



Agri-environment measures in the SEE countries- current status and challenges

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Final Report



**Agri-Environmental Policy
in South-East Europe**

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Final Report

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* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

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We should start to
work



Final Report –Gratitude to the Contributors

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Data Availability

- **Data availability is very diverse in the SEE countries:** In some countries and entities the set of agri-environmental indicators (AEI) given from EUROSTAT can be covered to a large degree, although with a different frequency and sometimes diverging national methodology.
- Through a combination of agricultural, statistical and environmental data sources, fed through an institutional reporting structure, **a lot of information is available or at least possible to collect.**
- Sometimes (SRB, MKD, MNE) **national environmental indicator lists are defined**, which go far beyond the EUROSTAT list (because this is focused to AEI), but they are not fully implemented yet.
- However, even in these countries **the integrated analysis for AEP development and monitoring is not easily facilitated and the data still needs to be harmonized and made accessible for analysis.**

Data Availability

- In other countries **there is nearly no structured monitoring or regular reporting on agriculture and environment**. All available data has been put together in a targeted effort for reporting to international conventions or other obligations. Some of that sporadically published information is deemed to not even be based on measurements but rather on estimates.
- The **agri-environmental indicators, their baseline and regular monitoring, are an essential tool to assess the effects of the implemented activities and measures** in the agri-environment sector, to evaluate the efficiency of the instruments implemented, but also to evaluate the agri-environmental policy in the country.
- However, the real situation in some countries may be different from that presented in this table, in cases when data do exist, but, probably **due to the insufficient visibility and transparency of data and indicators**, the involved experts were not aware of their existence.
- Nevertheless, **experts were able to assess the situation in their countries and identify the main challenges for the environment related to agricultural activities**.
- However, for a fact-based design of AEMs and monitoring of implemented AEMs, it is necessary to set a baseline of the environmental status and then properly assess the impact of measures during their implementation.

Availability of data on agri-environmental indicators in SEE countries, derived from the national reports

	SRB	MKD	BiH	ALB	KOS*	MNE
Response and impact indicators for AEM (IPARD and national Program)	MAFWM sector for RD, Group for monitoring and evaluation collects all indicators on all levels (IPARD, national, provincial municipal)	No impact monitoring, data on responses possibly available at paying agency		IPARD 2 program Includes developed monitoring system; however, AEM are not (yet) implemented		
AnimalGR: Register of breeders, numbers, populations, strains	MAFWM	Annual Reports available at MAFWE				Only on expert guess
National list of Environmental indicators	Coordinated and presented by SEPA, report from 2016 (partly EEA methodology, DPSIR scheme); not all of them are implemented	Environmental Indicators of the Republic of Macedonia prepared by the Macedonian Environmental Information Centre of MoEEP; 40 Indicators in DPSIR scheme; partly overlapping with Eurostat-AEI.	Certain data collected at entity level RANSMO-Project in 2005 proposed a scheme for environmental monitoring and reporting structure respecting the territorial organization; no implementation so far.			Annual Monitoring of Environment on base of National list of indicators by EPA/ANCE since 2013, not all Indicators are implemented, some more in preparation

Availability of data on agri-environmental indicators in SEE countries, derived from the national reports

	SRB	MKD	BiH	ALB	KOS*	MNE
Indicators for agricultural practice (fertilizer consumption, irrigation, organic farming area, ...)	Partly, no data on fertilizer consumption or pesticide use	Input use and water abstraction at least partly available in MoEEP; some need improvement or calculation; No data from MAFWE on agricultural practice	Agricultural data partly based on sporadic estimates		Several data on land use and agricultural practice is available	Lot of information on farm management available, some annually others 4yrs
State and Impact indicators	Several are reported in SEPA report	Very limited availability			Very limited	limited
Baseline report	SEPA 2016	So far only MoEEP reports on indicators, nothing from Agriculture (MAFWE), of 28 AEI, only 7 are available	Some information based on reports to international conventions, no regular monitoring scheme	According to IPARD 2		



Main Environmental challenges in SEE

- The National reports pointed out the main environmental challenges in the SEE countries
- These challenges are presented on the following table

