the necessary monitoring. The expense of this work can be considerable and strong arguments exist for a part of Community expenditure to be made available for evaluation and monitoring.

4.1.10 Clear objectives

The agri-environment regulation should remain a vehicle for improving and maintaining the quality of the rural environment. Direct income aids should be clearly distinguished from support for agri-environment activities, which primarily must deliver environmental benefits through compensating agreement-holders who use their factors of production to this end. In addition to the overall objectives, precise objectives need to be specified within programmes in order to improve transparency and form the basis

of sound evaluation strategies. Thus 'protection of water quality' needs to become specified targets for reductions in N and P levels; 'maintenance of an arable habitat' should be expressed in terms of the identified plants and insects and other fauna which are intended to benefit.

4.1.11 Five-year obligation

The minimum obligation for an agri-environment measure is 5 years or, in the case of long-term set-aside, 20 years. The Commission has adopted a flexible approach and approved early termination of undertakings for reasons of *force majeure* and in other reasonable circumstances where the holding is transferred. The principle should remain that 5 years is a minimum period for the serious application of agri-environment measures.

At the end of the agreement period, there is a danger that the farmer will choose not to renew the agreement and change to more profitable systems of farming. In some cases this may result in a serious loss of the environmental value built up or preserved over the agreement period. In exceptional cases there may be an argument for using compulsory national measures to conserve the environment. However, a voluntary scheme such as the agri-environment programmes is not an appropriate instrument by which to implement compulsory measures, and this important limitation on the effectiveness of the measures needs to be recognised.

4.1.12 Whole-farm agreement

The practice in many programmes to require participating farmers to take on a whole-farm agreement has much to recommend it. At a minimum an agreement-holder should not be able to negate environmental gains on one part of his farm through intensification on another part.

4.2 Reflections on possible amendments

A number of aspects of the agri-environment regulation have been identified for possible amendment in view of the outstanding issues and developments in programme management discussed above. While reflections on proposals arising from AGENDA 2000 are not yet complete, these points are nevertheless presented to the European Parliament and the Council for consideration.

4.2.1 Distinguishing between types of environmental measure

AGENDA 2000 describes the possibility of developing the compensatory allowance scheme as a more environmental instrument, which would complement the measures undertaken in the framework of the agri-environment programmes. The agri-environment regulation should emphasise, as suggested in AGENDA 2000, environmental services which call for an extra effort on the part of the farmer, such as organic farming, maintenance of semi-natural habitats, traditional orchards and hedgerows, continuation of alpine cattle keeping, upkeep of wetlands, and other far-reaching measures in different regions of the EU. In addition, AGENDA 2000 notes that a high level of commitment is needed where a measure results in a significant loss of yield, such as buffer strips.

A more precise legal framework is needed for the non-land management measures. Projects for public access, demonstration farms and training need specific financial arrangements and justification criteria.

4.2.2 Capital works and other investments

For reasons of coherence, each agri-environment programme to which a farmer may subscribe should incorporate all relevant agri-environment measures, such as capital works and processing investments. The current position, where these are often not co-ordinated with agri-environment programmes, needs to be improved. In many programmes, environmental capital items are State aided and approved separately from agri-environment programmes under the terms of the investment aid regulation.

4.2.3 Part-financible premia

The calculation of premia must be strictly limited to income foregone measured against a reference level of farm practice, costs incurred and the need to provide an incentive. Basic premia in particular need to be justified on this basis in the context of the objectives of the programmes and the environmental standards and conditions faced by farmers in the regions concerned. Levels of premia must be commensurate with the income from a competing land use, including any market premium or other relevant income source. A review of the system of part-financible premia may be appropriate.

4.2.4 Adjusting rates of part-financing from the EAGGF

The Commission has received recommendations for increasing the levels of part-financing and modulating the rate according to the environmental impact of programmes or measures. The possibility of increasing part-financing rates is raised in AGENDA 2000 in the context of strengthening programmes. Any increase in part-financing rates should be combined with improved targeting and objective setting, and effective monitoring and evaluation.

4.2.5 Livestock removal

The measure for extensification of livestock under Article 2(1)(c) should be reviewed and possibly developed as an explicit measure addressing extensive livestock farming and in particular the management of low-intensity pasture systems.

4.2.6 Landscape and historical features

The case for supporting non-productive landscape features in isolation of undertakings given on the productive part of the land is difficult to justify. However, cultural and historical landscape features, particularly those linked to biodiversity, which accompany farming activities should be included within the scope of the agri-environment regulation.

4.2.7 Long term set aside

The 20-year obligation should be reviewed to determine whether a shorter period may be justified. Limited use of grazing animals to control weeds and undergrowth should be subject to clear control criteria. Alternative environmental land uses, for example the creation of lakes and to provide public access, should be investigated. However, public

schemes for land purchase, which may be essential to conserve environmental value, should not come under the scope of the agri-environment programmes.

