

# FARLAND International Workshop

“How To Revitalise Farming And  
Agricultural Land Use?  
European Options For The Future”

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# DRAFT

## Contents

### Acknowledgements

### Introduction

- 1. The Context of Land Abandonment**
- 2. Territorial diversity and land abandonment**
  - 2.1. Introduction
  - 2.2. Productive agricultural areas (Croatia)
  - 2.3. Environmentally sensitive areas (Estonia)
  - 2.4. Remote areas with low agricultural potential (Portugal)
  - 2.5. Peri-urban agricultural land (Belgium)
- 3. Approaches to land abandonment**
  - 3.1. Introduction
  - 3.2. Legal and institutional framework of farms and farming
  - 3.3. Land, the land market and the economies of scale
  - 3.4. Diversification and the economy of scope
- 4. Towards integrated territorial approaches?**
  - 4.1. Introduction
  - 4.2. What should be done at which level?
  - 4.3. Framework for integrated territorial approaches

### Annexes

- |           |   |  |
|-----------|---|--|
| Annex I   | - | Structure of the workshops                   |
| Annex II  | - | Participants                                 |
| Annex III | - | Driving forces land abandonment (by JRC-IES) |

## Acknowledgements

This workshop was the first FARLAND workshop....  
We would like to thank.....

The final workshop report also contains results of the 'International Workshop on Land Consolidation and land banking' from 6-9 June in Budapest, organised by FAO, the FARLAND Network and DLG. We therefore like to express our gratitude to the organisers of this workshop and all participants from the LANDNET.

## Introduction

This workshop was the first initiative of the FARLAND partners after the INTERREG IIC co-financing was ended in 2008. Partners nevertheless maintained the network and are determined to contribute to exchange of knowledge and improvement of policies.

Land abandonment is a serious European-wide problem that policy makers have to face - since this problem seems to have a general trend to increase and it has clear interference with a wide range of sectors, needing an integrated approach. DGADR (Portugal) proposed itself to host the first of a range of thematic workshops within the perspective of tackling this problem by ways of promoting the revitalisation of farming and agricultural land use.

As background to this workshop, there had been a regional conference for Europe, organised by FAO (Riga, June 2006), exploring various approaches to revitalize farming and agricultural land use. One of the conclusions of this event was that, depending on the region involved, a proper mix of policies (either market based or public goods based) is required to strengthen different economic or non-economic drivers for rural areas and rural land use. Also that, to develop appropriate and effective policies for revitalisation, a comprehensive and systematic approach is needed. A main recommendation of the Riga meeting was to tailor revitalisation policies to specific needs in rural areas and to integrate these both vertically (international, national, regional, local) and horizontally (intra and inter-sectoral) into an overall enabling institutional framework.

The objective of this 1<sup>st</sup> FARLAND International Workshop was to contribute to a more comprehensive and systematic approach to revitalise farming and rural areas (incl. agricultural land use). The main proposed aim was to develop a framework for analysis and decision making to aid regional and national governments in tailoring their approaches. To this end, the workshop brought together experts and policymakers from different levels and sectors for an international technical exchange and debate about driving forces of land abandonment and revitalisation.

While the way to set up and implement such network was under definition, an activity package has come up about the future function of the FARLAND Network in relation to ongoing policy development within the Dutch Ministry of Agriculture, Nature and Food Quality (in Dutch: LNV).

In 2004, under the Dutch EC Chair, LNV has taken the initiative to establish an European Network of Rural Development Directors. The goal is to increase attention in Europe for longer term policy issues and to connect these with the concrete implementation of today and tomorrow. By using the work done by EURURALIS (please refer to [www.eururalis.eu](http://www.eururalis.eu)) different scenarios in Europe are discussed in relation to the necessary responses for policies and implementation approaches. Besides discussions in the Directors Network, a need is present to have a wider debate supported by clear examples and experiences at regional and local level. By linking future developments and their impact to 'real' areas and by creating more interaction between policy

makers and experts at various levels, the policy debate will become more strategic and dynamic and - eventually - more effective.

It became clear that the FARLAND Network could contribute to this, by linking concrete implementation to the policy level for a number of strategic issues and by mobilising the relevant institutions in the debate. Therefore, it has been proposed that the FARLAND partnership would organize some regional workshops across Europe in which crucial developments are discussed with real areas and problems in mind. The aim would be to analyze, to discuss and to see which policy response on what level (local, regional, national, EU) is necessary to anticipate on the issues at stake. The regional workshops are meant to contribute to the policy debate at regional/national level and they are meant to feed the EU Rural Development Directors Network and the European institutions to develop the appropriate policy frameworks.

### **Objective of the Oeiras workshop**

The workshop intends to contribute to a more comprehensive and systematic approach to revitalise farming and rural areas (incl. agricultural land use). The main aim is to develop a framework for integrated territorial strategies for different circumstances to aid regional, and national governments as well as the EU in their approaches. To this end, the workshop will bring together experts, researchers and policymakers from different levels and sectors for an international technical exchange and development of concrete strategies for agriculture land use and revitalisation of farming. Conclusions, recommendations and key messages will be transferred to appropriate organisations and networks in order to support the research and policy agendas for addressing revitalisation and land abandonment.

Not all objectives could be achieved in Oeiras. Some issues therefore were elaborated after the workshop and discussed in an 'International Workshop on Land Consolidation and land banking' from 6-9 June in Budapest, organised by FAO, the FARLAND Network and DLG.

### **FARLAND Network**

The FARLAND network deals with integrated land development and is built on a group of organisations, brought together in the EU Interreg III C project FARLAND. Most organisations involved concluded that maintaining a more structural network is beneficial for each of the members. It involves organisations from the Netherlands, Belgium, Spain, Portugal, Hungary and Lithuania. In addition, the network is supported by the Food and Agriculture Organisation of the United Nations (FAO). The network is informally organised and action oriented. FARLAND has an open attitude towards new members. DLG has initiated the network and functions as network manager.

The **aim** is to link public or semi-public organisations in Europe that are active in formulating and implementing integrated land development policies in order to exchange, to develop and to stimulate properly and timely policy responses to (changing) needs of society in rural and peri-urban areas.

The **scope** is land development, meaning the broad range of public and public/private interventions to adjust the use and/or the ownership structure of land to the current economic, environmental and social reality. Interventions take place in 'people oriented' approaches that are carefully planned and implemented. Land development is integrated in its nature serving different objectives at local, regional and national level, taking in consideration the territory at stake.

Land development is a dynamic implementation oriented approach used in specific areas with specific problems. It tries to solve problems related to land use and/or land ownership, to prevent future problems or to promote development of livelihood conditions. Land development should be embedded well in broader rural development approaches.

Main **operational objectives** are to:

1. Exchange knowledge and experience to enhance capacity among its members
2. Stimulate the establishment and upgrading of regional and national approaches
3. Stimulate upgrading of the national and European policies by joining policy consultations and taking part in public and policy debate
4. Stimulate professional training and capacity building

## 1. The Context of Land Abandonment

In many parts of Europe farming systems are under pressure. Developments at regional, national and global level challenge farmers to react and adapt. Macro-economic forces such as a liberalised world market drive farmers to invest in the 'economy of scale' in order to remain competitive. Growing environmental concern calls for the 'economy of scope' involving new products, new concepts of production and new services. Agricultural land use can be altered and diversified to secure its function in social (people), economic (profit) and environmental (planet) terms. Public concern about preservation of natural resources and biodiversity creates a sense of urgency, which is further boosted by climate change.

### Farmers' adjustment to global developments

As in other economic sectors, entrepreneurs now need to respond faster to developments than in the past decades. For farmers this adaptation requires flexibility and an enabling environment. Generally speaking, most farmers have not been able to adapt sufficiently and on time. As a result, large areas of agricultural land have no longer been cultivated or managed in recent years, a process generally referred to as land abandonment. In certain areas with low agronomic potential and major natural handicaps the overall balance of this process is positive. However, in most cases land abandonment is considered a negative development. Results include degradation of land and landscapes, loss of biodiversity (natural values, genetic resources), loss of capital and increased risk of wild fires. This further increases out-migration and marginalisation of rural areas, potentially creating a vicious circle. Land abandonment is not limited to areas with major natural handicaps. It also occurs in areas where commercial forms of agriculture are combined with biodiversity conservation and landscape values. Land is even abandoned in areas with significant investments such as irrigation schemes and peri-urban areas. This abandonment can be of a forced nature: government demands a use of the land for public needs (e.g. roads, harbour expansion). When that occurs, the land use as farmland is lost and the land has been assigned to other forms of land use. It is crucial to develop a policy that deals with accompanying measures to support the affected farms, to keep the displaced farmers active.

### Future scenarios for land abandonment

Scenario studies such as Eururalis show that land abandonment will increase in the near future; its growth rate partially depending on the macro-economic environment and rural area policies<sup>1</sup>. Farmers are not the only one responsible. Agricultural land use as a broad public asset, contributing agricultural produce, but also landscape values, biodiversity and quality of life, cannot be left entirely to the innovation capacity of farmers. Private entrepreneurship should be facilitated and guided by a sound institutional framework. Various studies show the broad range of factors hampering farmers' dynamic response to a changing environment. These include less effective

<sup>1</sup> See <http://www.eururalis.eu> for more information and for downloading the latest version

land markets due to for instance fragmentation of land and unclear ownership rights, or the status of farms and farmers (e.g. legal form of the farm, inheritance practice).

### **Building upon previous work done**

The 34<sup>th</sup> Session of the European Commission on Agriculture and the 25<sup>th</sup> FAO Regional Conference for Europe (Riga, June 2006<sup>2</sup>) explored various approaches to revitalizing farming and agricultural land use. Depending on the region involved, a proper mix of policies (either market based or public goods based) is required to strengthen different economic or non-economic drivers for rural areas and rural land use. To develop appropriate and effective policies for revitalisation a comprehensive and systematic approach is needed. A main recommendation of the Riga meeting was to tailor revitalisation policies to specific needs in rural areas and to integrate these both vertically (international, national, regional, local) and horizontally (intra and inter-sectoral) into an overall enabling institutional framework.