Main environmental challenges related to agricultural activities (as seen by National experts)

	ALB	BiH	KOS*	MKD	MNE	SRB
Degradation of arable land and soil erosion, salinization	X!	x	X	x		x
Abandonment / Decrease/Loss of arable land	X	X!		x	X!	
Abandonment of extensive pastures		x		x	x	
Protection of AnGR and PGR	X	X!		x	x	x
Biodiversity, High Nature Value Farming	X			x	x	x
Inadequate storage or management of organic fertilizers		x	X		x	x
Insufficient awareness of environmental issues, knowledge and resources for environmental adaptation	X	x		x	x	
Water quality, Pollution of water/ air/soil, untreated wastewater	X		x	x		x
Water consumption	X		x	x		x
Climate Change impacts	X	x		x		
(Animal) Waste management		x	x			x
Monoculture cropping		X!				
Unsustainable use of agrochemicals and fertilizers				x		
Hygienic and animal welfare standards			x			
Unregulated use of natural resources			x			
Protection of traditional agroecosystems and cultural landscapes						x

Institutional Capacity

Overall, our analysis suggest **that the countries already established good institutional setup for implementing agri-environmental policies and measures,** particularly in frame of IPARD follow:

General Functions	Specific Functions	NAO/NF	IPARD Agency	Managing Authority
Managing functions	Programme monitoring			✓
	Evaluation			✓
	Reporting			✓
	Coordination			✓
Paying functions	Authorisation & control of commitments		✓	
	Authorisation & control of payments	(✓)	✓	
	Execution of payments		✓	
	Accounting for commitment and payment	✓	✓	
	Treasury	✓		
Implementing functions	Selection		✓	
	Publicity		✓	✓
	Assurance	✓		

Institutions important for development and implementation of the Agri-environmental policy

	Albania	BiH	Kosovo*	Macedonia	Montenegro	Serbia
Responsible institution	Ministry of Agriculture and Rural Development (MARD)	BiH level: Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina (MOFTRBIH) with Sector for Rural Development and Agricultural Extension Services, Sector for Agricultural Payments, FBiH level: The Federal Ministry of Agriculture, Water management and Forestry (FMAWF) RS Level: Ministry of Agriculture, Forestry and Water Management (MAFWM) BD Level: Department for Agriculture, Forestry and Water Management of the BD (DAFWM)	Ministry of Agriculture Forestry and Rural Development (MAFRD)	Ministry of Agriculture Forestry and Water Economy (MAFWE)	The Ministry of Agriculture and Rural Development (MARD)	Ministry of Agriculture, Forestry and Water Management (MAFWM)
Other ministries	Ministry of Tourism and Environment	The Ministry of Environment and Tourism FBiH Ministry of Spatial Planning, Construction and Ecology of RS	Ministry of Environment and Spatial Planning	Ministry of Environment and Physical Planning (MoEPP)	Ministry of Sustainable Development and Tourism (MSDT)	Ministry of Environmental Protection

Institutions important for development and implementation of the Agri-environmental policy

	Albania	BiH	Kosovo*	Macedonia	Montenegro	Serbia
Other institutions with role in AEP	National Food Authority, Seed and Seedling Authority	FBIH Environmental Protection Fund Food Safety Agency of BiH Agrarian Payment Agency (RS), Hydrometeorological Institute of RS Environmental Protection and Energy Efficiency Fund of RS	Kosovo* Environmental Protection Agency (KEPA)	Agency for Food and Veterinary State Inspectorate for Agriculture	Environmental protection Agency	Serbian Environmental Protection Agency (SEPA)
IPARD Managing authority	Directory of Programing and Evaluation of Rural Policies (MARD)	N/A	Department of Rural Development Policies (MAFRD)	Department for management of IPARD funds (MAFWE)	MARD Directorate for Rural Development	Department for rural development (MAFWM)
IPARD agency	Agriculture and Rural Development Agency (ARDA)	N/A	Agriculture Development Agency (MAFRD)	Agency for Financial Support in Agriculture and Rural Development	MARD Directorate for IPARD Payments	Directorate for Agrarian Payments (MAFWM)