4.2.8 Promotion of training measures

Member States should be encouraged to provide training courses within agri-environment programmes. The training element, which is currently optional on Member States, could become part of the range of measures obligatory on Member States.

4.2.9 Non-premia measures

In the context of integrated programming, agri-environment measures should be fully associated with non-premia measures designed to achieve the same ends, such as awareness raising, technical environmental assessments, medium and long term planning and facilitating farmers to understand the environmental potential of their land.

4.2.10 Finance for monitoring and evaluation

The Commission is receptive to the argument that a Community contribution to the costs of scientific monitoring and evaluation may be warranted. Costs will vary depending on the nature and size of the programme, but a sufficient amount of expenditure should be allocated in order to produce useful and thorough data.

4.2.11 Observatory of environmentally beneficial agriculture

The interaction of agriculture and the environment in general and the impact of the agri-environment programmes in particular are already subjects for a considerable quantity of research. At the same time questions remain concerning the environmental, agricultural and socio-economic impacts of some programmes and some approaches, and will be the subject of future enquiry. In order to follow-up, co-ordinate where necessary, and, above all bring early results and analysis to the attention of the Commission, the Member States and appropriate non-governmental organisations, the establishment of an observatory may be justified. Such a body should be required to facilitate the transfer of findings throughout the EU, to identify particularly successful measures and programmes, to contribute to the development of indicators for measuring agri-environment processes, to identify areas where research lacunae exist, and to help ensure comparability in agri-environmental data supplied to the Commission. In only five years, the agri-environment approach has developed from being an innovation introduced to accompany the reform of the CAP to becoming a central part for the future Community farming and rural policy. For this reason alone, the provision of effective and relevant research data at the European level is essential.

4.2.12 Summary of Commission initiatives

The Commission intends to bring forward Working Documents and present them to the STAR Committee covering the following detailed aspects of implementation of agri-environment programmes:

- implementation in the Member States;
- support for organic farming;

- support for maintaining genetic resources;
- evaluation studies and Community-funded research and studies;
- training and demonstration projects.

The Commission will continue to encourage Member States:

- to make the best use of existing opportunities for integrating agri-environment programme with structural fund programmes;
- to develop non-premia programmes for disseminating information to farmers;
- to implement fully those programmes which are behind schedule;
- to monitor and evaluate programmes and develop them in the light of the results of evaluations.

The Commission will consider bringing forward several proposals for the adjustment of the provisions of Regulation 2078/92, including:

- an improved legal framework for the non-land management measures;
- a review of the system of maximum part-financible premia;
- a review of the measure to reduce stock numbers to focus on low-intensity pasture management;
- a review of criteria for incorporation of capital investments and landscape and historical farmland features within programmes;
- a review of the measure for environmental set aside;
- possibilities for the provision for part-financing from Community funds of monitoring and evaluation costs;
- review of Community part-financing rates
- any amendments which may result from discussions following the presentation of the Working Documents mentioned above.

In addition, in the context of AGENDA 2000 the Commission will bring forward a proposal to strengthen agri-environment measures within regional and zonal programmes. Finally the Commission will investigate ways and means and terms of reference for establishing an observatory of environmentally beneficial agriculture.

4.3 Future developments

Recognition of the role of farmers as protectors of the environment and stewards of the countryside is now established policy of the Community. The perspective is of an active rural economy where farmers, in addition to their responsibilities as food producers, take on the role of 'rural entrepreneurs' providing services to the local community, including the provision of environmental public goods. The successful implementation of policies such as the agri-environment programme constitute a substantial part of the EU's obligations under AGENDA 21.

In the foreseeable future, there is likely to be continued pressure on price support policies resulting from the international trading environment and the imperative to retain European

competitiveness on global markets. Without specific agri-environment measures, the unique agricultural heritage of Europe, the result of centuries of sustainable farming, would be severely threatened by continued intensification or by abandonment. The same considerations apply beyond the EU and the agri-environment regulation has aroused considerable interest in the countries of central and eastern Europe where similar programmes are under development in at least two countries. In both halves of Europe, the association of certain low-intensity farm systems with high levels of biodiversity show that decoupling of environmental benefits from production is only possible to an extent.

AGENDA 2000 confirms the place of agri-environment programmes within the new rural development policy. The instrument must be strengthened, both in terms of the quality of the programmes and in financial terms. In addition, actions covered by some current agri-environment programmes will be complemented by the compensatory allowances scheme developed as a basic instrument to support low-input farming.