The abandonment of agricultural land can be linked to natural factors (e.g. altitude, slope, climate, remoteness, etc.), combined with socio-economic factors (e.g. land ownership, lack of competitiveness, difficult access, unfavourable market forces, etc.) and institutional factors (e.g. inadequate policy framework, etc.), urban pressure, which render agriculture or forestry non-profitable / non-feasible. The reduction of agricultural and forest activities results in many cases in the abandonment of other economic activities (e.g. services in rural areas, such as shops, health services, etc.), in particular in remote rural areas. Hence, land abandonment may lead to depopulation and in general terms to a degradation of the ecological and economic value of an area. Different types of revitalisation options have been explored during the meeting.

### **Revitalisation through territorial strategies**

In order to find the right **policies for revitalization**, a systematic approach has to be followed and different options for revitalization of rural areas need to be defined. Revitalization policies have to be tailored according to the situation and needs in rural areas. A main assumption for the workshop is that the issue can best be dealt with by integrated territorial strategies. Such strategies combine different sector policy measures and contain a proper mix of horizontal and area specific measures. Looking at different sorts of territories, the workshop will explore what policies, instruments and measures best fit the specific conditions of the territories involved. While developing a framework for territorial strategies, it is recognised that the process of land abandonment is the outcome of global developments besides regional and local conditions. Since this process depends on macro-economic arrangements as well, not all contributing factors will be in the scope of such territorial strategies.

<sup>2</sup> See [http://www.fao.org/world/Regional/REU/ecadocs\\_en.htm](http://www.fao.org/world/Regional/REU/ecadocs_en.htm): ECA34/06/2 - The role of agriculture and rural development in revitalizing abandoned/depopulated areas - & ECA34/06/2/Sup.1 - Annexes; and [http://www.fao.org/Unfao/Bodies/RegConferences/erc25/erc25\\_en.htm](http://www.fao.org/Unfao/Bodies/RegConferences/erc25/erc25_en.htm) : ERC/06/LIM/1 Main conclusions and list of recommendations stemming from the debate in the 34th session of the ECA on item: The role of agriculture and rural development in revitalizing abandoned/depopulated areas.

### Key note speeches

To stimulate the discussions four presentations were made:

**Professor Teresa Pinta Correia** emphasized the changing paradigm related to the role of agriculture in different regions. In many peripheral landscapes production is not able to secure land use nor people. However, there is some inertia and landscape quality has so far been kept. This quality is much more valued than production itself – but can this be the driver of land management? The role of farming in the future is questioned while at the same time other functions are not constructing nor maintaining the landscape. She demonstrated a Portuguese study in which area types were defined based on the capacity of a landscape to provide goods (removable) and services (non removable) that satisfy human needs, demands and goals, directly or indirectly. The differentiation of main functions: 'production', 'consumption' and 'protection' will lead to new roles for farming, also supporting other goods and services, in different ways in different areas.

**Professor Lima Santos** sketched the developments from the 1980-s onwards. Food security was no more an issue and modern surplus producing agriculture jeopardised the countryside. Developments led to new functions of rural areas, creating the post-productive multi-functional countryside. After 2007 rapid developments occurred such as dramatic price increases for food leading to food riots by the Poorest of the Planet, low levels of pre-harvest grain stocks, which raised concerns about our global ability to keep feeding the world. After 2007 land had become a globally scarce, fragile and irreplaceable capital on which our lives depends. The traditional Intensive versus extensive farming debate, is broadened to new technological models like increasing the efficiency of inputs, e.g. precision farming, or by copying and using ecological processes (predation, diseases, symbiotic nitrogen fixation etc). Creating markets for unprized ecosystem services is another policy option to make land and rural areas productive.

Last but not least governance is mentioned as an issue. Global land use needs to be economically regulated at global level, and e.g. the conclusion that WTO rules are somehow not friendly for mixing market with environmental goals. Ecosystem services are ecologically produced at the landscape level – usually above the individual- farm or forest-owner level, and below (or above) the planning authority (depending on the services). This requires policy integration by a complex political / negotiation / leadership process.

**Mr Eduardo Corbelle** discussed the definitions of land abandonment and the terminology used, showing the wide range of interpretations (<http://laborate.usc.es>).

**Mr Hayo Haanstra** presented different scenarios developed by EURuralis ([www.eururalis.eu](http://www.eururalis.eu)) illustrating the fact that land abandonment will increase in all development scenarios.

## 2. Territorial diversity and land abandonment

### 2.1 Introduction

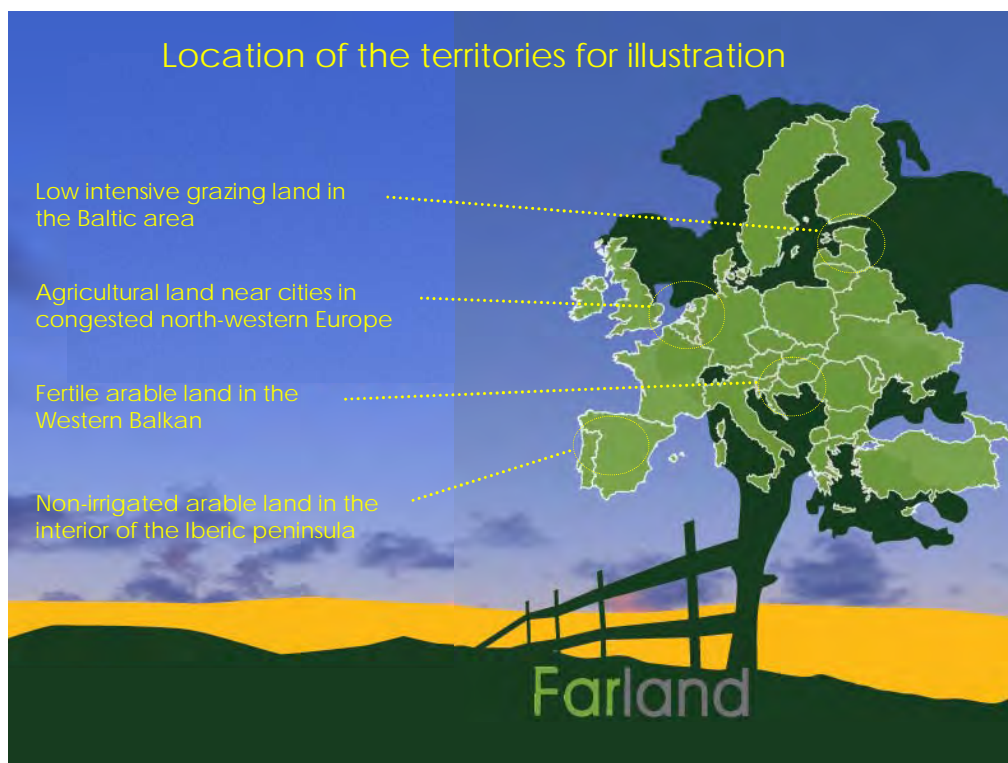
The need to revitalise farming and agricultural land use depends on the characteristics of the territory involved. Abandonment of land takes different forms and requires different strategies in the different European territories.

To facilitate the discussion and for illustration, four sorts of territories will be discussed:

- typical agricultural areas with good potential
- environmentally sensitive areas
- remote areas with low agricultural potential not under direct danger of environmental degradation
- peri-urban agricultural land

The division does not pretend to be an exhaustive summing up of all of Europe's territories.

In the following section the four different types of territories are described using concrete country examples as illustrations. Participants can extrapolate and imagine comparable areas in their own country or region and bring in examples or case studies. Those four different types of territories are generally present across Europe and in most of the cases can be found in each country although certain parts of Europe are characterised by a certain pre-dominant type of territory.



## 2.2. Typical agricultural areas with good production potential, a case in Croatia

Typical agricultural areas with good production potential are characterised by a combination of different agro-ecological and socio-economic factors allowing e commercial agriculture to develop. Excellent soil quality for production of different crops, a climate characterised by the optimal amount of rainfall and length of dried periods, potential for irrigation, average farm size allowing profitable production, are only some of the factors contributing to development of productive agricultural areas. However, these agricultural areas become well developed by having skilled and knowledgeable farmers, and by having a legal framework and institutional environment adjusted to the needs in these areas.

In the past 20 years, the Western Balkan faced many changes of the countryside. Good agricultural areas were influenced by the war and the transition from the former socialist political system. This included the privatisation of the ex-socially owned agricultural land and enterprises. The developments have caused migration from the country and the countryside and abandonment of agricultural land. At the same time, "new" rural inhabitants and farmers moved to the areas and participated in the privatization process using good agricultural land. However, small farm properties, scattered land plots, a slow restitution process, problematic land tenure, a non-dynamic land market and not well adjusted land laws are causing the fact that some agricultural areas with good production potential are abandoned. Despite the big interest for agricultural land use by family farmers there is a danger that agricultural land remains abandoned. An other option is that family farms in the future are overtaken by "big players" like agricultural companies resulting in further depopulation of the countryside. How to confront the problem of land abandonment and depopulation of rural areas remains a big challenge in the Slavonian region in Croatia.