Institutional capacities: Constrains

The constraints associated to agri-environmental policy and measures are associated with several important issues as:

- **Political will for building the capacities** of the institutions responsible for agri-environmental policy and agro-environmental measures **is weak** and need to be strengthened in order to quickly establish system capable to cope with all agri-environmental issues, including cooperation among institutions in charge.
- The **limited resources devoted to institutions responsible for agri-environmental goals (financial, technical and personal including number of staff and their capacities)** are constraining the development of the institutions in charge for agri-environmental issues.
- **Legal frame is not put in place completely** and institutions are constrained in conducting of the task required for proper addressing of the agri-environmental issues.
- **Institutional frame is still weak and need to be further developed**, where required with setting up full institutional framework with sufficient capacities to implement tasks they are responsible for.

Institutional capacities: Constrains

- **The environmentally vulnerable zones are not established**, delineated and visible (nitrate vulnerable zones, NATURA 2000 sites, High Nature Value Farmlands, etc) However this depend on countries and some countries are in front of the others
- **Big number of small farmers with insufficient capacities for agri-environment** are making situation even more complex because the present institutions with their capacities can not provide sufficient support for such a big number of users
- **Insufficient awareness, information and data shearing, public participation, visibility etc.** The end users are not aware of the problems and benefits associated to agri-environment. There is weak sharing of information and data for evaluation of the effects of the measures and financial resources used. Public is very interested in environmental issues and food quality, but hardly included in agri-environmental topics.
- However, **these constraints can be overcome with proper addressing** of each of them and support of the institutions to develop their capacities in order to provide full implementation of their tasks related to agri-environment.

Institutional capacities: Challenges

The biggest challenge in whole region is the capacity building of the existing institutions.

Even though the institutions are established the performance level can be higher.

The institutions in the region are facing some of the problems related to understaffing, non-sufficient level of personal and institutional capacities

Most of the countries addressed capacity building at all levels as one of the biggest challenges.

The institution should have sufficient capacities for implementation of cross-compliance as well as for implementing the agri-environmental measures.

Institutional capacities: Challenges

- Implementation of the **polluter pays** and **provider gets** principles in agricultural sector.
- The **cross-compliance implementation is far behind**, not established or if it is established it is not empowered or it is compulsory only for bigger farms,
- Institutions should build **capacities for full implementation of the cross-compliance** in short period
- Improvement of **inter – institutional** cooperation
- Improvement of **capacities for collection, processing and reporting of the Agri-environmental indicators**
- Improvemnet the **monitoring and evaluation capacities**

EU Harmonisation Status, Challenges and Constrains

Legal setup for AEM

- Seems like there is no constraints and challenges in the legal setup for implementing the agri-environmental policy and measures, particularly for the candidate countries.
- The legal setup related to the agri-environmental policy and measures is very well developed in the analysed region.
- The legal documents, regulations and procedures are well approximated and most of the countries will start implementation of the agri-environmental measures well prepared and will implement legal environment similar to EU standards.
- The potential candidate countries still are facing the challenge of better approximation of the legal setup to EU.
- However, the processes for improving present state are started and will be completed in due time.

EU Harmonisation Status, Challenges and Constrains

Shortcomings in implementation

- The main result of our analyses is that legal setup **is good, but not properly implemented**.
- The **laws, regulations and procedures are developed but still not in force or just partially implemented**. Therefore, the biggest challenge will be full implementation of legal framework related to the agri-environment.
- The **biggest constrain is the weak implementation of the legal documents defining the cross compliance**. Without evidence that a farm meets all obligatory environmental standards it is not feasible to pay for additional environmental services.
- The **countries reported extensive sets of legal documents and regulations** that are related to agri-environmental issues.

