MANAGING EUROPE’S LAND FOR THE FUTURE

MANIFESTO FOR THE EUROPEAN ELECTIONS 2014

The ELO calls on the EU for policies that support:

I. Prosperous Rural Businesses

II. Innovation for Agricultural and Forestry Production

III. Proactive Action on the Environment
The ELO represents the collective voice of landowners, managers and farmers across Europe. Their business and private properties are the core for a sustainable and prosperous countryside.

The ELO addresses issues that affect European rural areas, which represent over 77% of the EU’s territory (47% farm land and 30% forest) and is home to around half its population (consisting of farming communities and other residents).

The agricultural sector has 12 million full-time farmers, with another 3 million jobs created through Europe’s forests. Agriculture, forestry and the agri-food industry - which is heavily dependent on agriculture for its supplies - account for 6% of the EU’s GDP, comprise 15 million businesses and provide 49 million jobs.

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I. PROSPEROUS RURAL BUSINESSES

The ELO calls on the EU to:
1. Consider the specificities and needs of rural businesses in Europe
2. Provide rural areas with the necessary infrastructure and technology
3. Promote a reliable Energy Framework
4. Minimize risk and market uncertainty and ensure that trade agreements do not undermine the agriculture of Europe

II. INNOVATION FOR FOOD AND FIBRE PRODUCTION

The ELO calls on the EU to:
1. Support improvements in productivity
2. Foster innovation and new practices at the European level
3. Recognise that sustainability is not the preserve of any one method of production
4. Address the imbalances in the food supply chain and tackle food waste and food losses

III. PROACTIVE ACTION ON THE ENVIRONMENT

The ELO calls on the EU to:
1. Promote sustainable private stewardship – global challenges call for local solutions
2. Promote delivery of public goods and services by landowners and managers
3. Support Europe’s natural capital by encouraging landowners’ efforts to protect and enhance natural resources and use them more efficiently
4. Be aware that most of the protected areas are managed and the restrictions that landowners and managers often face need to be properly compensated
I. PROSPEROUS RURAL BUSINESSES

FACT: Europe has 12 million farmers and an average farm size of about 15 hectares (by way of comparison, the US has 2 million farmers and an average farm size of 180 hectares). Family farms, often passed on from one generation to the next, are typical.

1. The ELO calls on the EU to consider the specificities and needs of rural businesses in Europe.

- **There are many different types and structures of rural business in Europe.** A common form is the farm family business, which makes a massive contribution to EU agriculture and economy. The fundamental principles underlying these enterprises are secure private property rights and intergenerational management. Due consideration of the various scales and legal and management structures of these businesses must be taken into account at the European level.

- **Land management is an intergenerational business.** Sustainability is an intergenerational concept. The response to global challenges, such as the transition to a greener economy, requires stability and a long term vision, since the effect of investment may take a long time to appear, and adaptation is slow.

- **Regulations should be scaled to the problems they regulate.** Proportionality requires the burden of regulation to be in line with the capacity of business, especially small or micro-businesses, to cope.

- **The CAP regulates Europe’s agriculture.** Born out of a time of war and famine, the CAP led to Europe’s food safety and security for over 50 years. After the decoupling of agricultural support and a move towards environmental protection, the CAP remains an important societal choice on how we care for Europe’s countryside and food supplies.

- **Diversification and multifunctionality are becoming more important to rural entrepreneurs,** whether through direct farms sales, tourism, or new ideas such as carbon offsetting. European regulation should encourage, not stifle such initiatives.

FACT: There are still huge disparities between rural and urban areas in Europe, including employment potential, income levels, or access to services. For instance, while the use of broadband technology has grown rapidly since 2000 the share of households with DSL access is lower in rural areas (76%) than in non-rural areas (96%) for the EU-27 as a whole.

2. The ELO calls on the EU to provide rural areas with the necessary infrastructure and technology.

- **Europe must facilitate actions by landowners that contribute to biodiversity and the mitigation of and adaption to climate change** by actively supporting those who would like to develop Green Infrastructure such as water retention areas, on their lands.

- **A clear broadband policy that embraces all technologies should be developed,** particularly since farmers have to face a CAP that demands access to the internet in order to apply and meet its conditions. A common position for a European universal service obligation applicable to all Member States of at least 10Mbps could be adopted.
FACT: There is a growing demand for energy based on renewable raw materials. In recent years, the energy bill for farmers has increased by 223% and the price of fertilisers by 163%. Europe imports more than 60% of its energy.

3. The ELO calls on the EU to promote a reliable Energy Framework

- The EU should continue to promote policies favourable to the renewable energy sector. The potential benefits for the EU’s energy security and competitiveness from unconventional energy sources should be recognised.

- The use of biomass should be emphasized over the conversion of food and feed production to biofuels. While the first generation of biofuels delivered vital income diversification for farmers, the food-or-energy dilemma can only be fully resolved through the adaptation of second and third generation technologies.