The proposals contained in AGENDA 2000, in line with the direction of reform of the common agricultural policy set out in 1992, and the Commission strategy paper on eastern enlargement presented to the Madrid European Council in 1995, would result in support for farming being further decoupled from production and focused on direct expenditure, including payments for rural services. This type of expenditure is far more visible to the general public than price support mechanisms and, in so far as it is paid for the provision of environmental services under agri-environment programmes, the public will want to know that the expenditure is justified. If agri-environment measures continue to operate with public support, and particularly as they are intended to become more significant financially throughout the EU, it will be necessary to demonstrate the genuine environmental impact of the programmes. For these reasons the evaluation of the measures continues to be a priority in order to make available reliable data with which to assess the effectiveness and impact of the programmes.

MS	Programme (mod = amendment decision)	N° STAR Wk Doc	STAR	N° Decision	Date Decision	MS	Programme (mod = amendment decision)	N° STAR Wk Doc	STAR	N° Decision	Date Decision
B	Prog. Agri-Environnement	94.4841	25.07.94	94.2937	17.11.1994	F	Cadre général	94.3799	23.02.94	94.0545	29.4.1994
D	Baden-Württemberg I	93.6830	29.09.93	93.2841	19.10.1993	F	Cadre général mod 2 (+ PH mod 2)	94.7651	27.06.94	94.2593	13.10.1994
D	Baden-Württemberg I mod 1	96.3774	26.03.96	96.0731	16.4.1996	F	Cadre général mod 3	94.8082	23.11.94	94.2943	6.12.1994
D	Baden-Württemberg I mod 2	96.8692	27.11.96	96,3865	30.12.1996	F	Cadre général mod 4	96.6206	24.07.96	96.2603	3.10.1996
D	Baden-Württemberg I mod 3	97.3825	21.03.97	97,0702	15.4.1997	F	Cadre général mod 5	96.6151	24.07.96	96.3863	30.12.1996
D	Baden-Württemberg II	95.8965	27.02.96	96.0506	26,3,1996	F	Cadre général mod 6	96.8977	17.12.96	97.0129	10.2.1997
D	Bayern I Kulap	93.6805	22.07.93	93.2539	22.9.1993	F	Cadre général mod 7	*divers*	28.01.97	97.1240	28.5.1997
D	Bayern I Kulap mod 1	95.6261	26.10.95	95.3101	15.12.1995	F	PH - Prime à l'herbe	93.6844	22.07.93	93.2464	16.9.1993
D	Bayern I Kulap mod 2	96.6147	24.07.96	96.2126	16.8.1996	F	PH mod 1	94.3829	25.04.94	94.0544	29.4.1994
D	Bayern II contracts	95.6279	23.11.95	96.0003	12.1.1996	F	PH mod 2 (→ Cadre Gen. mod 2)	-	-	-	13.10.1994
D	Bayern mod.	96.8284	29.10.96	96,2885	19.12.1996	F	Alsace	94.3839	24.03.94	94.1274	21.6.1994
D	Berlin	94.7680	23.11.94	95.3805	11.1.1995	F	Alsace mod 1	95.6232	20.07.95	95.1398	17.8.1995
D	Berlin mod 1	96.8286	29.10.96	96,3858	30.12.1996	F	Aquitaine	94.4882	27.09.94	94.2496	6.10.1994
D	Brandenburg I	93.7436	29.09.93	93.2840	19.10.1993	F	Aquitaine mod 1	94.8340	13.12.94	95.0016	16.1.1995
D	Brandenburg I mod 1	96.8272	29.10.96	96,3869	30.12.1996	F	Aquitaine mod 2	95.6181	27.09.95	95.2058	24.10.1995
D	Brandenburg II	94.8086	23.11.94	95.0023	20.2.1995	F	Aquitaine mod 3	97.3850	21.03.97	97.0707	16.4.1997
D	Brandenburg II mod 1	96.3886	24.07.96	96.2130	14.8.1996	F	Auvergne	94.7201	27.09.94	94.2591	13.10.1994
D	Bremen	94.8088	23.11.94	95.3806	11.1.1995	F	Auvergne mod 1	95.3849	31.05.95	95.1315	7.7.1995
D	Bremen mod 1	96.8700	27.11.96	96,3861	30.12.1996	F	Auvergne mod 2	97.3818	21.03.97	97.0722	16.4.1997
D	Freistaat Sachsen	93.6825	22.07.93	93.2538	22.9.1993	F	Basse Normandie	94.3900	27.04.94	94.1277	21.6.1994