Policy Instruments with Linkage to Environment

Strategic documents and programs

- All countries analyzed have prepared strategic documents for agriculture and rural development.
- These documents, address the agri-environment and present good basis for the development of the policy and measures for integrating the environmental issues in agricultural policies.
- Regardless the differences among the countries analysed we can conclude that all of the countries in their strategic documents related to agri-environment include very similar strategic priorities, objectives and actions,
- We can conclude that the strategical and programing documents are in line with EU CAP and that countries included in our analyses are well prepared to implement European policies in agri-environmental sector

Policy Instruments with Linkage to Environment

Monitoring and Evaluation Framework - MEF

- To be accountable, **policy outcomes need to be assessed against declared objectives.**
- The Monitoring and evaluation of the agri-environmental measures is part of the **monitoring of IPARD II program.** The candidate countries signed the Sectoral Agreement with European commission for implementation of the IPARD II and prepared National IPARD II programs.
- Our analysis confirmed that **candidate countries are very well approximated to EU** in term of monitoring and evaluation on IPARD II.
- However, **Agri-environment needs more than IPARD II MEF.** The AEM should result with environmental benefits. Therefore the state of environment and base-line should be established. AEI

Policy Instruments with Linkage to Environment

Agri-Environmental Indicators - AEI

Agri-environmental indicators are a useful tool for analysing the relationship between agriculture and the environment

- provide information on the state of the environment in agriculture
- understand and monitor the linkages between agricultural practices and their effects on environment
- assess the extent to which agricultural and rural development policies promote environment friendly farming activities and sustainable agriculture
- inform the global assessment process of agricultural sustainability

The region is facing with lack of these indicators and must to be developed and used

Policy Instruments with Linkage to Environment

Awareness raising, consultation and participation of stakeholders

- The low level of awareness is one of the **issues that all national reports emphasized as one of the biggest obstacles** for proper implementation of the agri-environmental measures.
- However, **most of the reports pointed out farmers (end users)** as a most important stakeholder group for raising the awareness.
- The **level of education of the farmers is low**, the average age is increasing and they are very **stacked to their traditional technology** of production.
- The existing **agricultural practices in some countries are driven by the poverty in the rural areas.**
- The **average use of fertilizers and pesticides is below the one used in the intensive agriculture**, it cannot be considered as environmentally friendly practices.
- **The old-fashioned, less intensive practices must not be considered as environmental friendly**

Policy Instruments with Linkage to Environment

Awareness raising, consultation and participation of stakeholders

- The national reports also **mentioned the awareness raising at all levels (policy, systemic and individual)** for agri-environmental issues.
- The **awareness raising campaign on cross-compliance empowerment and agri-environmental indicators**, because the present approach to the agri-environment is not evidence based.
- Moreover, **the consultancy process** is one of the principles for development of the agri-environmental measures. However, **nobody reported this process as important** in the national reports prepared. Also, **no NGO were reported** as stakeholders in agri-environment.

Policy Instruments with Linkage to Environment

Capacity building (policy makers, farmers, extension services)

- The capacity building is issue with the highest consensus in the national reports.
- Moreover, during the activities all national experts and decision makers agree that this is very important issue. The building of capacities is required in sense of building the personal capacities, but also building the technical capacities.
- There was agreement that capacity building should be conducted for all stakeholders from policy makers to the farmers level,
- The common understanding during the activities and the group work was that one regional project on building the capacities for agri-environment will be of crucial importance for development of the agri-environment in the region.

Conclusions and recommendations

From a regional perspective the following issues are most important to be addressed for successful further development of AEP. They are outlined along activities on

- Policy level,
- Awareness raising,
- Capacity Building, and
- Implementation.

Conclusions and Recommendations

Policy level

- To improve the **cooperation between sectors**, involved institutions esp. agricultural and environmental institutions it is recommended
- To **clear legal framework and responsibilities between levels and institutions**.
- To **install the platform or focal point for AEP at national level**.
- To **establish operational vertical and horizontal cooperation (inter-institutional, inter-entity)**; where feasible watershed management or commune level management approaches may succeed over individual farm approaches.
- To ensure **mutual transparency of information, including development of an integrated database for monitoring**.
- To **use a regional platform e.g. for development of common training modules and knowledge transfer**.

Conclusions and Recommendations

A strategic development of AEP will be supported through

- Adoption of the intervention logic in program development: **analyzing of status – deriving of targets – designing measures – evaluation of effects,**
- Definition of a **basic level of mandatory requirements for environmental protection** in agricultural production including a good agricultural practice and condition,
- Development of a **long term policy for Agri-environment**; annual allocations are not sufficient to generate commitments of stakeholders and recipients,
- Involvement of **all relevant stakeholders in the development of programs and measures,**
- Full integration of AEP in various policy levels.