### 2.3. Environmentally sensitive areas, a case in Western Estonia

Unique interactions amongst terrain, soil, climate, species and anthropogenic influences have produced complex cultural landscapes across Europe. Areas with valuable landscape and wildlife are preserved through continuous traditional management practices and land abandonment in these areas lead to decline in biodiversity and landscape diversity. Due to limited socio-economic opportunities these rural areas are greatly threatened by land abandonment. Change in the traditional practices can easily harm the natural environment. At the same time, land management needs to ensure survival of rural people and the natural species of the agricultural landscape. Maintaining these areas in such a large scale works only in a case if areas are not turned into core conservation area, but are part of daily life practices. North-western Estonia illustrates well the issues at stake in Europe's environmentally sensitive areas. Saare and Lääne counties near the coast are characterized by valuable semi-natural communities with low-intensity farming. Lääne county is characterized by large depopulated areas with decreasing population (which has stopped now) in small villages. Areas, which are primarily formed and maintained by long lasting sustainable agricultural practices (mainly grazing and mowing) have a high biodiversity, aesthetic and cultural values. West-Estonia and islands have thin alkaline and young coastal soils which are naturally less-fertile, thus suitable for extensive farming. Due to its labour consuming maintenance and changed agricultural practices, semi-natural communities have lost their agricultural importance. They could produce public goods rather than purely economical value. These areas have been retained due to human activity (mowing and grazing) and if these areas are not maintained they grow over with reed, scrub or forest, which is the most serious threat in Saare and Lääne counties of North-western Estonia.



#### 2.4. Remote areas with low agricultural potential not under direct danger of environmental degradation, a case in interior Portugal

Remote areas are frequently characterised by natural constraints to agricultural activity such as poor quality and thin soils, moderate to significant slopes with problems in terms of accessibility, subjected to hard and sometimes extreme weather conditions. In such territories, agricultural potential is therefore limited and the range of activities is quite narrow: most frequently, forest and/or cattle breeding are the predominant ones, sometimes areas with non-irrigated traditional orchards.

Under such kind of conditions and since ancient times, subsistence agriculture has been prevailing, as well as forestry and forest-pastoral activities, being unable to generate such an income that would attract people to the area. Therefore, population density is very low in such territories, facing serious risks of human desertification. On the other hand, due to natural conditions, biodiversity and natural values are not relevant enough to bring these territories to the list of classified areas for Nature preservation purpose (such as Natura 2000).

Nevertheless, such areas have a role in a region / country as part of the whole territory with interference in neighbouring areas, at different levels: they have a role in the hydrological cycle, as well as in soil preservation; in general terms, they also interfere in biodiversity conservation and they contribute to scenic and recreational values of rural landscape. Most frequent problems related to the degradation of these territories are the direct relation to soil erosion with serious consequences in river floods and the increase on the risk of wild fires related to bad or total lack of management of such areas. According to this general framework, preserving this kind of territories means that land development policies will have to integrate approaches dealing with human and physical desertification.



## 2.5. Peri-urban agricultural land: high population density / urban pressure, a case in Brussels / Flanders

The peri-urban area is an urban-rural transition area around the urban core, forming a complex and hybrid landscape. It is a zone with a mosaic of natural, agricultural and urban ecosystems, subjected to rapid change and with a broad 'social mix'. Rural and urban influences meet and clash to create a distinctive and highly dynamic landscape. Especially farming in or near the urban fringe is subjected to important pressures. Traditionally this pressure comes from urban development, but more recently in many European countries also from development as new forests, nature (semi-natural) parks near the city responding to the growing public need for accessible green areas. At the same time, land use by wealthy citizens for hobby farming results in a privatized, individualistic and closed landscape. As a result, besides some rare examples of high quality vineyard, no agricultural land use is able to compete by itself against urban development in the 'battle for land'. One of the results is the abandonment of land for agricultural use. Unlike other areas this abandonment normally does not lead to complete deserting the land but to other use of the land. Main driving factors are speculation. This leads to abandonment as owners do not want to be bonded by lease contracts and fragmentation, which makes land practically or economically unusable.

However, farming is not a relict in these areas, fated to disappear. On the contrary, it is a crucial and indispensable key to the spatial and environmental quality and the quality of living, working and recreating in the urban fringe. Agricultural products are not the only output of agriculture. Especially in peri-urban areas, services as providing green, attractive landscapes, buffers, leisure areas, creating opportunities to revive our bond with nature and to educate children about the origin of our food ... are an evenly important "agricultural product". Although these valuable rural amenities compensate the economic weaker position of farmland, they are difficult to capitalize or even value, as they go beyond the traditional commodity output. Peri-urban areas like this are present across Europe. However, parts of Flanders in Belgium can act as an illustration as it presents examples all of the above mentioned processes and steps toward actions around its edges.



### 3. Approaches to Land Abandonment

#### 3.1 Introduction

Which are important elements and instruments to consider while defining a tailor made territorial approach to address land abandonment?

During the workshop three major issues were considered:

##### I. The legal and institutional framework related to farms and farming

The main question at this individual entrepreneur level is: How to facilitate the status and functioning of farms by proper legal-institutional frameworks?

Farmers have to cope with many rules and regulations related to the farm functioning. The combined package of these conditions determines whether a farmer has the flexibility to be an entrepreneur and to adapt to market conditions. Topics include a wide range like conditions to be a farmer, status of farms and family farmer in relation to succession, legal form of farms, image or prestige of farmers, spatial planning in relation to agricultural land use, penalties or mechanisms in case of misuse or non use of land, cross compliance requirements, Good Agricultural and Environmental Condition (GAEC), economic valorisation in relation to public investments, rural land property tax, tax exemptions related to business activities.

##### II. Land, land markets and the economy of scale

On a slightly higher than individual level, farmers are part of their environment, in their area, cooperating and competing with colleagues. They are actors on the land market and depend on the rules and conditions related to this. While land use structures in many countries tend to have too little mobility, a main issues dealt with was: How to improve land structures and land market functioning for farming?

Topics include again a multitude of options like options for land banking, common management systems for agriculture, agricultural associations of land, access to land market information, legal requirements for land lease arrangements, schemes for land consolidation, guiding the market by pre-emptive rights of preference rights, tax systems, Cadastre functioning, land registration requirements and security of ownership rights, possible rules related to minimum parcel size, land use constraints and tax exemption related to property transactions.

##### III. Diversification and the economy of scope

A well arranged land market which strong entrepreneurial farmers does not solve all problems related to land abandonment. In many parts of Europe farmers cannot just expand and intensify freely. They are part of a vulnerable landscape with qualities in terms of biodiversity or landscape that need to be preserved and kept for future generations. The main issue in these areas is: How to diversify farming to revitalise rural areas in a sustainable way?

Topics include rural development policy tools such as development of new products and technologies, agri-environment measures, compensatory payments, diversification of rural economy, Leader, provision of public goods and rural services, cooperative /

community marketing, certification and branding (e.g. organic farming / traditional products / High Nature Value Farming).

In the next paragraphs each of the three issues are further described and main conclusions are drawn.

### 3.2. The legal and institutional framework of farms and farming

Sustainable development of European space, in all dimensions (economical, social and environmental) is decisively influenced and frequently determined by farms, as agents that produce food and other goods and services (e.g. environmental services, landscape preservation, maintenance of biodiversity). Developments in late twentieth century and at the beginning of the current century demanded for a new integrated vision on farms and farming. On the one hand, to cope with integration into global markets; and on the other hand, to guarantee the sustainable use of natural resources, biodiversity preservation, landscape conservation and climate change adaptation / mitigation. This new and crucial challenge demands for a reflection on how to guarantee, both the development and strengthening of farms that are, or have the potential to become economically viable (i.e. competitive on a global market) and the support and development of farms that have a clear and irreplaceable added value in terms of environment and landscape (i.e. provide public services).

Agriculture, more than any other economic activity, has developed based on the family as the main labour force. During the last centuries, the increasing population, the growing demand for food and the primacy of the market model forced a change in the organization, operation, objectives and priorities of these agricultural holdings. Farming has become increasingly focused on the market, but at the same time multifunctional activities were reinforced, requiring the farmer to fulfil many standards, norms and – to comply with these – investments.

This development led to the disappearance of the smaller farms, especially those where size or fragmentation did not allow to compete in an increasingly competitive and globalizing market. To create sufficient income that would satisfy the needs of the household members (needs that were becoming more "urbanized", "global" and increasingly growing and becoming more qualified) has become difficult. In addition, inheritance laws that favoured the division of farms instead of maintaining their spatial integrity, led to an increased fragmentation. Furthermore, the low "prestige" of farming for young people led to a depopulation of rural areas, as the young people preferred to go to urban areas and looking for jobs with higher remuneration and higher prestige. Above described process led to the following direct consequences:

- Disappearing of smaller and very small family farms;
- An increasing fragmentation and dispersion of farm land; and
- Depopulation of marginal and less favoured areas.

Considering this background, it is necessary to realise that the viability of farms is not only a matter of size - scale, but also of the level of diversification – scope (including environmental services). So, policy measures to promote and support restructuring (e.g. resizing and consolidation) of farms are needed. This development leads to farms becoming increasingly similar, in terms of organization and operation, to industrial and services enterprises. Therefore, the upgrading and adaptation of the legal, fiscal and social framework of farms is necessary. Within this framework, it is very important to

ensure the existence of farms that are economically viable and to create the proper conditions to promote and safeguard the integrity and continuity of family farms. In spite of the fact that farms and their activities are the main element in the Common Agricultural Policy there is no reference to farms as entities with their own legal status in primary or secondary Community Law. However, the support given by the EU to agricultural and rural development has its specific requirements, such as production licenses/quotas, farm register, livestock registration, traceability of food products, cross compliance, land parcel registration, labour conditions, social security, etc. This means that in order to receive EU support, a farm has to comply with all these conditions. In combination with the above identified constraints of the family farm model, this causes farms to 'miss the connection' and not to evolve further in the new European and global context and reality.

### Issues for reflection

The above requires a reflection, particularly on the following aspects:

- Legal status and tax regimes for family farms;
- Legal status of the persons working on the family farm, i.e. the head of household, his/her spouse and other family members;
- Inheritance law for agricultural land and immovable property (i.e. farm buildings); and
- Remuneration of positive externalities originated in and by the farm.

The specific status and image of family farms, its related practices in combination with more strict requirements to farmers (e.g. cross compliance) hamper the farm's ability to anticipate on future challenges of scaling up and/or diversifying. These are, among others, the factors that accelerate the process of land abandonment.