D	Freistaat Sachsen mod 1	95.8679	13.12.95	96.0223	27.2.1996	F	Basse Normandie mod 1	95.6111	20.07.95	95.1671	17.8.1995
D	Freistaat Sachsen mod 2	96.9161	17.12.96	96,4216	30.12.1996	F	Basse Normandie mod 2	96.8993	17.12.96	97.0081	20.1.1997
D	Hamburg	94.7684	23.11.94	95.0021	20.2.1995	F	Bourgogne	94.4752	27.04.94	94.1278	21.6.1994
D	Hamburg mod 1	96.8715	27.11.96	96,3862	30.12.1996	F	Bourgogne mod 1	95.3851	31.05.95	95.1316	7.7.1995
D	Hessen	93.6883	29.09.93	93.2984	4.11.1993	F	Bourgogne mod 2	96.8705	27.11.96	97.0126	10.2.1997
D	Hessen mod 1	97.3763	25.02.97	97,0701	2.4.1997	F	Bretagne	94.4880	27.09.94	94.2495	7.10.1994
D	Mecklenburg Vorpommern	94.7695	23.11.94	95.0022	20.2.1995	F	Bretagne mod 1	95.3853	31.05.95	95.1317	7.7.1995
D	Mecklenburg Vorpommern mod 1	96.3885	26.01.96	96.2120	7.8.1996	F	Centre	94.7655	26.10.94	94.2605	8.11.1994
D	Mecklenburg-Vorpommern mod 2	96.9163	17.12.96	96,4217	30.12.1996	F	Centre mod 1	95.8992	13.12.95	95.3445	20.12.1995
D	Mecklenburg-Vorpommern mod 3	97.5213	27.05.97	97,1254	18.6.1997	F	Centre mod 2	96.8300	27.11.96	97.0124	10.2.1997
D	National Framework	94.3815	27.09.94	94.2599	10.10.1994	F	Champagne Ardenne	94.7203	27.09.94	94.2592	13.10.1994
D	National Framework mod 1	none	23.11.94	94.3034	22.12.1994	F	Champagne Ardenne mod 1	95.3855	31.05.95	95.1318	7.7.1995
D	National Framework mod 2	95.6178	27.09.95	95.2062	9.11.1995	F	Corse	94.8078	23.11.94	94.2940	6.12.1994
D	National Framework mod 3	96.6194	24.07.96	96.2132	14.8.1996	F	Corse mod 1	96.3823	26.03.96	96.0729	10.4.1996
D	National Framework mod 4	96.8696	27.11.96	96,4212	30.12.1996	F	Franche Comté	94.3841	24.03.94	94.0819	27.5.1994
D	Niedersachsen I	93.9926	27.09.94	94.2597	10.10.1994	F	Franche Comté mod 1	94.8095	23.11.94	94.2946	6.12.1994
D	Niedersachsen II	95.3777	22.02.95	95.0132	31.3.1995	F	Franche Comté mod 2	95.6109	20.07.95	95.1672	17.8.1995
D	Niedersachsen II mod 1	97.5197	27.05.97	97,1243	5.6.1997	F	Franche Comté mod 3 (+ HN 2, Lim 2)	95.6243	27.09.95	95.2061	6.11.1995
D	Nordrhein-Westfalen	94.4840	27.09.94	94.2598	11.10.1994	F	Franche Comté mod 4	96.8266	29.10.96	96.3853	13.1.1997
D	Nordrhein-Westfalen mod 1	96.3758	26.01.96	96.0224	28.3.1996	F	Guadeloupe	94.8078	23.11.94	94.2941	6.12.1994
D	Nordrhein-Westfalen mod 2	96.6227	29.10.1996	96.2882	6.12.1996	F	Guadeloupe mod 1	95.8994	13.12.95	95.3446	20.12.1995
D	Nordrhein-Westfalen mod 3	96.8694	27.11.96	96,3966	30.12.1996	F	Haute Normandie	94.3898	27.04.94	94.1276	21.6.1994
D	Rheinland-Pfalz I	93.9928	27.04.94	93.1309	17.6.1996	F	Haute Normandie mod 1	95.6236	20.07.95	95.1673	17.8.1995
D	Rheinland-Pfalz II	96.3827	29.05.96	96.1140	12.7.1996	F	Haute Normandie mod 2 (→ FC mod 3)	-	-	-	6.11.1995
D	Rheinland-Pfalz mod 1	96.8698	27.11.96	96,2886	19.12.1996	F	Ile de France	94.4884	25.06.94	94.2497	6.10.1994
D	Rheinland-Pfalz mod 2	96.8999	17.12.96	97.0138	19.2.1997	F	Ile de France mod 1	95.6185	27.09.95	95.2059	24.10.1995
D	Saarland	94.7682	22.02.95	96.0131	31.3.1996	F	Ile de France mod 2	96.8991	17.12.96	97.0128	10.2.1997
D	Saarland mod 1	96.8274	29.10.96	96,2891	20.12.1996	F	Languedoc Roussillon	94.4899	27.09.94	94.2590	13.10.1994
D	Sachsen-Anhalt	94.7207	27.09.94	94.2596	11.10.1994	F	Languedoc Roussillon mod 1	95.6294	23.11.95	95.3107	19.12.1995
D	Sachsen-Anhalt mod 1	96.6182	24.07.96	96.2131	14.8.1996	F	Limousin	94.7659	26.10.94	94.2607	8.11.1994
D	Sachsen Anhalt mod 2	96.9165	17.12.96	96,4218	30.12.1996	F	Limousin mod 1	95.6155	20.07.95	95.1674	17.8.1995
