

POLICY BRIEF

GREENING ON PAPER - Does European agricultural policy work for pastoralists?

<u>A Pastres paper</u> analyses the policy landscape for pastoralists in Europe. The paper focuses on the impacts of the Common Agricultural Policy (CAP) on pastoralists and the implications for broader rural development and environmental management in the European Union.

Unlike other regions of the world, the policy framework in Europe is in principle favourable to extensive livestock farming, as EU policies recognise the multiple values of pastoralism and its contributions in terms of cultural heritage, environmental management and territorial cohesion. The EU accordingly provides support to pastoralists operating in Less Favoured Areas and High Nature Value settings. However, over recent decades, the number of extensive livestock farms has declined considerably, generational renewal amongst pastoralists is low and marginal territories all over Europe are undergoing processes of socio-economic and agro-ecological desertification. Thus, translating good intentions and societal appreciation into effective social facilities and economic returns presents a major challenge for policy makers and administrators across Europe.

On the one hand, the European Green Deal and its 'Farm to Fork' strategy show high levels of ambition in reorienting agriculture and enhancing the transition to more sustainable food systems in Europe. On the other hand, the long-awaited reform of the Common Agricultural Policy does not seem to be addressing its fundamental inconsistencies in technical, administrative and political terms. In a broader policy framework influenced as well by trade and environmental engagements, EU measures are more likely to support intensification of livestock production than to favour extensive grazing systems. This contravenes evidence from science, indications from the field, as well as the demand of the European society and citizens for more sustainable food production and environmental management. Quotations from pastoralists' interviews are used in the text.



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Pastoralism in the EU

Europe has a wide and diversified set of extensive grazing livestock systems. Across Europe, the land under grazing management covers several tens of million hectares; about one-fifth of agricultural land is devoted to extensive livestock breeding, mostly concentrated in mountainous areas, drylands, and islands of its southern Mediterranean flanks. Pastoralism - the extensive farming of livestock - shows in fact a specific added-value and comparative advantage in marginal territories where the alternative costs for land and labour make this a convenient option compared to other forms of land use. This applies particularly to the breeding of small ruminants, due to their capacity to adapt to harsher soil and climatic conditions. Indeed, out of approximately 100 million sheep and goats in Europe, about half are raised in extensive or semi-extensive ways. Small ruminants account for a small share of total EU livestock production - employing around 900,000 farms and 1.5 million people on a regular basis, but without these, significant portions of rural settings in Europe would be abandoned, with significant social and ecological consequences.

Agro-pastoralism, including for cattle and pigs, have also become increasingly popular through the use of mixed forage resources, especially in the plains and hilly areas, where perennial crops (olive groves, vineyards, almonds, hazel and cork trees) and low-intensity farming systems (arable stubbles, fallows, and permanent pastures) provide seasonal grazing resources. However, there is evidence that animal products in Europe are increasingly supplied through intensive systems, which engage two-thirds of all arable land to feed production and rely on imported feed in addition. The implications of this drift towards intensification are significant on society and on the environment when considering the global impacts of intensive maize and soya production beyond Europe's borders.

A Common policy framework

The EU Common Agriculture Policy (CAP) has governed European agriculture since its introduction in 1962, aiming to support farmers, rural economies, and consumers through various measures, including subsidies for food

production as well as for some environmental measures. For pastoralists, the outcomes have been mixed. Initially focused on increasing productivity, a series of subsequent reforms have increasingly taken into account other concerns including sustainability, food safety, animal. More recent reforms increasingly focus on environment and climate, and the social dimensions of the rural world.

The CAP is in principle favourable to pastoralism, which provides for a quite unique case in the world. EU policies recognise the multiple values of extensive grazing and its contributions in terms of cultural heritage, environmental management and territorial cohesion by producing food sustainably and protecting biodiversity and landscapes. By acknowledging that these public goods are not sustainable without remuneration, the EU has specifically issued a set of principles in support of pastoral practices, with direct and indirect financial incentives, including subsidies. These are considered as forms of compensation and reward for producers operating in less-favoured areas (LFAs) and managing high nature value (HNV) settings. The principles outlined in the CAP are implemented through the subsidiarity approach that characterises EU governance, and therefore its translation into local terms is a task for the Member States.

Supplying products, providing services

In addition to providing high quality products to consumers, pastoralists provide for the environmental management of rich but fragile ecosystems. The benefits associated to grazing are numerous, including soil carbon storage, enhanced soil-water interactions, preservation of biodiversity (including avifauna), maintenance of open landscapes and the conservation of many natural habitats of high ecological value. Extensive scientific evidence exists today showing that sustainable pastoral management holds significant potentials in reducing environmental threats associated with erosion, landslides, avalanches, wildfire, and flooding. Moreover, in marginal zones maintaining livestock farming represents the most effective way to provide for labour and income to the local population, thus representing a critical asset for the territorial socio-economics.