In order to come up with policy recommendations and proposals for concrete projects or studies the following issues were addressed. In a global economy which is becoming increasingly competitive;

- How can the status of family farms be improved by a proper legal / fiscal / social framework that facilitates farmers to respond flexible and dynamically to current and emerging challenges?
- How can the legal / institutional framework facilitate better functioning of family farms?
- How to improve the image of farms and farmers and how to make farming attractive for young people?
- How to provide incentives and fair remuneration to farms for their "public services".

The future of the family farm and the need to improve, modernize and adapt farms' legal, fiscal (taxes) and social frameworks, including an appropriate legal statute for farms (particularly when referring to family farms because they have specific

characteristics that differ from entrepreneurial farms and enterprises in general) and farms' registration (fiscal; relation to EU financial support).

### Assumptions

Some main propositions have fuelled the considerations:

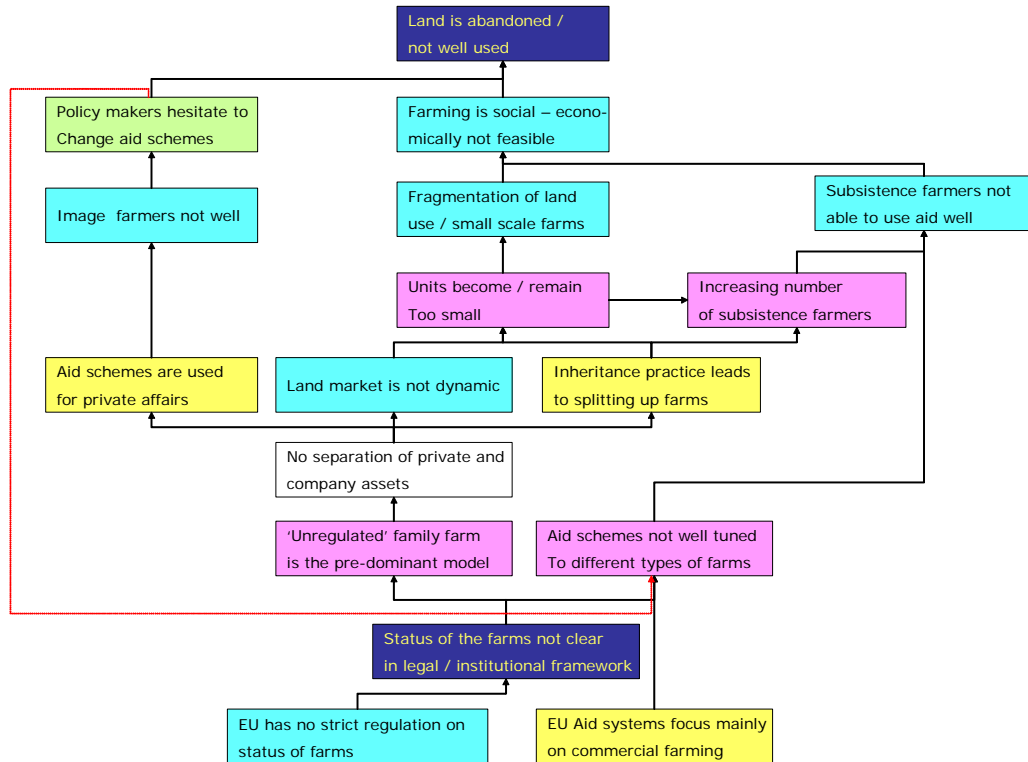
- Farms and landowners have the social responsibility related to the sustainable use of their patrimony and the preservation of societal values (natural resources, biodiversity conservation, landscape preservation and climate change mitigation). This needs to be balanced by an appropriate government approach in legal and institutional terms, promoting multi-functionality of farms and improving the status of farmers (the image that society in general and themselves have about farmers);
- Family farms are specific considering the common practice of head of the farm and family members who work jointly in the farm, as well, and therefore they need a specific positioning. This requires an adequate framework in which the farm's integrity related to the inheritance regime (close relation to fragmentation) is viewed. Also it requires a social security system for family members, rights and obligations of family members working in the farm (such as, for instance, the existence of an established salary and holidays period or the participation in decisions regarding the farm management). Also succession and continuity of family farms (demographic and social aspects considering weak capacity to attract young people) is issue and farmers' professional qualifications and ageing are a point of concern;
- Special attention is needed to secure the future of the family farm to improve, modernize and adapt the farms' legal, fiscal (taxes) and social frameworks. This includes an appropriate legal statute for family farms i.e. farms' registration both for territorial management purpose and in relation to EU financial support.

### Discussion

While discussing the issue some practical experiences were introduced. From Galicia a study-case (Monte Cabalar) was presented related to the common management of agricultural parcels. This can overcome the small size of individual farms and works also as a mean to use abandoned land. Also from Galicia some general sociological aspects about farmers and agrarian societies that have been "emerging" spontaneously in order to overcome social problems in family farms were presented. Last but not cases of social farming were presented, which can be a means to connect farms to other sectors besides agriculture and to improve farmers' status and their own attitude (corporative and entrepreneurial) and social responsibility.

While differentiating the different types of farms, a model was presented indicating "Pathways of structural change in rural areas", which represents the predictable ways that farms can follow when facing structural changes, according to the nature of the farm in terms of its production orientation (market, subsistence) and the type of labour involved.

Issues discussed and their relations were organized in a scheme:



Main **conclusions** were presented in three main blocks:

### 1. Farms

- The farm is a major issue in CAP and RD policy (production / preservation)
- Family farms are the most usual type of farm in EU territory
- Farms, as productive units, need to be compelled to clarify about their nature and typology (enterprise / not enterprise)
- Farms' viability can be seen from economical point of view and in a social and territorial sustainability perspective
- Farms viability and sustainability depend on size (scale) – related to agricultural production and diversification
- Public policies should be oriented to farms, including the obligation to register

### 2. Family

- Family, patrimony and labour are supporting elements for family farms
- Social and cultural changes have big impact on the traditional family farm

Concerns and demands of family members put at stake the survival of family farms in traditional terms (patrimonial and family unit)

The traditional family farm does not provide an adequate framework in economical terms (income) and in social terms (social protection) of family members

Multi-activity is an element of reinforcement and economical sustainability of the farmer's family

**3. In general**, it is necessary:

→ To clarify, to integrate and to make compatible main definitions (farm, farmer, farmer family, economic viability,...).

→ To establish farm typology (agricultural enterprises and other forms of farms)

→ To incorporate in EU regulations the main definitions and farms' typology

→ To define the labour and social protection regimes for farmers' family members

→ To promote studies and research projects concerning the impacts on the EU farms, farmers and farmer's family.

### 3.3 Land, the land market and economies of scale

Land abandonment arises for many reasons, a number of which are not closely tied to land problems, e.g. lack of marketing channels, drainage and irrigation systems that no longer function, etc. However, problems in the land sector can be a major factor in the abandonment of land and the revitalization of farming and land use will require some reforms to the land sector. The reasons for abandonment are complex, and rural conditions are heterogeneous: owners can leave their land idle for many reasons, for example;

- Land in peri-urban areas or with high tourism potential is not farmed because the owners anticipate that they can sell their land at higher values (i.e. land speculation).
- Older people are no longer able to farm actively, or to hire labour, or their children are not interested in taking over the farm.
- Family inheritance disputes and the absence of heirs halt farming operations.
- Owners will prefer to keep their land idle if they fear that leasing regulations will give the tenants a potential claim to ownership.
- High transaction costs for sales including transfer taxes and the lack of land market information make it difficult for owners to find buyers even if they want to sell.
- Land abandonment may have a 'forced nature' when owners / users are obliged to stop using the land because of increasing restrictions from urban, natural, recreational pressure e.g. flooding areas and infrastructure works.

The nature of land abandonment will vary to some extent in the four sorts of territories being considered. The presence or absence of a particular cause of abandonment may vary to some extent in the different territories. For example, land speculation is encountered more often in the case of peri-urban agriculture than in the case of remote areas with low agricultural potential. The characteristics of the cases should affect the recommended policy solutions. For example, enhanced land markets could be expected to help improve the land structure in areas that are typically or predominantly agricultural, but the role of the land market may be more controlled in areas that are environmentally sensitive. In cases of 'forced' abandonment revitalization is not taking place on the land that has been abandoned. Instead the revitalization can be seen in the sense of keeping displaced farmers active (socially, economically and environmentally) in rural communities by assisting them to find alternative land to farm, and preventing their migration to urban areas.

#### Issues for reflection

The discussion on the four sorts of territories can be structured around questions such as:

1. When owners are not using their land, what could be done to promote the transfer of the use of the land to active farmers?

