



THE HIDDEN TRUTH – Romania

Environmental impact of new Rural Development Programmes – 2014-2020

One of the overarching aims of Common Agricultural Policy (CAP) reform was to make it deliver more for the environment. This factsheet therefore analyses the quality of public spending. It looks at what hides behind the official numbers and what Romanian Rural Development spending means for the environment, specifically for biodiversity.

STATE OF PLAY FOR THE ENVIRONMENT:

Both the intensification of agriculture and the abandonment of small scale farming are drivers of biodiversity loss and put pressure on environmental resources in Romania. Although figures do not yet show dramatic losses, the decline has started and will be significant if Romania does not take action and target its agricultural policy to maintain traditional systems of production. Recent data shows that although the medium farm size in Romania is 3.4ha, 52% of Romanian Utilised Agricultural Area (UAA) is located in holdings of more than 50ha. About 29% of UAA is part of small scale farms.

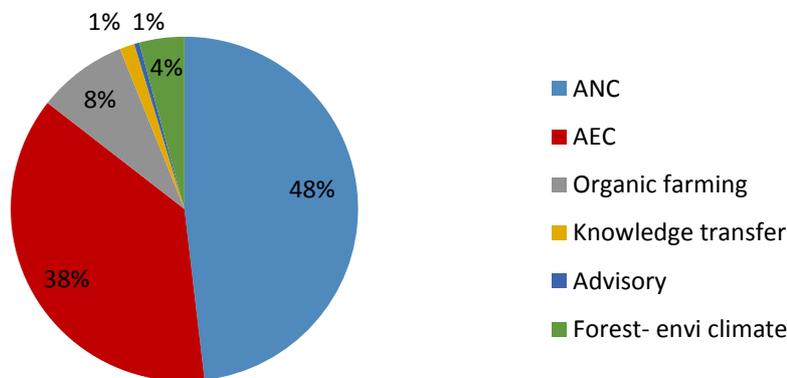
34% of Romanian UAA is grassland. Five protected extensive grassland types are not in a favourable condition.

Priority 4: RURAL DEVELOPMENT BUDGET FOR ‘ECOSYSTEMS’: reality and practice

The implementation of EU Rural Development (RD) programmes should fulfil a number of set objectives

and priorities. While 28% of the Romanian RD money has been allocated to measures that *should* directly benefit biodiversity, water and soil¹, the reality is that not all measures for which this money has been earmarked have high environmental value. These measures may, at best, benefit nature indirectly, such as payments for farming in Areas with Natural Constraints (ANC), but they are not tied to concrete environmental targets or conditions. Indeed,

Budget for Priority 4/Ecosystems



in Romania the largest share of money under this priority (48%) will go to ANC farmers. Although this measure is intended to address land abandonment there are no requirements that can avoid intensification. While this type of income support is available for farms located in the mountainous regions of Romania, larger and more intensive farms located in the South, South-East and West of Romania are also eligible and even wetland biodiversity hotspots such as the Danube Delta where intensification should not be supported.

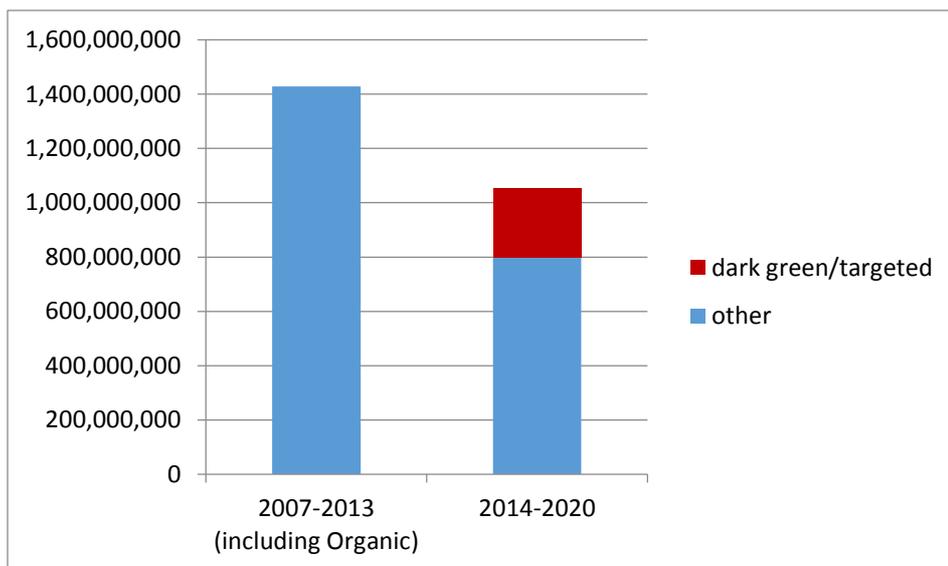
Some RDP measures, fulfilling other objectives, also risk harming the environment and biodiversity, for

¹ Priority 4, as foreseen by the Rural Development Regulation, Art. 5



example by supporting investment in irrigation. As stated in the RDP, the implementation of these measures should be carefully assessed according to environmental and biodiversity criteria.