However, policy measures are mismatched with pastoral farming in practice. emphasis on historical rights, land holdings, eligibility rules, value chain integration, and hygiene standards evidently prizes consolidated farms with intensive production systems and tight integration into market dynamics, rather than extensive livestock breeders. More recent schemes for 'organic production', 'autochthonous breeds', 'local produce', 'animal welfare', and 'landscape maintenance' hold a relevant potential for pastoral farmers, but the distinction between intensive and extensive livestock production is ambiguously defined, in policy making as much as in market labelling, and thus these categories do not necessarily produce their intended benefits.

Flawed design and local distortions

CAP support is granted to EU farmers calculated on the basis of the size of farmland and based on the historical entitlements that were received some 20 years ago. Under these rules, it is difficult to see how pastoralists can receive effective support, especially when compared to any other farming system. These measures have led to speculative interests, with companies moving their historic rights from the plains to the mountains and leasing pastures to acquire CAP funding rights. These manoeuvres are often at the expense of local pastoralists, who lose access to precious grazing resources, as in the cases of "fake titles and ghost herds" reported in the Italian Apennines. Additionally, pastoralists grazing on common, public lands are often excluded from CAP support, despite the important environmental services they provide, including through the management of specific ecosystems, such as for the Dehesa in Spain and Montado in Portugal, and the fire-prevention role of animal grazing in forests.

The significance of the CAP for pastoralists

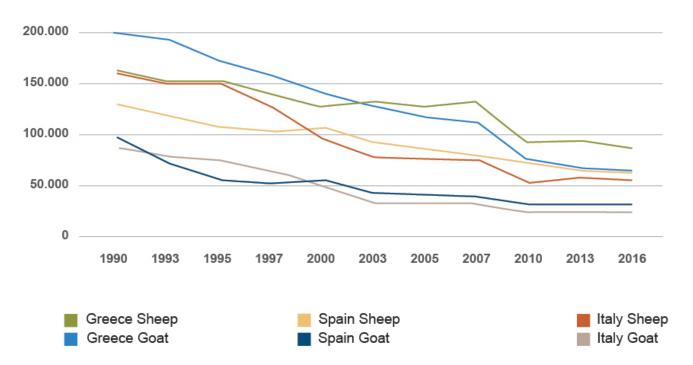
Thus, empirical evidence indicates that CAP support to pastoralists appears to exist formally, but not in practice, and that the outcomes are disappointing. Pastoral farms have declined sharply in recent decades, particularly in Euro-Mediterranean countries, with a loss of about 30 per cent of small ruminant farms every 10 years.

Overall, CAP measures carry significant influence on the composition, size and management of herds, as well as on output marketing strategies. While the CAPs approach is focused on eligibility rules, cross-compliance, greening requirements, and agri-environmental measures, in practice these generate more disturbances than support for pastoralists' strategies and livelihoods. Indeed, these standardised measures appear to impose discipline on pastoral practices in ways that can restrict their abilities to respond to the inherent environmental and economic variability that pastoralists are experts in adapting to. CAP also significantly influences the allocation of land, livestock and labour resources at farm as well as at territorial level, making pastoralism a decreasingly profitable and attractive profession.

Despite the quality products and socio-ecosystem services they provide, extensive livestock farmers have lower incomes compared with the average for all EU farms, and their receipts are more dependent on the EU's direct payments, compared with other agricultural sectors. Any changes to the policy framework will therefore carry significant impacts on the economic viability of pastoral farmers. While this phenomenon affects more broadly the agrarian world, the figures amongst pastoralists stand out as higher than any other agricultural sub-sector. One-third of pastoral farmers are over 65 in Spain and over 60 in France, while in Ireland and the United Kingdom half of sheep farmers are over 55.

This situation reflects the low attractiveness for local youth, and the related problems for pastoral farms in finding a qualified and motivated workforce. Trends in Europe show that the population in its most fragile and biodiverse territories is shrinking and ageing. Socio-economic desertification in the islands and mountains implies the abandonment of pasturelands and the increasing presence of immigrant labour. The shift from family labour to a salaried, foreign one with immigrant herders has helped to fill labour gaps left by local populations. However, in the current political framework, this phenomenon does not allow for tackling the problems of generational renewal, as these workers do not graduate into farmers. Again, while this phenomenon is typical of many agricultural systems, it is particularly severe for pastoralists across Europe.