- An energy framework should promote the benefits of energy efficiency as being a cost effective way of delivering both emission reduction and more energy security. Nevertheless, the limitations of making the existing building stock, particularly traditional buildings, more energy efficient should be recognised.

FACT: Farmers are extremely vulnerable to ever more frequent and extreme price volatility from market fluctuations. With globalization production moves to the most competitive regions, trade grows faster than production and markets become more open and volatile.

4. The ELO calls on the EU to minimize risk and market uncertainty and ensure that trade agreements do not undermine the agriculture of Europe.

- Europe will need to minimise the potential tensions between the principle of subsidiarity and the notion of fair competition. The flexibility given to Member States with the new CAP will inevitably result in considerable differences in per hectare payments to farmers.

- It is necessary to uphold appropriate levels of health, safety, and environmental protection. Trade agreements should not jeopardise quality standards and consumer interests. Otherwise regulation of local production will lead to displacement by imports from less regulated sources abroad.

- Adequate space for negotiation should be given to policy makers when discussing trade agreements. As long as the needs of stakeholders are properly taken into account during negotiations, trade treaties need not result in wholly adverse consequences for farmers or consumers.
FACT: There are 75 million more people in the world every year (210,000 a day). There will be 9.4bn people in 2050; 60% in cities, and 3bn living on less than $2 a day. Higher living standards fuel the demand for crops, namely cereals, plant fat and proteins.

1. The ELO calls on the EU to support improvements in productivity.

- Agronomic research must be supported. Europe’s farmers depend on research to increase production, adapt to climate change and provide for biodiversity. Agriculture and forestry have become know-how and capital intensive and require more R&D and more innovative capital investment. Farmers need to be better educated, better trained and better informed.

- European policy should ensure the quickest possible transfer of technology and best practice. The lack of connection between research and farm practice can be tackled through technology grants and enhanced farm advisory services.

- If land use is to be optimised, crop yields need to be improved and many farms need to be modernised and restructured.

- There is a need to streamline the approval, authorisation and commercialisation of new technologies. There are huge potential upsides for European society in nutrition, in productivity and in biodiversity, even if the climate worsens.

FACT: It takes on average 8-10 years to get a new active ingredient for plant protection to be approved at European level. Meanwhile, current ingredients are taken off the market.

2. The ELO calls on the EU to foster innovation and new practices at the European level

- A less risk-averse approach should be taken to the funding and application of innovative, but as yet unproven, technology such as ‘precision farming’ and ICT. Such technology often remains too costly and its broad accessibility is still an issue that needs addressing.

- The EU should move away from restrictive, hazard-based interpretations of plant protection products and, instead, promote a risk-based assessment that balances environmental with economic necessity. Rigorous standards should apply both to scientific research and to its interpretation and dissemination.

- A balance should be struck between removing products and ensuring continued food safety. Should new research demonstrate unforeseen risks from currently allowed plant protection products then steps should be taken to mitigate or eliminate such risks. Issues such as crop resistance, cost to the producer, and the availability of a replacement must be taken into account.

FACT: European agriculture comprises a wide variety of farming types, whether they are intensive, conventional or organic. This diversity has become even greater since the arrival of the new member states of central and Eastern Europe.
3. **The ELO calls on the EU to recognise that sustainability is not the preserve of any one method of production.**

- **The sustainable intensification of Europe's agriculture should be supported.** Private land managers are involved in many areas and initiatives. The planting and management of flowering field margins, for example, can benefit pollinators (bees) and many farmland species such as insects and birds.

- **Environmentally friendly production practices require a better understanding of the long term effects of agriculture and forestry on the environment.** Thus, greening effects, crop protection, the delivery of environmental services, Europe's energy supply, carbon sequestration and flood protection need to be considered together.

- **Land managers must be provided with the most effective tools, practices and techniques to address different and often competing issues holistically.** Concepts like Integrated Pest Management (IPM), Sustainable Forest Management (SFM), as well as organic and integrated farming, can be viewed as a flexible management tools worthy of promotion. The CAP should continue to be a key driving force in ensuring the continued competitiveness, productivity and sustainability of European agriculture and forestry.

**FACT:** The average EU household spends 15% of its budget on food (half as much as in 1960) and only a relatively small part of that corresponds to the farm-gate price. For instance, the cost of cereals accounts for only 5% of the price of a loaf of bread. Meanwhile, the cost of agricultural inputs has increased by 50% on average.

4. **The ELO calls on the EU to address the imbalances in the food supply chain and tackle food waste and food losses.**

- **An equitable share of risk and profit throughout the food supply chain should be promoted.** There is pressure to produce more at a lower cost, mostly at the risk of the producer, who receives the lowest percentage share of the reward.

- **The lengthening of the global food production and distribution chain needs to be tackled.** This has given excessive economic power to intermediaries to impose prices on producers that are too low. To correct this imbalance, open and fair market competition between agriculture and the food industry are needed at the international and national level, as well as strong measures to strengthen production cooperatives, develop farmers markets, and boost direct sales.