This requires identifying what incentives (or sanctions) could be used encourage owners to transfer their land to others; and what incentives can be offered to active farmers to acquire and use such idle land. For example:

- Clarification of ownership and other land rights (if national land registration and cadastre programmes will take 20 years or more to update land records, what interim strategies could be used?)
  - Land consolidation projects (what models (large-scale, small-scale; compulsory, voluntary, etc) could be suitable for different conditions? If large scale projects would take decades to cover the country, what interim strategies could be used? What other rural development activities can be bundled with reparceling?)
  - Land banking (how to facilitate consolidation if there is a requirement for state land reserves to be sold through public auction, i.e. if a parcel of land can be bought by someone other than a neighbouring farmer?)
  - Sales markets (what obstacles to transactions can be removed, e.g. by improving land market information on ownership of land, prices of land, etc).
  - Lease markets (what is needed to have an equitable leasing contract that balances the rights of the owner and renter)
  - Pre-emptive rights (what mechanisms can be used to help neighbouring farmers to acquire land if the owner wants to sell?)
  - Transfer tax exemptions for transactions that improve the farm structure (e.g. if a farmer buys a neighbouring parcel in order to expand the farming operation).
  - Property taxes on unused agricultural land (can a rural property taxation system be implemented in a way that encourages an owner to sell land rather than keeping it idle, i.e. because of the increased tax burden).
  - Minimum parcel size for agriculture – is it practical to have a minimum parcel size dictated by law? What could be done to prevent heirs from fragmenting parcels below a legal minimum?
2. **When owners are not using their land, what could be done to encourage them to use it?**
    - Common production systems for agriculture (can owners of small parcels form a joint stock company, i.e. with the owners holding shares into the company).
  3. **When the owners of abandoned land cannot be traced, what can the state do to revitalise the land?**
    - How can the state acquire the land in a quick but fair way? (e.g. is there an existing mechanism for the state to acquire ownership of such properties through reversion of the property to the state, or through expropriation, etc.)
    - How should the state dispose of land that has been acquired? (who should be eligible to purchase the land, what processes such as auctions, etc, could be used?)
  4. **How to give assistance to owners/users experiencing a forced abandonment (= displacement) as a result of expropriation, etc?**

- How can farmers acquire alternative land to farm? (e.g. land banking, land consolidation approaches, land markets, etc)
- What incentives can be provided? (e.g. sufficient compensation, transfer tax exemptions)

### Discussion

Land abandonment arises for many reasons, a number of which are not closely tied to land problems, e.g. lack of marketing channels, drainage and irrigation systems that no longer function, etc. Usually it tends to be a combination. However, problems in the land sector can be a major factor in the abandonment of land and the revitalization of farming and land use will require some reforms to the land sector. In practice, when agricultural land is no longer farmed means two things: the previous farmer has stopped its activities on that land and no other farmer has continued with them. The reasons behind are manifold and discussed above.

The conditions and dynamics of rural areas and, specially, of the agriculture sector vary considerably through European regions but, even so, land abandonment is identified as a reality in many of them and, more often, it has some of its causes linked to the land sector (tenure conditions, land use dynamics, land structure, etc.). It is interesting to see how the land related problems appear both in marginal areas and in over pressured areas, of course with different intensities and characteristics.

The workshop did not come to a complete list of factors or to structure them very precisely, but, anyway the variety should be highlighted given that it is necessary to do the correct diagnosis when dealing with land abandonment. Sometimes, small issues are important drawbacks that completely hamper the performance of the whole system. Generally applicable, this rule fits specially to the question of land related causes for land abandonment, when many factors are involved, and closely interrelated.

Even so, four levels were commonly identified with different importance depending on the characteristics of the area and/or the region:

- At land **tenure level**: as for instance co-ownership or unknown ownership. These situations, and others related, increase the probability of more negotiation costs, and difficulties related to land mobility in general and of rural land markets in particular
- At land **structure level**: in all areas, especially remote and agricultural areas, size, shape and access to parcels hamper farming operations, summarized as parcel fragmentation
- At land **use level**: mainly in peri-urban areas, but not exclusively, high land prices are caused by land use competition, retention of land (for speculation or other reasons, as lack of confidence of land




owners on transaction agreements, maintenance of land as reserve of wealth/asset, etc.) as well as limitations and conditions for farming operations due to restrictions.

- At land **information level**: in all areas, but especially in remote areas, reliability of the Land Book and Cadastre, lack of market information and gaps between offer and demand are important drawbacks.


As the levels are manifold, the proposals and solutions presented are also rich and, having an integrated view, comprehensive. At the same time, as problems are complex and respond to different variables on its origin, the implementation approach must identify concrete and small actions, the “baby steps”, that is key **small** steps that have **crucial** impact.

Taking into account all those issues a complete set of **recommendations** was defined:

 1. Solve co-ownership and unknown ownership situations

In economic terms both situations lead, in practice, to the increase of information and negotiation costs. Although co-ownership may not be negative in essence it complicates land management as long as the decisions have to be taken under agreement of many holders. When the land has no known owner, the problem is the opposite: no one takes the decision so land remains, in principle, with no management. There are several policy options for coping with this issue. Two realms are clearly identified: (i) legal and (ii) financial measures. The first possibility focuses on reducing the source of co-ownership by controlling of inheritance processes, giving the co-owners preemptory rights or establishing a minimum parcel size under which it can not be subdivided. The second one, possibly to be used complementarily, looks for giving economic incentives for co-owners acquiring each others' shares of the parcel, financing the acquisition through specific subsidies or compensation of transaction costs (for instance with the exemption of taxes and fees).

The approach when dealing with unknown ownership strongly depends on social acceptance of government intervention. It needs a clear legal basis that, while guaranteeing the rights of potential owners, makes it possible to manage the parcels involved, at least in the short and medium term. A public entity may be attributed the right of leasing out abandoned land for a given period. In that case, the clear definition of what is understood by unknown ownership and the procedures to declare such situation, are needed. Going beyond, if after a sufficient period of time the property remains with no known owner, legal provisions can be provided for the attribution of the ownership to the public authority.

 2. Improve land tenure structure: adapt your instruments to stakeholders needs and make it “social”

Probably, issues related to the land structure are the more clearly recognized as drawback for development of farming operations and, in that sense, seen as one of the most important triggers for land abandonment. Land fragmentation, linked to small and

scattered parcels, irregular shapes, narrow roads, and so on, widely pushes land abandonment.

There are several instruments that cope with this situation: land consolidation, more or less integrated, land banking, etc. In general, a wide range of measures is quite well established in different regions across Europe. But, complex dynamics of rural areas need special attention when defining the implementation approach.

The legal framework, although very important, does not guarantee itself the success of the instrument. More and more, integrated and territorial (adapted) approaches are demanded. Integrated solutions need bottom-up strategies, where feasibility studies and a comprehensive identification of stakeholders are crucial part of such projects. Public participation during the planning and execution phase leads to the fine tuning of the solutions which is needed to come to sustainable solutions. Apart from that, it is also recognized that the instruments must be adaptive and modular in order to fit to each situation: from the more complex-big scale to the more simple. It is not strictly necessary to design a complex tool box to approach projects of land re-organization. A clear message expressed was: 'don't wait to have the perfect instrument before starting projects to improve the land structure!'

### 3. Improve Integrated Territorial Planning by making it farmer friendly

As land use conflicts are also causes of land abandonment. From an agricultural point of view, land abandonment appears also in zones with very high land use pressure. Traditionally, the focus was to protect agricultural land from a physical perspective (for instance, by land use zoning). Nevertheless, during the last decades agriculture has evolved from a quite homogeneous type of farmers and farm structures to a wide range of possibilities: big scale highly industrialized units, hobby farms, family farms, part or full time farms, etc. That means different objectives and strategies when using agricultural land and therefore land use dynamics.

Integrated spatial planning is important to prevent land abandonment, not only to prevent land "consumption". It has to take into account physical, and social and economic factors. Again, stakeholders must be identified and taken into account through bringing all together. Specially, the diversity of farms and farmers need to be analyzed. Different farmers will lead to different scenarios of land use. In some cases actions can be applied to discriminate concrete kind of actors; for instance, between professional and hobby farms, specific registers can be set up in order to apply adapted policies, as well as tax incentives (positive or negative).

In cases of speculation, strategies oriented to promote temporal transactions may yield better results, for instance through the establishment of land banks with incentives for land owners. Control of market prices, although with difficult implementation from a political point of view, may be effective in concrete areas as agricultural reserves. This can be combined with participation of the private sector either with direct investment in land funds or with the establishment as condition of compensation measures when agricultural land is consumed.

### 4. Make land information records reflect reality

Nor public neither private land management is effective without a minimum of accuracy and availability of land information. Information about tenure, use, value of land, etc. is essential for the decision process. This is an important reason why, while dealing with land abandonment, the maintenance of registers as the Land Book or the Cadastre is so important. The first step is to ensure an information flow and cooperation among institutions responsible for collecting and holding related data. Nowadays it is more a matter of coordination and networking than of technology, which already provides powerful and relatively cheap solutions.

Another point of relevance is making all land owners and land users co-responsible of updating the data bases. Both positive and negative incentives can be implemented like reduction costs of rights inscription

As "land related causes" for agricultural abandonment are multidimensional, the possible actions for fighting against it appear diverse and rich. It is important to realize that agricultural land abandonment follows many patterns because the more precise the diagnosis the more accurate the approach. As small aspects may produce clear dysfunctions in land use dynamics, sound "baby steps" can be identified to upgrade public and private intervention to drive those dynamics.

	Agricultural areas with good potential	Environmentally sensitive areas	Remote areas with low agricultural potential	Peri-urban agricultural areas	All
Physical issues	Land degradation Mines	Land degradation Climate conditions and climate change Flooding Water situation Topography	Climate conditions Topography		Natural hazards Quality of soils
Socio-economic factors	Tenure structure Fragmentation of ownership Privatization		Land fragmentation (physical) Co-ownership Unknown ownership	Urban activities High land prices Urban sprawl Pressure urban and commercial uses	Land fragmentation (physical) (3) Co-ownership (3) Unknown ownership (2) Heritage models Transaction taxes Lack of local infrastructure (2)

Institutional framework	Environmental protection objectives: restrictions Lack of spatial planning		Lack of land registers (land book, cadastre...)	Lack of spatial planning	Lack of land registers (land book, cadastre...) (3) Bureaucracy Lack of knowledge and willingness for common activities No control of owners management (lack of penalties) No land policy Unsuitability of EU policies
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### 3.4. Diversification and economy of scope

Agriculture remains essential to rural communities, to rural economy and to environment. However, the position of agriculture within the overall economy is changing. A possible and rational response to these developing economic circumstances is for farmers to seek to enhance their household income from sources other than conventional farming production. The current orientation in European agricultural policy is committed on the one hand to corporate driven intensive agriculture that can compete on global markets while on the other hand acknowledging the role of 'traditional' agriculture in maintaining the considerable environmental and aesthetic assets of the European countryside, along with its social cohesion.