Trends in sheep and goat farms in Mediterranean EU (years 1990-2016)



Potentials and flaws of EU policies

Overall, the CAP attempts to address the complex challenges at the interface amongst productivity, sustainability and multifunctionality, in a setting dominated by the market and framed by wider trade and policy engagements; its evolutions adapt to ever changing societal concerns and demands, including the dimensions of consumption, ethics and the environment. Along these lines, CAP financial support aims to com-



"One in every two shepherds you find on these mountains is an immigrant. It takes time before they adapt to our farms, and once they do, they often move away".

pensate agricultural producers who operate in difficult conditions or who incorporate social and environmental externalities in their farming systems, and thus bear higher production costs and face difficulties in competing under current market conditions. However, empirical evidence highlights some specific ambiguities, inconsistencies and flaws that make CAP likely to be ineffective vis-á-vis its stated objectives.

- a. Policy flaws. The CAP is funded by resources designed for conventional agriculture systems, which raises a number of political and strategic ambiguities for extensive producers. "They treat us like gardeners, but arm us like soldiers".
- b. Design flaws. Given its original mandate to sustain food production, the CAP focuses on redressing "intensive" farming practices, rather than appreciating and incentivizing extensive and more environmentally friendly agricultural systems such as pastoralism. "With CAP money it is easier to buy the ultimate tractor than to rent land for grazing".
- c. Technical flaws. Given the nature of pastoral practices (continuously readapting to variable circumstances), it would require an immense amount of data and very sophisticated baseline and processing systems to monitor and evaluate tailored policy measures. It is instead easier to manage standardised and homogenised farming,

which leads to penalising the complex resource management pastoralism is about. "What was simple has become complicated, but it didn't work the other way around".

d. Operational flaws. The attempt to translate a complex and dynamic system into uniform and simplified quantitative criteria also places a heavy burden on farmers, who have to adjust to technical regimentation and bureaucratisation of tasks; this leads to a decreased ability to continuously adapt their practice to environmental and market variability. "Today we spend more time in the office than with the animals".

A thorough, balanced analysis of the EU framework should be appropriately situated within the wider policy context. Two main domains that have cascading influences over pastoral systems are trade agreements and environmental engagements. The EU monetary union and integration into the World Trade Organization (WTO) have largely facilitated the circulation of agricultural inputs and products across Europe, including forage, cereals, concentrates for animal feeding as well as milk, lambs, meat for final consumers. This incorporation into the wider commercial arena is often to the detriment of extensive producers, who see the added value of their products in terms of quality and sustainability benefits poorly recognised and prized. Market governance is a domain where pastoralists have very little influence, and that often shows risky, volatile dynamics.

Another policy domain that significantly impinges on pastoral systems relates to international agreements on the environment, including conservation areas and wildlife management. Across Europe the coexistence of livestock with large carnivores is creating problems and tensions for local pastoralists. The population of wolves, bears and lynx has grown dramatically in most mountainous areas, in part due to specific programs to reintroduce and protect them. The Bern Convention, in support of the Conservation of European Wildlife and Natural Habitats, was signed in the early 1980s, when many of these predators were under threat of extinction. While populations of these threatened species have increased, conservation policies have not been adjusted. Today the expanding presence of these carnivores and growing livestock depredation pose a stressor on pastoralists who struggle to sustain their flocks. Many mountainous and

hilly settings are facing a process of militarization of the territory (through night pens, extended fencing, electronic devices, guard dogs) that make land use unsustainable, as it leads to the over-exploitation of certain areas and to the abandonment of others.

However, the blame is distributed at different levels, as EU Member States often play an important role in distorting policy principles when translating them into national and local measures, including through Rural Development Programs. Most farmers' organizations in Europe that take part in the policy dialogue do not adequately represent pastoralists' concerns. And pastoralists themselves show a limited capacity to organise into effective collective action to lobby for their rights and interests at different decision-making levels.

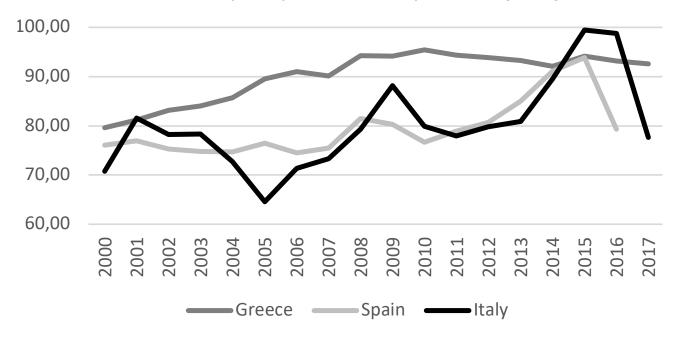
How could pastoralists be better supported?