D	Schleswig-Holstein	94.7205	27.06.94	94.2595	11.10.1994	F	Limousin mod 2 (→ FC mod 3)	-	-	-	6.11.1995
D	Schleswig-Holstein mod 1	97.3760	28.01.97	97.0136	18.2.1997	F	Lorraine	94.3843	24.03.94	94.0820	27.5.1994
D	Thüringen	93.6872	29.09.93	93.2985	5.11.1993	F	Lorraine mod1	95.3857	31.05.95	95.1319	7.7.1995
D	Thüringen mod 1	95.8980	26.01.96	96.0006	5.2.1996	F	Midi Pyrénées	94.4754	23.06.94	94.1878	3.8.1994
Dk	Arnternes	96.3783	27.02.96	96.0730	16.4.1996	F	Midi Pyrénées mod 1	94.8342	13.12.94	95.0017	16.1.1995
Dk	Arnternes mod 1 (rectif.)	none	none	96.1569	8.7.1996	F	Midi Pyrénées mod 2	95.6106	20.07.95	95.1675	17.8.1995
Dk	Arnternes mod 2 (746) (→ Environmental & Organ	-	-	-	28.1.1997	F	Nord Pas de Calais	94.3896	27.04.94	94.1275	21.6.1994
Dk	Arnternes mod 3 (see EBF)	-	-	-	24.3.1997	F	Nord Pas de Calais mod 1	94.8091	23.11.94	94.2944	6.12.1994
Dk	EBF (Environmentally Beneficial Farming) (+ Organic, Arnter	97.3758	27.03.97	97.0700	24.3.1997	F	Nord Pas de Calais mod 2	95.3859	31.05.95	95.1320	7.7.1995
Dk	Environmental and Organic	94.3787	08.03.94	94.0967	26.4.1994	F	Nord Pas de Calais mod 3	96.8268	29.10.96	96.3854	13.1.1997
Dk	Environmental and Organic mod 1	96.6179	24.07.96	96.2122	14.8.1996	F	Pays de la Loire	94.4825	23.06.94	94.1879	3.8.1994
Dk	Environmental and Organic mod 2 (+ Arnt	96.8985	17.12.96	97.0122	28.1.1997	F	Pays de la Loire mod 1	95.6104	20.07.95	95.1397	17.8.1995
Dk	Environmental and Organic mod 3 (→ EBF)	-	-	-	24.3.1997	F	Pays de la Loire mod 2	95.8996	13.12.95	95.3447	20.12.1995
Dk	Kurser/Demonstrationsprojekter	96.7484	27.11.96	96.3970	30.12.1996	F	Pays de la Loire mod 3	96.8672	27.11.96	97.0125	10.2.1997
Dk	Organic (→ EBF)	-	-	-	24.3.1997	F	Picardie	94.3846	24.03.94	94.0821	27.5.1994
E	Programa agroambiental (+ Med Horiz mod1,	94.8064	13.12.94	95.0018	19.1.1995	F	Picardie mod 1	95.3861	31.05.95	95.1321	7.7.1995
E	Programa agroambiental mod 1	96.9178	17.12.96	97.0135	18.2.1997	F	Picardie mod 2	95.8998	13.12.95	95.3448	20.12.1995
E	Medidas Horizontales	94.4879	27.09.94	94.2589	11.10.1994	F	Picardie mod 3	96.8270	29.10.96	96.3855	13.1.1997
E	Medidas Horizontales mod 1 (→ Prog. Agroam	-	-	-	19.1.1995	F	Poitou Charentes	94.7657	26.10.94	94.2606	8.11.1994
E	Castille-Leon	93.6874	22.07.93	93.2463	16.9.1993	F	Poitou Charentes mod 1	95.6187	27.09.95	95.2060	24.10.1995
E	Castile-Leon mod 1 (→ Castile-La Mancha mod 1)	-	-	-	25.5.1994	F	Provence Alpes Côte d'Azur	94.8074	23.11.94	94.2939	6.12.1994
E	Castile-Leon mod 2 (→ Programa Agroambiental)	-	-	-	19.1.1995	F	Provence Alpes Côte d'Azur mod 1	95.6189	23.11.95	95.3108	19.12.1995
E	Castille-La Mancha	92.6734	27.02.93	93.0686	29.3.1993	F	Provence Alpes Côte d'Azur mod 2	96.8995	17.12.96	96.3851	13.1.1997
E	Castile-La Mancha mod 1 (+ Castile-Leon mod	none	24.03.94	94.0548	25.5.1994	F	Réunion	94.8081	23.11.94	94.2942	6.12.1994
E	Castile-La Mancha mod 2 (→ prog. agroambient	-	-	-	19.1.1995	F	Rhône Alpes	94.3847	27.04.94	94.0822	27.5.1994
E	Pais Vasco	95.8831	22.02.95	95.0123	2.3.1995	F	Rhône Alpes mod 1	-	23.06.94	94.1880	3.8.1994
El	Agriculture biologique	95.6114	29.06.95	95.1391	26.7.1995	F	Rhône Alpes mod 2	94.8093	23.11.94	94.2945	6.12.1994
El	Long term set aside	96.3785	29.05.96	96.1144	19.7.1996	F	Rhône Alpes mod 3	95.6191	23.11.95	95.3109	19.12.1995
El	Races menacées	91.3823	21.03.97	97.0551	28.4.1997	F	Rhône Alpes mod 4	96.8995	17.12.96	97.0080	20.1.1197
El	Thessalie	95.6116	29.06.95	95.1392	26.7.1995						