There are currently a number of ways in which policy encourages diversification. CAP reform re-opened the promotion of farm diversification as a significant feature of rural policy. The Rural Development Programme aims to improve the quality of life in rural areas by supporting a wide range of projects including farm diversification. Policy makers are encouraging farmers to get involved in farm multi-functionality in order to supplement their income. Economic forces are not the only factors impacting on farmers' land use decisions. Such diversification could involve the development of niche markets for high value food products, agri-tourism, biodiversity conservation, the provision of environmental services and countryside management. History, family tradition and lifestyle choices are all essential in keeping marginal upland farmers farming. Diversification can provide means to carry on farming tradition. While the focus of diversifying may be on increasing income and securing a future it can provide the means of subsidising and continuing the traditional activities that are valued and enjoyed.

Revitalisation of rural areas will not be achieved simply by securing grant funding. This funding must lead to a measurable improvement in the capacity of rural entrepreneurs to provide goods and services in return for this money. Policy innovations should stimulate market mechanisms to develop small farmers' organization for the purpose of overcoming the economies of scale problem and improving their access to markets and information. Training on small-scale agricultural business development can also enable smallholder farmers and landless poor people to adjust. With appropriate policies, some of these investments may come from the private sector, while investment related to the establishment of producers' organization to improve their ability in analyzing diversification opportunities and meeting the research needs related to these opportunities should come from the public-private sector collaboration.

Increasing pressure on the physical environment are necessitating that agricultural producers tune their production systems such that they are making the most efficient use of the resources available not only in economic terms, but also with regards to social and environmental resource use.

Diversification does not prejudice nor should subordinate the basic activity in the farm, on the contrary, it can promote the improvement and better qualification of this activity, either within the scope of products' quality and certification and modes of production, or within the broader frame of certification of the farm itself.

Future sustainability, viability and, therefore, survival of farms is surely associated to diversification in activities and to products' qualification schemes. Therefore, it is urgent to find the appropriate answers and define the correspondent policy instruments, in order to boost farms' activity. The establishment of a clear definition of the role of government and a sound policy framework are critical for diversification and broader rural development. This relates to a wide range of policy issues and is closely associated with other generic activity areas, such as research and extension and encouraging private sector investment.

### Issues for reflection

Instruments available and utilised by Member States to address land abandonment issues in the rural development policy framework, were a clear focus. The question was addressed on how agricultural activities can be strengthened and developed with a particular emphasis on identifying ways in which farmers can 'diversify' their activities in order to obtain additional or alternative sources of income, guarantee social wellbeing of rural communities and maintain environmental assets of rural areas. Discussion concentrated on three main questions:

- What instruments are used to diversify life in the rural areas and how effective are current RDP measures in addressing land abandonment?
- What other opportunities are available to tackle land abandonment of farmland?
- How could diversification tools be more efficiently connected to other policies in order to serve better integration of territorial strategies?

### Diverging by brainstorming

Brainstorming about ideas generated the following subtopics, some of them might be overlapping:

#### Policy

- A new EU policy domain needed: integrated, territorial, bottom-up and differentiated
- Policies should be more flexible, less bureaucratic and have a tailor-made approach
- The Rural Development Programme alone cannot solve land abandonment
- Define new and improve current indicators for sustainable rural development

#### Social capital

- A minimum social infrastructure, -social capital, is needed, in order to make other activities viable
- The whole society and community is responsible for rural wellbeing; common shared responsibility should be stimulated and empowered. Urban people don't recognise the consequences of living in the countryside
- Revitalise rural services (branding of regional identity; schools...). Farming is not only an issues of rural areas, sometimes agriculture is not needed to maintain rural life

- More young, motivated farmers needed

#### Communication building

- More network cooperation and cooperation between networks are needed
- Link networks with EU commission!
- Improve communication, encourage bottom-up approach, gatherings, chat rooms, improve also information given by government. More investments in searching and filling of gaps in communication between government and farmers
- Promotion of good results of CAP and Rural Development Programme, explaining that it is not waste of taxpayers' money
- Lack of awareness at several levels, farmers don't recognise the broader values of farming
- Change farmers' current mentality and poor image, image-building of the 'multifunctional farmer', encourage them to be more flexible; a farmer is an 'entrepreneur', stimulate creativity and innovation
- Farmers, who wish to diversify or innovate, need advice, legal support and funding.
- Focus on positive motivations for diversification
- Different sectors and dimensions integrate in different ways; more collaboration and common approach is needed

#### Funding

- Leader, Interreg and other ERDF programmes should be innovative and investing in the total rural economy (not only focus on agriculture); payment to groups of farmers; bonus for farmer cooperation;
- Lack of funds is a problem, there are enough measures/tools, but not enough funds for all measures/tools

#### Territorial approach

- Invest in territorial identity and better branding of multifunctional farming
- Integrated, participatory territorial planning is needed
- Acknowledge differences between areas, each region has to define its profile
- How to organise the territorial approach at local level: develop new methodologies

#### Research and piloting

- Confusion exists about definition of diversification; So: invest in common definitions, create common ground
- Collect and write down good examples, find out why they are successful
- Invest more in typology to acknowledge differences between areas
- Transform results from research results to real life, e.g. via pilot studies
- Develop pilot studies in pilot areas: combine different policies, integrated actions and research

- Lack of knowledge and data, what is going on exactly? Better monitoring, comparable statistics needed. Find out what farmers do and why, motivation, income, lifestyle, ...

#### Other brainstorm results

- Agrarian parks in metropolitan areas; connect urban/rural chain; metropolitan (food) strategies, bring the food to the city
- New-comers may be more confident, but have difficult access to land
- Public demand for broader landscape functions should be developed
- Focus on local resources, farmers need to identify and use them
- Target women to improve and implement new ideas, new activities as they are more open for new ideas and initiatives

#### **Converging by priority setting**

Out of the rich harvest of ideas the following main 3 themes (set of problem / solution / recommendation) were selected;

#### Recommendation 1:

Develop a common conceptual framework for revitalisation via diversification. Ministries of Agriculture should be main initiators to collect information / knowledge about: (i) common definitions, (ii) instruments available and (iii) good practices. This should be done with active involvement of National Rural Networks, who should be given a clear additional task of addressing land abandonment a.o. by formulation of practical handbooks and by holding trainings.

In more detail this involves:

- To avoid confusion, there is a need for clear common definitions of the used terminology.
- One of the problems is lack of initiative and awareness among farmers; they feel sometimes 'lost'.
- Part of the solution is improving the existing rural development network; give them an additional task for land revitalisation.
- Create a multi-level platform on national / regional / local level to exchange and communicate: bottom up and top down, about multifunctional issues. Ministries of Agriculture should initiate/organise these platforms
- Education for all levels (Ministerial, Institutes, Extension Agencies, regional/local organisations, Farmer organisations) to speak the same 'language'
- Task for Universities, governmental organisations, NGO's to create training / courses
- Demonstrate and disseminate good practices; learning by doing; organise pilot projects
- More flexible, tailor-made approaches are needed. Not everywhere the same approach, create specific instruments
- Develop a specific guideline about the communication process and process management for integrated territorial planning; incorporate land abandonment in it.

- Define a clear typology of territories.

Recommendation 2:

Develop per country a multi-level communication strategy on rural development and diversification at national level, to be initiated / coordinated by the Ministry of Agriculture. Such strategy should include a description of the current information flow, identified gaps in information flow, tasks and actions of different actors as well as the role of actors etc and it should establish a communication platform.

In more detail this involves:

- A strategy should express the problem, objectives, recommendations, role and the task of the actors. The first initiative should be taken by Ministry of Agriculture, who finds / appoints a coordinator.
- Setting up a platform desirable to integrate vertical and horizontal communication
- Identification of gaps in communication and solutions to solve this
- Optimization between 'overkill' of info and lack of info
- Defining the possible actors such as farmers' unions, NGO's, farmer associations, Leader groups and the Rural network
- Instruments to be identified case by case, both inside and outside the RDP

**Recommendation 3:**

Develop territorial integrated plans with "space" for innovations, among others by simplifying bureaucracy, networking and education of farmers as well as to incorporate innovations from all policy domains. Look for financing instruments for these territorial plans through creation of a 'bonus system' to reward regions and by creating "Territorial Funds" , e.g. by using ERDF Funds.

In more detail this involves:

- Developing the conditions for new innovation, and implement current innovations and to incorporate all kind of innovations into the territorial plan.
- Development of territorial plans (including all domains, integrate different policy domains, including marketing / branding), above-local and below-regional level (depending on problems at stake)
- Promoting incentives from EU- / national / regional level by for example bonuses (financial) for developing of integrated, territorial plans or creating a territorial, integrated fund (co-financed by cohesion-, structural funds, CAP)
- Assigning responsibility to regions to implement it (stakeholder responsibility). Regions are not obliged to do this, but they will be rewarded, if they do. Funding could be local and through new EU-funds. The EC is advised to create such new 'bonus systems'.

**Conclusions**

Group focussed on the main question which was: How to revitalize farming by using different policy instruments for diversification? Participants were discussing which

instruments are currently used and how effective they are and what could be done to make things more operational on national and EU level.

Farm diversification is often defined as situation when a farm branches out from traditional farming by adding new profit making activities such as tourism. But is an additional income the only driver for diversification? What about supplementary income or need to create employment to keep or attract younger family members to stay in rural areas? Same goes for defining policy instruments – are we talking about financial instruments such as Rural Development Programmes or do we also involve regulatory/legal instruments such as food and hygiene standards for example to start processing on-farm locally labelled products? What about instruments such as information and advice?

All those things and much more led the group to recommend that there should be a common ground defined which brings together different information regarding definitions, instruments and good examples of transforming that information into practice. This should be initiated by the ministry of agricultures as they are managing one of the best existing instruments in the RDP – rural networks for RDP.

Group also agreed that even if we have good information and instruments we need to take this information to those people who need it the most. That should be done in more strategic way by connecting different level of actors who need to cooperate and communicate. So, defining nationally a multi-level communication strategy could be one of the keys for success! This strategy should include description of current information flows and gaps in it, identifying tasks and roles of different actors in trying to fill the gaps. This activity again should be initiated by the MoA but definitely in cooperation with other sectors in finding coordinators at each level defined.