Despite the unintended consequences, and inconsistencies in design and outcomes, the CAP remains extremely significant for pastoralists in the EU, supporting approximately one half or more of their revenue in most regions, and the majority of farms would not be viable today without this public support. Any changes in the policy framework will therefore have a major impact on the livestock sector, and contribute to further uncertainties for European pastoralists.

The <u>European Green Deal</u>, the <u>Biodiversity 2030</u> and the <u>Farm to Fork strategy</u> suggest strong ambitions to reorient food production towards more sustainable practices. In theory, extensive livestock production could play a major role in these ambitions, including for climate mitigation, adaptation, and other measures intended to address environmental concerns. However, if not redressed, existing policy flaws will perpetuate and reinforce a range of controversial, unintended outcomes in the landscapes, cultures and ecosystems of large areas of Europe.

What might help to address these issues for pastoralists? A step forward would be to recognise that sustainably implemented pastoralism plays multiple social, economic, and ecological roles, and its function provides critical services to ecosystems and society. The experiences of pastoral schools in different regions of Europe provide excellent examples in that they contribute raising societal awareness of the benefits of

Trends for sheep milk price in Greece, Spain and Italy (€/Kg)



pastoralism, and its relevance for environmental management, while also supporting generational renewal endeavours.

Another positive step would be to recognise that existing EU policy measures are sector-based and fragmented. A more integrated perspective would encompass the different spheres impinging on pastoral resource management - including trade agreements, labour market, forestry management, territorial cohesion, environment- and climate-related policies - and seek to develop a consistent and holistic policy framework. In that respect a territorial approach would definitely serve more than a sectoral one, as pastoralists manage ecosystems, not only production factors. Member States and producers' organizations should also play their role in facilitate pastoralists' engagement in the policy dialogue, so that their concerns and con-



'Our flock in the mountains are sacrificed to urban dwellers' concerns for wolves and bears they have only seen on TV'

tributions can be properly understood and taken into account.

Towards greener pastures

Pastoral systems making productive use of pastureland in remote and disadvantaged rural areas constitute a small share of the output of the EU livestock sector as a whole. The relevance of pastoralism is though much broader in terms of its social and economic contribution to remote rural areas, including through the provision of public goods such as in landscapes and biodiversity conservation and by combating land abandonment, preserving cultural heritage and supporting social cohesion. As environmental changes and climatic and market uncertainties make livestock farming in marginal settings increasingly challenging, policy measures should not create unintended barriers to pastoralists' adaptive practices, but rather support them. Traditional as well as newly emerging needs require and adequate policy framework and consistent implementing measures.

Currently, the EU policy framework is informed by several conflicting principles, rigid measures and at times inconsistent rules concerning livestock management, land use regulations, market arrangements, compliance mechanisms and related subsidy schemes. In their implementation, these policies tend to have the result of disciplining pastoral practices and undermining flexible decision-making and adaptive management to variable and ever shifting conditions. In



"We have grown old waiting for changes that have not come".

spite of seeming to be rooted in sound principles, the EU policy framework in practice leads to considerable disturbances rather than effective support to European pastoralists.

Problems related to land abandonment and generational renewal in European pastoral regions provide a conspicuous indicator of the policy failure in translating the societal appreciation for pastoralists' contributions into viable social conditions and economic returns. As the decline of extensive livestock farming is reportedly the greatest threat

to specific landscapes, natural habitats, cultural heritage across Europe, reversing these trends is not only desirable, but increasingly needed, particularly under the intense phenomena of environmental and climate change. Failing to recognise and integrate these aspects in the evolving policy framework, and missing the opportunity to engage with pastoralists as strategic allies for tackling important territorial challenges will hold significant social as well as environmental consequences for European society.

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PASTRES

PASTRES (Pastoralism, Uncertainty and Resilience: Global Lessons from the Margins) is a research programme that aims to learn from pastoralists about responding to uncertainty and resilience, with lessons for global challenges. PASTRES is funded by an ERC (European Research Council) Advanced Grant starting in 2018, and running for five years. The project is hosted by the ESRC STEPS Centre at the Institute of Development Studies, University of Sussex and the European University Institute in Florence. It is led by Prof Ian Scoones (STEPS/IDS) and Dr Michele Nori (EUI), with supervision support from Dr Jeremy Lind (IDS).

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