Conclusions and Recommendations

Awareness

- **Increasing the awareness on all levels for the need and the potential benefits of AEM** is essential for successful implementation of AEP. It is advised that all stakeholder groups understand the objective and needs of AEP and are involved in its development. This refers to **farmers, consumers, public, decision makers, advisory services, researchers**. Government bodies and NGOs should be linked for joint activity projects.
- **Data transparency and improved availability is absolutely necessary** for inclusion of stakeholders in the process of program and AEM development, but also for activities for awareness raising. Publicly available data can be used to **argue the need for AEM and prove the effectiveness of AEM**, thus generating acceptance **for spending of public money**.

Conclusions and Recommendations

Capacity Building

- For a successful further development and with growing importance of AEP it is necessary to improve staff in numbers, knowledge and also technical capacity
 - for program development
 - for monitoring and evaluation
 - for control and administration of AEM
 - for training, advisory services, and education.
- **Education and vocational training** of **farmers** and also **administration/institutions** as well as of **inspection bodies** (capacity building) are needed to spread up to date knowledge and exchange experiences.
- Establish **demonstration farms or pilot regions with agri-environmental activities** and agroecological farming systems, eventually in sensitive areas; **support knowledge transfer and exchange of experiences.**
- Offer **regular training of institutional staff and advisory services** and ensure participation e.g. through a certificate.

Conclusions and Recommendations

Implementation and Measures

Agri-environmental indicators and monitoring of farming practices, impact on environment, responses of society, and effectiveness of AEM need to be further developed. Following **key issues need to be addressed** in this respect:

- **Data** from paying agencies, agriculture, and environment **need to be harmonized, integrated, and evaluated for agri-environmental questions**. Spatial reference is highly advantageous.
- An **integrated database for all the issues related to AEP** facilitates evaluation and reporting. **Further development of AEM should be based on such data** and their integrated interpretation.
- Spatial data, including **delineation of ANC , HN VF , and nitrate vulnerable zones of surface and groundwater** can help to **define target zones** for certain measures. This database may be advantageously linked to the LPIS database.
- Consider the use of **remotely sensed data** and products offered from European Space Agency ESA, European Environment Agency (EEA) and others.