AGRI-ENVIRONMENT SPENDING: past vs. future



In Romania 11% of RD money will be spent on Agri-Environment measures (AEC) – this is a 26% cut compared to the previous spending period despite the fact that Member States were required to maintain AEC funding levels². 24% of the AEC budget will be spent on measures targeted directly at specific species, habitats or biodiversity problems, i.e. that are ‘dark green’ and are really tackling the issues at stake. 60% of the AEC budget will go to a High Nature Value Farming package, although the scheme supports

grassland management in general, and herewith addresses land abandonment, it does not take into account the needs of certain species that need very late mowing and may not offer enough safeguards for maintaining landscape elements.

What do we mean by ‘dark green’ agri-environment measures:

The European Court of Auditors, in its special report from 2011* looking at effectiveness of agri-environment, recommended that agri-environment schemes should be more precisely targeted and that there should be a higher rate of EU contribution for sub -measures with a higher environmental potential. In our analysis we have looked at what proportion of agri-environment budget has been allocated to targeted, as we call them ‘dark green’, schemes for biodiversity. As EAFRD and Rural Development plans do not recognise such a category, we have worked with regional and national experts to assess measures, using the following principles: The scheme has been considered ‘dark green’ if it is targeted to specific species (group of species), habitats or a specific biodiversity problem (pollinator strips).

* **ECA Special report no 7/2011:** Is agri-environment support well designed and managed?

² Rural Development Regulation, Recital 22.



FARM BIODIVERSITY CONTRACTS INSUFFICIENT TO REACH EU BIODIVERSITY STRATEGY OBJECTIVES

The EU's Biodiversity Strategy clearly states that by 2020 the area of farmland covered by biodiversity-related measures must be maximised in order to achieve a measurable improvement of species dependent on or affected by agriculture.

The Romanian government claims that 10.2% of its farmland is covered under voluntary contracts for biodiversity protection, but measures under the new RDP which could be genuinely beneficial for biodiversity (direct and targeted schemes) are only applicable to 4% of farmland. These schemes are a package for Lesser grey Shrike, Red-footed Falcon and Corncrake, one for the Red-breasted Goose, a package targeted at butterflies from the Maculinea group, and a package supporting traditional practices (projected 541,100ha).

INACTION ON NATURA 2000

Some of the identified 'dark green' measures address the needs of the Natura 2000 network in Romania as required by the Rural Development Regulation³. Although 12.5% of the UAA is designated as Natura 2000, only 6.7% of Natura 2000 UAA is covered by these measures (i.e. 54% of Natura 2000 UAA), and the funds allocated to these is only sufficient for 4% of the Natura 2000 UAA and will also fund measures outside of Natura 2000.

Natura 2000 payments are not financed by the RDP, despite being identified as a valuable financial instrument in the course of Romanian Natura 2000 management planning. This planning phase will be finalised and the management plans ready for implementation in 2016, but the financial contribution of the RDP in this process will be insignificant.

EUROPE NEEDS:

1. To ensure that a well-designed greening and reinforced cross compliance represent a firm baseline for Pillar 2 environmental measures. This could help free up money for more efficient and targeted measures that benefit the environment and biodiversity.

These baselines should be properly set and checked so as to create an equal level playing field for all farmers in Europe – special attention is needed on issues such as integrated pest management, water and soil. The Commission should urgently start to work on including the Water Framework Directive and Sustainable Use of Pesticides Directive directly into cross compliance so that the uncertainty around what is the baseline and what is not, is removed.

2. To ensure that the CAP is designed in a way which helps reach the EU Biodiversity Strategy goals by 2020. So far evidence shows that the agriculture target is the most problematic.

In Pillar 2 this can only be done through proper funding of the Natura 2000 Network and the Priority 'Habitats and species' as defined in the Birds and Habitats Directives.

3. To have a genuine system for tracking environmental spending. Only measures with clear environmental objectives and delivery can be included. Areas of Natural Constraints (ANCs) must not be counted as

³ Rural Development Regulation, Art. 8



environmentally-beneficial measures as there are no environmental obligations or management requirements attached to the payments.

At best, ANC has an indirect positive effect for biodiversity and the environment. However, in the worst case they are just income support which is pushing damaging intensification. The purpose of the ANC payments – to fight against abandonment or compensate farmers to work in more difficult areas – remains difficult to justify when compared to the direct income support of the first pillar. At best it is proof of the duality of the CAP where Pillar 1 is a driver for large and intensified farms and Pillar 2 a way to counter this drive. This duality should be ended and a targeted instrument should be devised which supports extensive farming systems that provide high environmental value but are not economically viable.

4. To ensure proper monitoring of the Rural Development schemes' delivery.

It is not possible to know if investments in rural development are really delivering benefits for biodiversity without this evaluation.

Conclusion: Europe needs to take a proper look at the whole of its agricultural policy and how it is working together or against environmental commitments and priorities. Even if Rural Development can be a large part of the answer and has the potential to play a positive role in many parts of Europe, the figures unfortunately show adjustments are necessary for this policy to truly deliver towards its objectives. It is now clear that this reformed CAP still has a long way to go before it can be called green.

ROMANIA NEEDS:

1. A system to monitor the effectiveness of the agri-environment schemes for the period 2014-2020 in order to improve the design of the schemes in the future and to minimise potential negative impacts.
2. A compensation system for farmers to implement the approved Natura 2000 Management Plans.

SOURCES:

EC Factsheet on 2014-2020 Rural development programme for Romania:

http://ec.europa.eu/agriculture/rural-development-2014-2020/country-files/ro/factsheet_en.pdf

The data in this factsheet is based on the first version of the Rural Development Programme in Romania

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