MS	Programme (mod = amendment decision)	N° STAR Wk Doc	STAR	N° Decision	Date Decision	MS	Programme (mod = amendment decision)	N° STAR Wk Doc	STAR	N° Decision	Date Decision
IrI	REPS	93.9906	27.01.94	94.0549	29.4.1994	P	Açores	94.3883	27.04.94	94.0824	3.6.1994
IrI	Reps mod 1	95.6156	27.09.95	95.2057	19.10.1995	P	Continent	94.3801	23.02.94	94.0546	29.4.1994
IrI	Reps mod 2	96.6156	26.06.96	96.1146	19.7.1996	P	Continent mod1	95.6159	20.07.95	95.1678	17.8.1995
IrI	Reps mod 3	97.3861	27.05.97	97.1244	4.6.1997	P	Continent mod2	96.8257	17.12.96	97.0137	18.2.1997
I	Fitosanitari	96.8690	27.11.96	96.3864	30.12.1996	P	Madeira	94.4819	23.06.94	94.1881	11.8.1994
I	Formazione	95.3781	22.02.95	95.0125	15.3.1995	Fin	Aland	95.8967	13.12.95	96.0005	5.2.1996
I	Formazione mod 1	96.8279	29.10.97	96.2878	25.11.1996	Fin	Finland	95.6139	27.09.95	95.2056	10.10.1995
I	Abruzzo	94.7669	28.10.94	95.3039	10.1.1995	S	Miljöprogrammet	95.3894	20.07.95	95.1393	17.8.1995
I	Abruzzo mod 1	97.3814	25.02.97	97.0554	17.3.1997	S	Miljöprogrammet mod 1	96.8711	27.11.96	96.4210	30.12.1996
I	Basilicata	94.4776	23.06.97	94.2491	6.10.1994	S	Flerarig veloding	97.5243	24.06.97	97.1258	17.7.1997
I	Basilicata mod 1	97.3768	28.01.97	97.0133	11.2.1997	UK	England-Cty. Steward	94.4864	25.07.94	94.1883	28.9.1994
I	Bolzano	93.6895	29.9.1993	93.3014	4.11.1993	UK	England-Cty. Steward mod 1	96.3808	03.05.96	96.0738	3.5.1996
I	Bolzano	94.38 0	26.05.94	94.0830	15.6.1994	UK	England-Cty. Steward mod 2	96.8981	17.12.96	97.0084	23.1.1997
I	Calabria	95.3844	31.05.95	95.1314	19.7.1995	UK	England-Cty. Steward mod 3	97.3784	28.01.97	97.0699	2.4.1997
I	Campania	96.8686	28.01.97	97.0141	5.3.1997	UK	England-ESA Access	93.9948	26.01.94	94.0551	6.5.1994
I	Emilia-Romagna	94.48 4	27.09.94	94.2492	6.10.1994	UK	England-ESA Access mod 1 (→ ESAs consolid.)	-	-	-	16.04.1997
I	Emilia-Romagna mod 1	96.8961	17.12.96	97.0093	29.1.1997	UK	England-ESA I	93.6879	29.03.93	93.2836	18.10.1993
I	Emilia-Romagna mod 2	97.5162	23.04.97	97.1783	7.7.1997	UK	England-ESA I mod 1 (→ E. Scotland II mod)	none	24.03.94	94.0552	18.5.1994
I	Friuli-Venezia Giulia	93.1475	27.04.94	94.0825	3.6.1994	UK	England-ESA I mod 2	94.8102	23.11.94	94.2952	9.12.1994
I	Friuli-Venezia Giulia mod 1	97.3810	25.02.97	97.0729	20.5.1997	UK	England-ESA I mod 3	96.3806	26.03.96	96.0737	3.5.1996
I	Lazio	94.7661	26.10.94	94.2949	9.12.1994	UK	England-ESA I mod 4 (→ E mod 3, II mod 2)	96.8979	17.12.96	97.0083	23.1.1997
I	Lazio mod 1	96.8965	17.12.96	97.0095	29.1.1997	UK	England-ESA I mod 5 (→ E ESAs consolid.)	-	-	-	16.04.1997
I	Liguria	94.3869	25.07.94	94.2488	5.10.1994	UK	England-ESA II	93.7440	29.09.93	93.2834	18.10.1993