Group also discussed diversifying farming by using innovations and encouraging innovations in territorial integrated plans. We should look for options to promote and improve the use of current innovations but also facilitate creation of new innovations – that could be done by simplifying bureaucracy, networking (e.g. research networks) and more network cooperation – they are source for good ideas! Networking should also include EC level institutions!

It's also very important to train and educate the main exploiters of innovations – farmers. It was suggested by the group that innovations should be incorporated from all policy domains. Creation of territorial plans which have space for innovations should be supported either by incentives via “bonus system” or by creating new financial instrument such as “Territorial Fund” which could be integration of different existing funds such as ERDF and EU Structural Funds.

## 4. Towards integrated territorial approaches?

### 4.1 Introduction

The Oeiras workshop delivered a rich harvest of 'ingredients' to deal in a more structured way with the problem of land abandonment.

Three major issues have been identified and elaborated in recommendations in Chapter 3;

- The legal and institutional framework related to farms and farming
- Land, land markets and the economy of scale
- Diversification and the economy of scope

The crucial question is:

What steps can countries / regions make to come up with a more comprehensive and systematic approach to revitalise farming and rural areas? The main aim is to develop a framework for integrated territorial strategies for different circumstances to aid regional, and national governments as well as the EU in their approaches. How does such a framework look like?

The following main questions are of crucial importance:

- What should be done at which level: EU, National, Regional and Local?
- How can these different levels be developed in a way that they form a coherent set of activities that reinforce each other?
- Do countries need a „land abandonment" or „land revitalisation" strategy?

In Oeiras not all these questions could be answered. It was therefore decided to present the outcome and to discuss above mentioned questions in the LANDNET during the 'International Workshop on Land Consolidation and land banking' from 6-9 June 2011 in Budapest'. A separate section was held on the 8<sup>th</sup> of June 2011.<sup>3</sup> The discussion is reflected in section 4.2.

Based on the outcome of both workshops, an overall framework is proposed in section 4.3.

### 4.2 What should be done at which level?

The aim of the Budapest workshop was to identify main actions and to list them according to the administrative level. Some of the activities clearly need to be elaborated in an area specific territorial approach (for example: making a diversification strategy in environmentally sensitive area) while others are preconditions to be arranged at national scale (for example: favourable tax arrangements to encourage swapping of land to improve land use structures). Part of the solution lies even at European scale, for example: stimulating / financing of territorial approaches and additional measures compared to the present set of rural development measures.

<sup>3</sup> See <http://www.fao.org/europe/meetings-and-events/lclb2011/en/> for more information.

## EU Level

It is generally concluded that the European Commission has an important role in coming to adequate answers to land abandonment. In many countries that face land abandonment, a large share of the national budget for rural development is co-financed by European programmes. Three main role can be distinguished:

### Assessing land abandonment

Since 2007, the European Commission via JRC-IES is highly involved in the assessment of Farmland Abandonment at EU level. The risk of Farmland Abandonment is one of the 28 indicators identified by the European Commission for monitoring the integration of environmental concerns into the CAP, assessing the agri-environmental trends and the impact of policy decisions on the environment [COM(2006)508]. The JRC is supporting DG Agriculture in the development of the indicator (report EUR 23411EN, notes...) and has identified, with experts' support, the most relevant and recurrent driving factors behind the risk of land abandonment. The preliminary overview of drivers developed by JRC-IES is included in Annex III.

The development of the indicator is now at the stage of analysing the potential of available data to compile each sub-indicator in order to make a first map of the risk of land abandonment.

In addition to this ongoing work the European Commission is advised:

- to define and promote a common definition for land abandonment
- to define and promote a standard farm typology that recognises the role of different farm types in relation to farm land abandonment

### Setting policies and pre-conditions to address land abandonment

The European Commission is suggested to consider the following actions:

- to draft a policy paper on land abandonment as a basis for specific measures in different financing programmes
- to emphasize in bilateral contacts with national policy makers the importance of addressing land abandonment via integrated territorial approaches
- to request member states to include a chapter on land abandonment in their national rural development programmes
- to formulate recommendations for member states to incorporate territorial strategies in their land related policies

### Facilitating the implementation

European programmes in general do not sufficiently stimulate the implementation of integrated approaches. Measures financed under the Rural Development Programme usually are part of a national strategy but are implemented as isolated measures. The challenge is to integrate and tailor the measures and local and regional level. To achieve this, implementation packages are needed containing mutually supportive measures. The experiences in the LEADER way of working could be used to mainstream further the integration of operational programmes in the different EU programmes. An important overall action therefore is;

- to strengthen the approach of integrated territorial approaches in the Rural Development Programme 2014-2020 and to leave more room / flexibility for tailoring the measures at local and regional level

In addition to this some more specific suggestions were defined:

- to increase the variety of measures to deal with land abandonment such as setting up of land banks, procedures to solve land ownership disputes etc.
- to adapt the system of direct payments to land users instead of land owners (to be validated!)
- to promote land abandonment as an issue in other EU financed programmes such as for example the Regional Development Programme

### National Level

National governments have a crucial role in analysing land abandonment and formulating appropriate policies and implementation measures. They are responsible for creating a proper legal framework and for programming and organising the implementation. In many countries, sector approaches prevail and interdisciplinary cooperation needed for a coherent strategy, is limited. Even sometimes there are tensions between 'hard core' approaches of agricultural rationalisation and the more broader rural development approach. The intention of the Budapest workshop was to discuss major barriers to come to territorial approaches and to come up with ideas how policy making and implementation can be harmonised better between sectors (agriculture, agri-environment, rural development, small and medium enterprises, taxation etc.). Territorial approaches need both a proper content of the policies and the process of harmonising the implementation between sectors and divisions. The question discussed was whether a specific Land Abandonment Strategy could help in achieving this. And if yes, what would be the main structure of such strategy? What is the right cooperation form to come to such a strategy?

### Assessing land abandonment

National governments are advised to:

- define land abandonment
- define farm types
- assess the magnitude and main drivers, recognising the differences between different parts of the countries
- analyse the impact and determine whether there is a need to revitalise farming in areas with abandoned land
- set up data bases and define gaps in data collection

### Setting policies and pre-conditions to address land abandonment

Addressing land abandonment via territorial approaches needs a well developed strategic framework. It can be concluded that a separate land abandonment strategy is not recommended. Instead it is suggested to incorporate in the National Rural Development Programmes a separate section about land abandonment and follow the usual steps of setting a mission / vision, goals, time horizon, results, measures, stakeholders involved and finance. As in all strategies but particular in this relative new

field it is important to organise a repetitive process of planning, implementing, evaluating and reformulating.

In conclusion and in addition the National level should:

- incorporate a land abandonment chapter in the National Rural Development Programme and set priorities in dealing with the issue
- create the proper legal basis for implementation at regional and local level
- promote and raise awareness for the importance of addressing land abandonment incl. the importance of the role of farmers in this
- organise inter ministerial and inter departmental team work while analysing, planning and programming
- organise pilot sessions to test approaches in the field

#### Facilitating the implementation

In particular, the implementation of policies requires proper inter disciplinary team work.

Recognising this as a weak point, the national government should:

- start training programmes for high level policy making staff
- promote a 'cooperation culture' at political level
- promote internship programmes for technicians to work for a while in another department / organisation / Ministry
- develop guidelines or frameworks for inter disciplinary team work

In addition to these measures to smoothen the territorial approach, the national level should:

- direct and supervise the implementation at regional / local level
- provide general training and exchange of knowledge via documenting and promoting good practice

#### **Regional and local level**

Although the regional and local level have a crucial role in planning and implementation of integrated territorial approaches main emphasis in this report is put on EU level and National level since these levels have to set the pre-conditions for the regional and local level to plan and operate. In the current stage in many countries the latter has main priority.

Main roles involved are:

- bring in knowledge of the regional and local situation while planning and programming at the national level
- organising the stakeholder process, including various institutions, inhabitants, farmers, private companies etc
- building a firm local organisation
- developing their territorial strategies with mutually supportive packages dealing with farms and farmers, local land markets and diversification
- promoting activities to implement, help applicants to develop their plans, to get to the right financing source
- initiating mechanisms to monitor, evaluate and learn

#### 4.3 Framework for analysis and planning

The following framework is a first draft and open for further discussion.

What do we mean with a territorial approach?

Graph + short description

It is further based on the conclusion that coming towards integrated territorial approaches is based on the following main roles:

- The EC is promoting and setting the pre-conditions for co-financing properly the integrated territorial approaches of member states.
- National Governments of members states...

See separate file....

## Annexes

## **Annex I – Structure and programme of the workshop**

### **Structure of the workshop**

The workshop consisted of 5 blocks, each of half a day:

**Block 1:** an introductory session ‘setting the stage’: scope, definition, earlier work done, driving forces, effects, territorial typologies and future scenarios.

**Blocks 2 and 3:** three working groups discussed issues at stake, policies and measures within different focus:

#### **Working Group 1 - Farming / legal and institutional framework**

Topics include: agriculture, market, environment and landscape; farms, farming and land use; Farmers, Family farm members, integrity and continuity of family farms; scale and economic viability, resources and flexibility; Public aids and incentives.

#### **Working Group 2 - Land, land market / economy of scale**

Topics include: land banking, common management systems for agriculture, agricultural associations of land, land market information, lease arrangements, land consolidation, pre-emptive rights / preference rights, tax systems <> Cadastre, land registration / security of ownership rights, minimum parcel size, land use constraints, tax exemption related to property transactions.