- **EU consumers need to be encouraged to think more about the environmental consequences of where and how their food is produced.** They need the information to enable them to make responsible and informed choices. The same is true for food waste at the consumer end of the food chain.

- **Food waste within the supply chain needs to be reduced as a priority.** It amounts to 90 million tonnes per year in the EU. Both post-harvest losses and food waste can be reduced by improvements in food technology, transportation and storage and by a wider range of quality specifications of products. Furthermore, we should re-examine critically the standards and demands of large supermarkets and buyers. Small imperfections do not justify food being thrown out.
III. PROACTIVE ACTION ON THE ENVIRONMENT

FACT: Land management is spatially defined, as well as climatically and biologically determined. Each plot of land has its own mix of soil, water, climatic and ecological characteristics, whilst each agricultural business is structured according to the local social and legal conditions.

1. The ELO calls on the EU to promote sustainable private stewardship – global challenges call for local solutions.
   - Conservation management to tackle environmental problems is far more effective when done by voluntary initiatives and activities from private land managers than by increasing regulation.
   - Environmental targets are often ambitious. Landowners must retain the flexibility to implement measures through an integrated approach and a range of delivery mechanisms. Success is also dependent on information, education, advice and training.

FACT: With 60% living in urban areas, there is a growing public interest in public services provided by landowners and managers. However, the provision of socially optimal quantities of nutritious, high quality food and fibre, renewable energy, biodiversity, landscape, heritage, and soil, water and air management are often undervalued in economic decisions.

2. The ELO calls on the EU to promote delivery of public goods and services by landowners and managers.
   - Environmental problems are often the result of a lack of value being given to ecosystems and ecosystem services. At present, important resources like a clean atmosphere, biodiversity and the aesthetic beauty of Europe’s landscapes are undervalued or not valued at all, and thus subject to a market failure. The aim should be to assign values so that these public goods are fully taken into account.
   - There is a need to explore the potential for market based solutions such as tax credits, incentives and direct payment for ecosystem services. Examples are the agri- and forest environment schemes which are becoming a larger part of EU rural policy and which pay land managers to deliver public environmental benefits. Another example could be relief from VAT on the maintenance of historic buildings, where there is public benefit from privately owned heritage. The system of biodiversity offsetting used in Germany and being developed in the UK, whereby developers are required to provide offsets to replace the loss of biodiversity as a condition of obtaining planning permission, could be used as a model for wider adoption in the EU.
   - Farmers and landowners are in the best position to provide habitats, biodiversity and other environmental benefits that society wants, either because are the only ones who can or because they are the cheapest.
FACT: Europe is densely populated, locked in resource intensive production and consumption patterns. By 2030, a further 3 billion people is estimated to join the ranks of the middle class in developing countries. They will naturally aspire to the same living standards we have long enjoyed. At the same time natural resources such as water are increasingly impacted by climate change.

3. The ELO calls on the EU to support Europe’s natural capital by promoting landowners’ efforts to protect and enhance natural resources and use them more efficiently.

- **An integrated farm approach should be adopted** to achieve sustainable land management and efficient use of the natural resources. The optimal land use mix for any given area will depend on local conditions.

- **Further research on ways to achieve optimal land use is needed**; e.g. using land both to produce food and enhance the environment. For instance, how can efficient farming practices function alongside extensive livestock, mixed systems, traditional permanent crop systems, and organic farming in an environmental and climate perspective.

- **It is vital to improve the efficiency of the use of indispensable resources** such as water and secure a fair allocation of such resources to farmers and land managers. This is particularly important in face of extreme weather events, like floods and droughts.

- **Modern processes could be brought more into line with natural cycles.** Practices like incorporating organic waste into the soil and the use of biomass for heat and power generation, and biogas to deal with animal waste can contribute to close the cycles.

FACT: Close to 18% of the land area of the EU-27 is under Natura 2000, an EU-wide network of nature protection areas, including nature reserves and other less restrictive zonings. Approximately 30% is covered by forestry.

4. The ELO calls on the EU to be aware that most of the protected areas are still managed land and the restrictions that landowners and managers often face need to be properly compensated.

- **Limit the red tape and consequently the costs of managing protected sites.** The restrictive nature of regulations often increases the cost, resulting in economically unviable management for farmers. Such restrictions also lead to a loss of property values, as resale of property with environmental conditions attached can lower the market price.

- **Provide the tools to ensure that the businesses in these restricted areas remain ecologically and economically viable** as most of the land that is designated is privately owned and managed.

- **Management of wildlife is necessary to balance animal populations, availability of resources and human activities in an environment.** Legislation on hunting and the level of protection for certain species should be more flexible and take into account specific local conditions. Such management is especially necessary where compensation to land managers for the damage caused by wildlife to their economic activity becomes extremely costly for the public administration and, therefore, for taxpayers.