I	Liguria mod 1	96.8959	17.12.96	97.0092	29.1.1997	UK	England-ESA II mod 1 (→ I mod 1)	-	-	-	18.5.1994
I	Lombardia	94.3894	26.05.94	94.0826	8.6.1994	UK	England-ESA II mod 2 (→ II mod 1)	95.6205	27.09.95	95.2054	4.12.1995
I	Lombardia mod 1	97.3768	28.01.97	97.0131	11.2.1997	UK	England-ESA II mod 3 (→ I, mod 4)	-	-	-	23.1.1997
I	Marche	94.4818	27.09.94	94.2604	13.10.1994	UK	England-ESA II mod 4 (→ E ESAs consolid.)	-	-	-	16.4.1997
I	Marche mod 1	96.6204	24.07.96	96.2133	26.8.1996	UK	England-ESA III	93.6819	29.09.93	93.2827	15.10.1993
I	Molise	94.7673	26.10.94	95.3040	10.1.1995	UK	England-ESA III mod 1 (→ II mod 2)	-	-	-	4.12.1995
I	Molise mod 1	97.3816	25.02.97	97.0553	17.3.1997	UK	England-ESA III mod 2 (→ I mod 4)	-	-	-	23.1.1997
I	Piemonte	94.8039	23.11.94	94.2950	13.12.1994	UK	England-ESA III mod 3 (→ E ESAs consolid.)	-	-	-	16.4.1997
I	Piemonte mod 1	97.3770	28.01.97	97.0132	12.2.1997	UK	England-ESA IV	94.3804	23.02.94	94.0553	6.5.1994
I	Puglia	95.6209	27.09.95	95.2216	14.11.1995	UK	England-ESA IV mod 1	96.6145	26.06.96	96.1145	19.7.1996
I	Sardegna	94.7671	23.11.94	95.0024	15.2.1995	UK	England-ESA IV mod 2 (→ E ESAs consolid.)	-	-	-	16.4.1997
I	Sardegna mod 1	95.3820	30.03.95	95.0619	6.7.1995	UK	England-ESAs consolidated (→ ESA Eng.)	97.3828	21.03.97	97.0704	16.4.1997
I	Sardegna mod 2	96.8963	17.12.96	97.0094	29.1.1997	UK	England-Habitat	94.4766	27.04.94	94.1874	15.7.1994
I	Sicilia	94.7228	27.09.94	94.2494	10.10.1994	UK	England-Habitat mod 1	96.3805	26.03.96	96.0736	3.5.1996
I	Sicilia mod 1	95.6253	13.12.95	96.0008	30.1.1996	UK	England-Habitat mod 2	96.8983	17.12.96	97.0085	23.1.1997
I	Sicilia mod 2	96.8969	17.12.96	97.0097	29.1.1997	UK	England-NSA I	94.3885	23.06.94	94.1877	20.7.1994
I	Toscana	94.4892	27.09.94	94.2600	10.10.1994	UK	England-NSA I mod 1 (→ I mod)	96.3825	26.03.96	96.0735	3.5.1996
I	Toscana mod 1	94.7693	26.10.94	95.0020	25.1.1995	UK	England-NSA II	95.3867	31.05.95	95.0623	22.6.1995
I	Toscana mod 2	96.8971	17.12.96	97.0098	29.1.1997	UK	England-NSA II mod 1 (→ I mod 1)	-	-	-	3.5.1996
I	Trento	94.7226	27.09.94	94.2594	11.10.1994	UK	N.Ireland-Access	95.6145	20.07.95	95.1678	17.8.1995
I	Trento mod 1	96.8955	17.12.96	97.0090	29.1.1997	UK	N.Ireland-ESA	94.3810	24.03.94	94.1271	9.6.1994
I	Umbria	93.9650	27.01.94	94.1272	24.6.1994	UK	N.Ireland-Habitat	94.0000	17.04.13	94.2486	28.9.1994
I	Umbria mod 1	96.3762	26.01.96	96.0505	22.3.1996	UK	Scotland-CPS (→ Sc Hab mod 1 Moorland mod 2 UK	96.7486	29.10.96	97.0089	23.1.1997
I	Umbria mod 2	97.8167	17.12.96	97.0096	29.1.1007	UK	Scotland-ESA Access	94.4859	26.07.94	94.2484	28.9.1994
I	Valle d'Aosta	93.1471	25.07.94	94.2493	10.10.1994	UK	Scotland-ESA I	93.6881	29.09.93	93.2835	18.10.1993