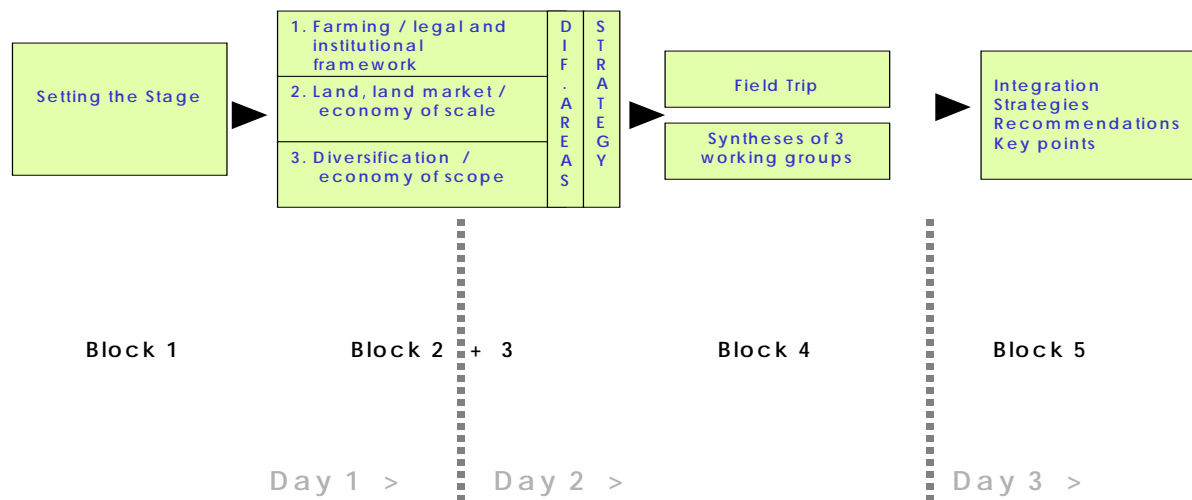
#### **Working Group 3 - Diversification / economy of scope**

Topics include: rural development policy tools (e.g. development of new products and technologies, agri-environment measures, compensatory payments, diversification of rural economy, Leader), provision of public goods and rural services, cooperative / community marketing, certification and branding (e.g. organic farming / traditional products / High Nature Value Farming).

**Block 4:** Inspiration from the field visit to Coruche. Simultaneously, synthesis of the outcome of the three working groups by the key-experts and facilitators.

**Block 5:** Integrating the outcome of the different groups, formulating key elements and identifying further process.

## Structure of Workshop



The workshop was moderated by Vincent Tiel Groenestege (DLG – Netherlands) and by Alexandra Lopes (DGADR - Portugal). Besides, a key-expert and a facilitator were responsible for the process within each one of the working groups.

Farming / legal and institutional framework - Key expert: Manuel Rosa (DGADR - Portugal); Facilitator: Margarida Ambar (DGADR, Portugal).

Land, land market / economy of scale - Key expert: David Palmer (FAO – Rome); Facilitator: Francisco Onega (University of Santiago de Compostela, Galicia - Spain).

Diversification / economy of scope - Key expert: Pille Koorberg (Agricultural Research Centre, Estonia); Facilitator: Henk Moen (DLG – Netherlands).

### Programme of the workshop

#### Wednesday, 16<sup>th</sup> September 2009

**9:30 to 10:00** – Participants' registration

**10:00** - Official opening by the General Director of DGADR, José Estêvão

**10:10** – Plenary session: Frank van Holst introduced the FARLAND Network and José Lima Santos (University of Agronomy, Portugal), Eduardo Corbelle (University of Santiago de Compostela, Galiza), Richard Eberlin (FAO, United Nations), Teresa Pinto Correia (University of Évora, Portugal) and Hayo Haanstra (Ministry of Agriculture, Nature and Food Quality, the Netherlands) were the speakers who "set the stage" for further discussions; coffee-break from 10:50 to 11:20

**13:30** – Lunch break

**14:30 to 18:00** - Working Groups sessions, with a coffee-break from 15:30 to 16:00

**Thursday, 17<sup>th</sup> September 2009**

**09:00 to 12:00** - Working Groups sessions, with a coffee-break from 10:20 to 10:50

**12:00** –Departure to a field trip to Coruche, showing real cases of instruments to revitalise farms in areas with significant ownership fragmentation, such as land consolidation in agricultural land and area's joint management in forest, also certification of forestal products. Lunch was served at 13:30 in Companhia das Lezírias.

**20:00** – Arrival in Estoril

**Friday – 18<sup>th</sup> September 2009**

**09:30 to 12:30** - Conclusions from Working Groups' sessions and recommendations were presented, as well as inputs for policy and research agendas. Joachim Thomas (Min. Environment and Conservation, Agriculture and Consumer Protection from NRW, Germany) presented his reflections on the workshop and the official closure of the workshop was made by the Sub-Director of DGADR, Joaquim Carvalho. Meanwhile, a coffee-break was served from 11:00 to 11:30

**12:30** – Farewell lunch

## Annex II - List of Participants

All participants were personally invited and they covered a broad range of expertise needed to deal with the issues at stake. The invitees represented ministries, public agencies dealing with implementation, organisations representing different interest groups, private sector and representatives of the scientific world. Besides FAO being co-organizer of the workshop, a few international umbrella organisations were present like EC bodies and **OECD (?)**.

In total, we had 82 participants (refer to Annex I) from 16 countries / regions, plus EC and UN.

NAME	COUNTRY/REGION	ORGANIZATION
Alexandra Lopes	Portugal	DGADR
Anabela Teixeira	Portugal	National Forestal Authority (AFN)
Ana Budanko	Croatia	Ministry of Agric., Fisheries and Rural Development
Ana Entrudo	Portugal	DGADR
Anders Johannesson	Sweden	Federation of Swedish Farmers (LRF)
Antonella Zona	EC	DG AGRI
António Perdigão	Portugal	DGADR
Balazs Szeder	UN	FAO
Carl-Fredrik Loof	Sweden	Ministry of Agriculture, Food and Fisheries
Celeste Silva	Portugal	Portuguese Geographical Institute (IGP)
Christophe van der Voort	Flanders	Dep. Spatial Planning
Cristina Santos	Portugal	National Forestal Authority (AFN)
Cristina Zolle Fernández	Galicia	Min. Rural Affairs
Custódia Correia	Portugal	DGADR
David Palmer	UN	FAO
Eduardas Raugalas	Lithuania	State Secretary Min. Agriculture
Eduardo Corbelle	Galicia	Univ. of Santiago de Compostela (USC)
Eike Lepmets	Estonia	Min Agriculture
Els Abts	Flanders	VLM
Elsa Coimbra	Portugal	CIES, ISCTE

Emeric Anguiano	EC	JRC, Inst. for Environment and Sustainability
Eszter Vincze	UN	FAO
Evelin Jurgenson	Estonia	Estonian Land Board
Fátima Bruno	Portugal	DGADR
Fátima Caetano	Portugal	DGADR
Fernando Costa	Portugal	DGADR
Filipe Barroso	Portugal	Univ. Évora
Frank van Holst	Netherlands	DLG
Francisco Cordovil	Portugal	Deputy State Secretary of Territorial Planning
Francisco Onega Lopez	Galicia	Univ. of Santiago de Compostela (USC)
Geert Rogiers	Flanders	VLM
Griet Celen	Flanders	VLM
Hajnalka Petrics	UN	FAO
Hayo Haanstra	Netherlands	Ministry of Agriculture, Nature and Food Quality
Helena Menezes	Portugal	Univ. Évora
Helena Ramos	Portugal	Financing Institute for Agric. and Fisheries (IFAP)
Henk Moen	Netherlands	DLG
Iiri Selge	Estonia	Agricultural Research Centre
Ildefonso G. González-Llanos	Asturias	Com. Reg. del Banco de Tierras Asturias
Isabel Joaquina Ramos	Portugal	Univ. Évora
Isabel Loupa Ramos	Portugal	IST, CESUR
Joachim Thomas	NRW	Min. Env. and Cons., Agric. And Consumer Protection
Joaquim Rolo	Portugal	INIAP
Johan Verstryngne	Flanders	Min. Agric., Sustainable Agriculture Development Div.
José Lima Santos	Portugal	Univ. of Agronomy (ISA)
José Simões	Portugal	DGADR
Kiril Georgievski	Macedonia	Min. Agriculture
Kiril Stoyanov	Bulgaria	Min Agriculture
Maarten Sper	Flanders	VLM
Maggie Lodts	Flanders	VLM
Manuel Rosa	Portugal	DGADR

Manuela Bule	Portugal	DGADR
Manuela Jóia	Portugal	DGADR
Manuela Tavares	Portugal	DGADR
Margarida Ambar	Portugal	DGADR
Margarida Pais	Portugal	DGADR
Maria Gomes	Portugal	DGADR
Marion Liberloo	Flanders	VLM
Martin Wubbe	Netherlands	Kadaster International
Mati Tonismae	Estonia	Min. Agriculture
Michel Epinat	France	Geoexpert
Miren Maite P. Etxebarria	Basque Country	Land Bank of Guipuzcoa
Morten Harvigsen	Denmark	Orbicon
Nicolau Galhardo	Portugal	DGADR
Olga Zhovtonog	Ukraine	NGO Primavera, Univ. of Life and Environment Science
Paul van der Sluys	Flanders	VLM
Pille Koorberg	Estonia	Agricultural Research Centre
Rafic Khouri	France	Geoexpert
René Gijsbertse	Netherlands	Provincie Noord-Holland
Richard Eberlin	UN	FAO
Rodrigo da Câmara	Portugal	DGADR
Rui Batista	Portugal	DGADR
Sandra Candeias	Portugal	DGADR
Siim Maasikamäe	Estonia	Univ. Life Sciences
Sven Defrijn	Flanders	Boerenbond
Teresa Pinto Correia	Portugal	Univ. Évora
Tomas Versinskas	Lithuania	(freelancer; lawyer)
Vilma Daugaliene	Lithuania	NLS
Vincent Tiel Groenestege	Netherlands	DLG
Wim Timmermans	Netherlands	Wageningen UR/VHL
Željko Vincek	Croatia	Ministry of Agric., Fisheries and Rural Development
Zoran Knežević	Serbia	Min. of Agric., Forestry and Water Management

