



SERVICES NATURE PROVIDES US

AGRICULTURE RELATED POLICY RECOMMENDATIONS

FOR DECISION MAKERS



MINISTERUL MEDIULUI





WHAT SERVICES DOES NATURE PROVIDE FOR AGRICULTURE?

The term ecosystem services is an umbrella term for all those services that nature provides for society. These services - such as natural forage and fodder, water retention, nutrient cycle or erosion control - are useful and often vital. Unfortunately, we are losing them at an alarming rate, and their loss not only damages nature but represents a heavy economic burden, too.

Three groups of ecosystem services are distinguished: provisioning, regulating and cultural services. While provisioning services secure natural forage and fodder indispensable for agriculture, regulating services ensure appropriate conditions for agriculture through regulating the climate, rainfall, pollination and water.

HOW MUCH ARE THESE SERVICES WORTH?

In the course of our work, we assessed the key ecosystem services of the Niraj-Târnava Mica region. Our goal was to identify the most important/relevant services and facilitate their integration into relevant development plans. In addition to the biophysical, social and economic valuation of services, we involved the local population in our research since it is them who are most familiar with the landscape's features and likewise they are the ones most affected by changes in the landscape.

Natural forage and fodder, a service important from the aspect of agriculture, was ranked among the 10 key ecosystem services by local people, and is estimated to generate 14,1 million RON economic value

annually in the Niraj-Târnava Mica region. Beekeeping also contributes significantly to the local economy; the annual value of honey is estimated at 3,8 million RON. According to collection permits issued, the annual economic value of wild plants and mushrooms is 1,7 million RON/year.

There are numerous examples that demonstrate that environmentally sustainable agriculture practices do not only benefit nature itself, but also farmers. Eco-friendly agriculture increases soil fertility and improves pollination by helping to restore bee- and insect populations and securing healthier specimens that consequently result in higher yields.

THE PRESENT STATE OF AGRICULTURE

The majority of local people are involved in self-sufficient farming; mainly vegetable and fruit production as well as sheep and cattle farming. While land abandonment poses a problem due to demographic changes (the average farmer is old and has difficulty maintaining their land), this problem is declining due to agri-environmental subsidies. While agricultural subsidies provide a partial solution to the issue of land abandonment, they also raise additional problems. As the payment is allocated to the landowner based on the number of hectares in addition to meeting minimum requirements, there are people who, to exploit this, purchase land and cultivate it only to a minimum extent. Small-scale farmers are further burdened by the complicated and ever-changing regulatory and subsidy system as well as the lack of information due to which farmers are often not informed about opportunities and thus cannot benefit from subsidies. The old orchards and ploughlands abandoned during the use of intensive collective farming practices under the communist era are only slowly reverting to small-scale agriculture due to unsettled types of



tenure, emigration and shortage of skilled labor. Farmers sell their agricultural raw products (vegetables, fruit and milk) on local markets, and produce only a minimum quantity for non-local markets. The reason

for this is that it is not worth selling these products due to low prices paid to the producer, and local processing cannot be realized due to a lack of subsidies and capital.



WHAT DO WE INTEND TO ACHIEVE IN THE NIRAJ-TÂRNAVA MICA REGION BY 2040?

In our research, we have outlined an ideal scenario where the ecosystem services are all preserved and properly used. However, in order to achieve this, we need to act in the present. To achieve this favorable scenario, we developed recommendations.

According to the ideal scenario, self-sufficient farming is blooming and local people are healthier thanks to

a high share of locally produced products and clean water. They sell potential surplus on the market together, in farmers' cooperatives. Land is in the hands of local people. Small-scale farming provides the main source of livelihood, to the extent that there is well-being in the region.

WHAT CAN BE DONE TO SUPPORT SMALL-SCALE FARMING?

In order to achieve this coveted scenario by 2040 from the current state, the underlying drivers of current problems need to be addressed. The structure and content of the agricultural subsidy system needs to be reviewed. To achieve this, firstly, changes need to be introduced at national and EU level.

To preserve the local traditional landscape, it is important that small-scale farmers be given preference over large-scale farmers. This can be achieved by maximizing land area eligible for subsidies and reforming agromediu subsidies. This can be realized by providing special support to small-scale farmers, and in the case of subsidies for small-scale product processing by reducing or eliminating the amount of own contribution that is required.

Furthermore, we recommend creating a network that assists farmers in managing administrative matters regarding subsidies. To promote the interests of small-scale farmers more effectively, we recommend creating retailers'/supplier cooperatives within the legal framework. Model/experimental farms should be developed that serve the purpose of educational, knowledge -and information exchange as well as community building functions.

To obtain better sales opportunities, it is important to first process, and then sell the products. This requires support for the local, small-scale processing industry in a form that enables farmers without significant capital to become involved in the processing industry, too. We recommend creating financial (subsidies) and professional (launching trainings) incentives for vegetable and fruit production, as well as promoting and facilitating the circulation of local products by supporting production and processing.



TO ACHIEVE THIS WE RECOMMEND:

- Reviewing and reforming the Common Agricultural Policy so that payment is based on performance and results.
- Reviewing the current National Rural Development Programme before 2021 and increasing subsidies for ecosystem service conservation.
- Developing an agricultural subsidy scheme based on quality performance that builds on a set of criteria in a flexible approach taking into account the protection of environmental assets.
- Reviewing the agricultural scheme target areas in the Rural Development Programme.
- Greater support to small-scale farmers through reducing the amount of own contribution required and providing subsidies to finance it, or ensuring pre-financing loans, and revising hygiene requirements to facilitate sales of processed products.
- Developing the infrastructure and human resources connected to the Rural Development Programme and the Common Agricultural Policy.
- Improving opportunities for communication and information exchange among farmers.
- Developing and promoting relevant trainings (e.g. business, marketing, branding and sales knowledge, traditional agricultural practices in both adult and youth education).
- Designing awareness raising campaigns targeting purchasing power.
- Elaborating subsidies that enable the establishment of strong cooperatives.
- Better exploitation of green infrastructure elements (hedges, rows of trees) and promotion of their advantages among farmers.

For further information, see publications „*What is the way forward? - Scenarios for the Niraj and Târnava-Mică region with relation to ecosystem services*”, and “*How much are nature’s gifts worth? - The summary study of mapping and assessment of ecosystem services in the Niraj-Târnava Mică region’s Natura 2000 sites*”.

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The objective of the project was to map and assess the key ecosystem services of the research area. The study explores the contribution of the region’s ecosystem services to the major economic sectors.

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