I	Valle d'Aosta mod 1	96.8668	27.11.96	97.0130	11.2.1997	UK	Scotland-ESA I mod 1 (→ Eng. ESA I mod 1)	-	-	-	18.05.1994
I	Valle d'Aosta mod 2	97.3767	28.01.97	97.0552	17.3.1997	UK	Scotland-ESA I mod 2	95.6208	27.09.95	95.2055	4.12.1995
I	Veneto	93.1473	23.02.94	94.0818	19.5.1994	UK	Scotland-ESA II	93.7438	29.09.93	93.2842	19.10.1993
I	Veneto mod 1	96.8957	17.12.96	97.0091	29.1.1997	UK	Scotland-ESA II mod 1 (→ II mod 1)	96.6145	26.06.96	96.1149	31.7.1996
L	Agri-environnement	95.3507	27.04.95	95.0616	15.5.1995	UK	Scotland-ESA II mod 2 (→ E ESA I mod 1)	-	-	-	23.1.1997
L	L'entret.de l'esp. naturel	96.6234	25.09.96	96.2615	11.10.1996	UK	Scotland-ESA III	94.3806	23.02.94	94.0554	6.5.1994
NL	MA : Managment agreements.	93.6825	26.05.93	93.2826	15.10.1993	UK	Scotland-ESA III mod 1 (→ I mod 1)	-	-	-	31.7.1996
NL	MA mod 1	none	08.03.94	94.0547	29.4.1994	UK	Scotland-Habitat	94.4852	26.07.94	94.2485	28.9.1994
NL	MA mod 2	94.8137	22.02.95	95.0124	8.3.1995	UK	Scotland-Habitat mod 1 (→ Scot. CPS)	-	-	-	23.1.1997
NL	MA mod 2 (→ pt mod 3, pt mod 1, pt mod 1)	96.8713	27.11.96	96.3857	20.12.1996	UK	UK-Access, E,S,W	94.4862	26.07.94	94.2483	28.9.1994
NL	Part I (biologische landbouw, veeteelt, opleiding)	94.3430	24.03.94	94.0543	29.4.1994	UK	UK-Access, E,S,W mod 1 (→ Scotland-CPS)	-	-	-	23.1.1997
NL	Part I mod 1	96.6149	25.07.94	96.2127	14.8.1996	UK	UK-Moorland	94.8062	23.11.94	94.2951	9.12.1994
NL	Part I mod 2	96.7492	29.10.96	96.2875	22.11.1996	UK	UK-Moorland mod 1	96.6180	25.09.96	96.2601	27.9.1996
NL	Part I mod 3 (→ MA mod 2)	-	-	-	20.12.1996	UK	UK-Moorland mod 2 (→ Scotland-CPS)	-	-	-	23.1.1997
NL	Part II (verwerving)	94.4343	25.07.94	94.1882	17.8.1994	UK	UK-Organic Farming	94.4764	26.05.94	94.1875	19.7.1994
NL	Part II mod 1 (→ MA mod 2)	-	-	-	20.12.1996	UK	Wales-ESA I	94.3808	26.05.94	94.1876	19.7.1994
NL	Part III (uitbreiding)	96.3952	24.04.96	96.0740	8.5.1996	UK	Wales-ESA I mod 1 (→ W ESAs consol.)	-	-	-	02.04.1997
NL	Part III mod 1 (→ MA mod 2)	-	-	-	20.12.1996	UK	Wales-ESA II	94.7675	27.10.94	94.2608	8.11.1994
ÖS	Niederösterreich	95.6176	23.11.95	95.3102	11.12.1995	UK	Wales-ESA II mod 1 (→ W ESAs consol.)	-	-	-	02.04.1997
ÖS	Niederösterreich mod 1	96.8707	27.11.96	96.3860	30.12.1996	UK	Wales-ESAs consol. (→ I mod 1, II mod 1)	97.3780	28.01.97	97.5570	02.04.1997
ÖS	ÖPUL	95.3840	27.04.95	95.0620	7.6.1995	UK	Wales-Habitat	94.4854	26.07.94	94.2487	28.9.1994
ÖS	ÖPUL mod 1	96.6236	25.09.96	96.2604	7.10.1996	UK	Wales-Tir Cymen	94.4860	27.09.94	94.2489	7.10.1994
ÖS	Stelermark	95.8677	13.12.95	96.0011	5.2.1996	UK	Wales-Tir Cymen mod 1	97.3829	21.03.97	97.0723	16.4.1997

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