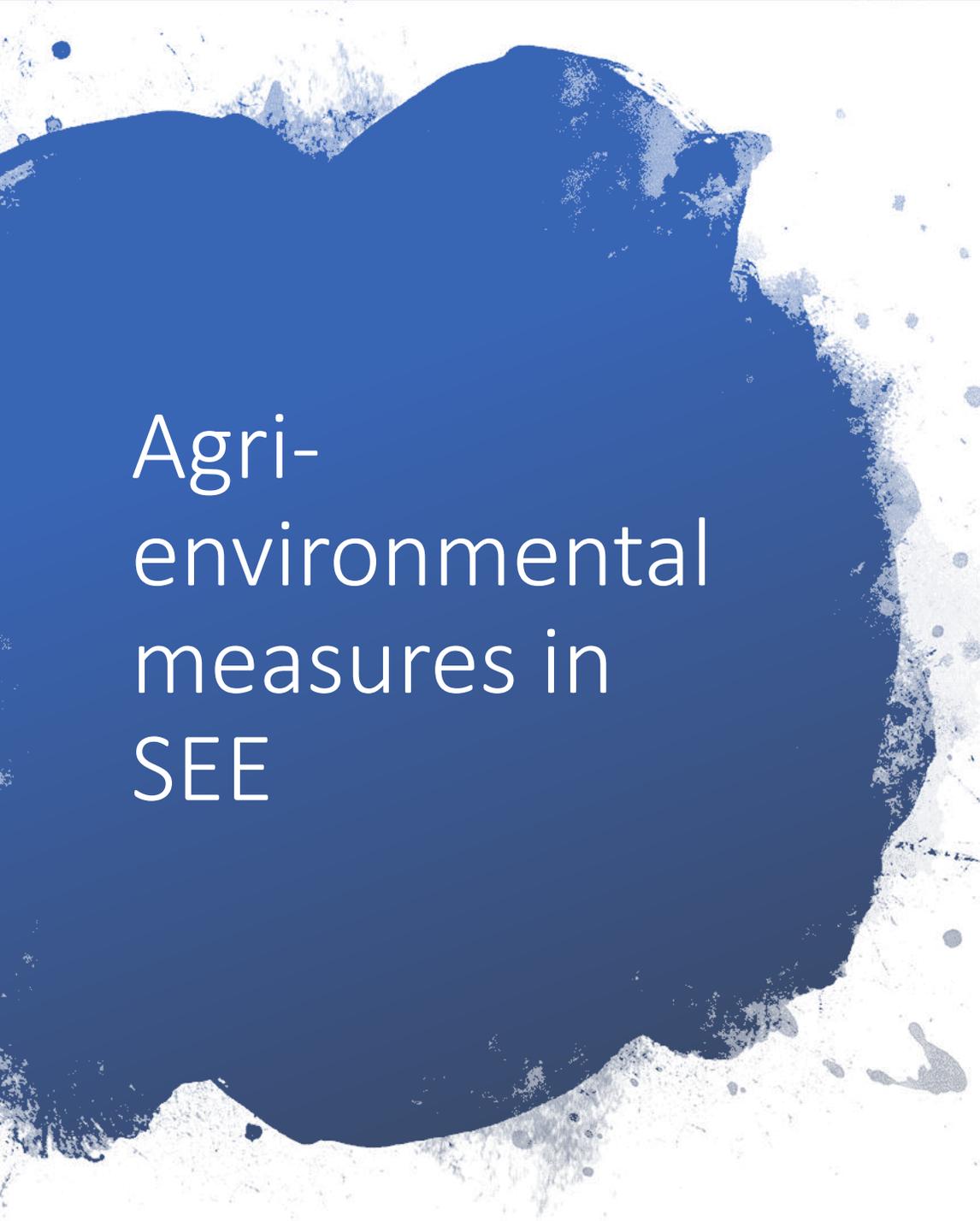
Conclusions and Recommendations

Development and implementation of certain AEMs within rural development will be the tool for integration of environment issues into agriculture.

- Agri-environmental measures in place in SEE countries and entities, **mostly financed through national programs**, refer to **organic farming**, **protection of animal and plant genetic resources** incl. bees, grazing or revitalization of extensive pastures.
- In some countries further measures are planned for **water protection** (pollution, abstraction), **soil protection** (erosion, degradation, carbon content), **air** (emissions of GHG and ammonium, dust, odor), and **waste management**.

Conclusions and Recommendations

- AEM need to be designed on the **base of sound information** and scientific understanding. Only if the goals of AEMs are defined and agreed, and the impact is monitored, the success of an implementation can be evaluated.
- **Field books as obligation for farmers** (bound to reception of payments) are an option to improve availability of data on agricultural practice and facilitate control of inputs as well as balancing of nutrients.
- Binding **AEM to a contractual commitment for several years will improve the sustainable impact of measures**. Development of result based payment schemes (RBS) is an option for impact based support.



Agri- environmental measures in SEE

- **There is no agri-environmental measures in place in SEE**

Agri-environmental measures in SEE

- The AEM in SEE should start very soon.
- It will be somehow tricky to pay farmers for undertaking measures that are above the mandatory requirements when there is not indication about their fulfilment of cross compliance.
- Moreover there is not base-line for state of the agri-environment (agri-environmental indicators).
- Therefore, the AEM can start, but it is not possible to measure effects of the AEM

Issues for further actions

In the region highest priority is set on the issues of capacity building, awareness raising, and improvement of data availability and transparency. Thus we recommend the development of the regional projects in these fields:

- **Strengthening capacities on policy, institutional and farmers level** through training, increase of staff, and technical improvement
- **Development and support a campaign for awareness raising** about agri-environmental measures in all stakeholder groups
- **Development of an integrated system for monitoring of agri-environmental status and trends**, connected to reporting obligations and LPIS
- **Thorough analysis of agri-environmental policy** in the countries



Thank You

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