



#### Rural Development 2007 - 2013

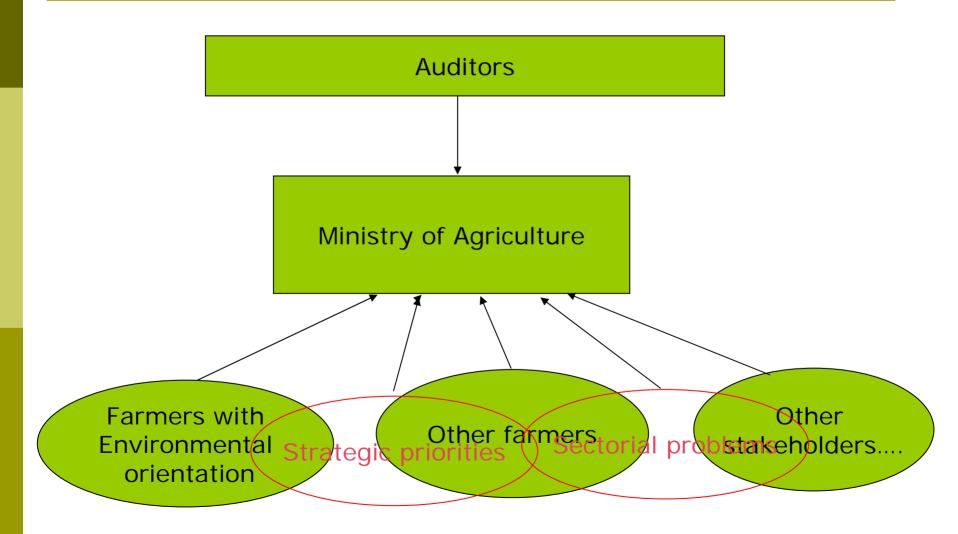
#### 4. ass - LEADER

Axis 1 Competitive ness Axis 2
Environment +
Land
management

Axis 3
Economic
diversification +
Quality of Life

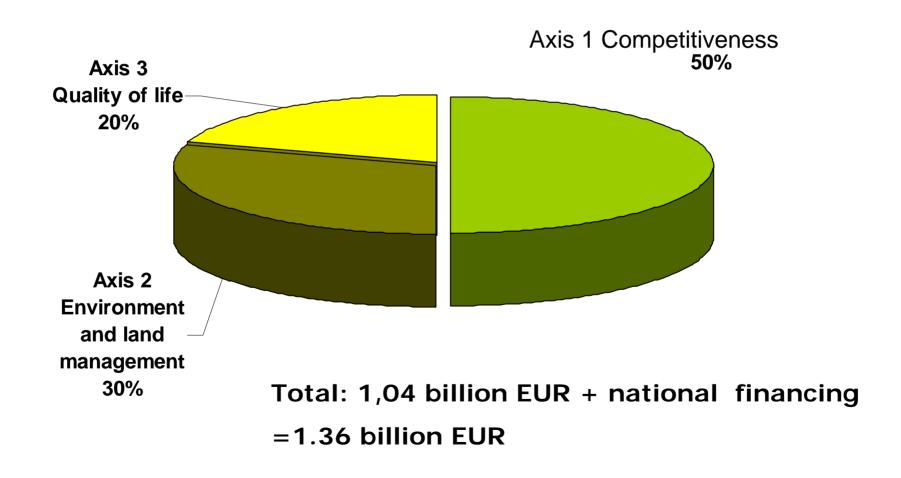
**European Agricultural Fund for Rural Development (EAFRD)** 

### How does the decisions is made?









# Axis 2: Environment and land management

212	LFA other than mountain areas	137 476 000
213	Natura 2000 payments	12 878 250
214	Agri-environmental payments	160 063 209
223	First afforestation of non agricultural land	16 218 160
224	Natura 2000 payments Forest	22 186 703
225	Forests environment payments	0
226	Natural disasters prevention/restoring forest	16 218 116
	Axis 2 Improving the environment and the intryside	365 040 438

## What does Agri-Environment includes?

- Development of organic farming;
- Introducing and promoting of integrated horticulture;
- Maintaining biodiversity of grasslands;
- Stable field in winter period;

#### Out of State Aid

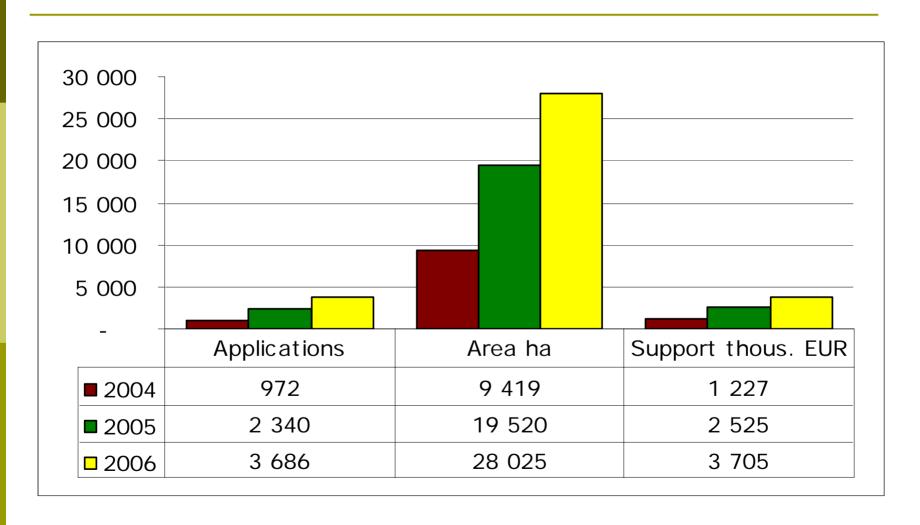
- Buffer belts along waterlines;
- Maintaining genetic resources of agricultural livestock (local breads)



### Agri-environment payments

- Support for managing biologically valuable grasslands in the sub-measure "Maintaining Biodiversity in Grasslands" is provided since 2004
- The management measures of natural meadows are:
  - Late mowing (the optimum mowing time is after July 15, when the bird nesting season is over and the seeds of the most flowering plants have ripened);
  - Extensive grazing (reduced load of grazing intensity not exceeding 0.9 livestock units per hectare) improves structural variety of sward creating new nesting grounds for birds

## Sub-measure "Maintaining Biodiversity in Grasslands"



## Sub-measure "Maintaining Biodiversity in Grasslands"

■ Differences between the programming periods 2004 – 2006 and 2007 – 2013

	RDP 2004-2006	RDP 2007-2013		
Late mowing				
Mowing dates	July 10 – September 10	August 1 – September 15		
Support rate	138 EUR/ha	113 EUR/ha		
Extensive grazing (this is what we prefer!!!)				
Grazing intensity	0,65 - 0,74 LU/ha	0,4 - 0,9 LU/ha		
Support rate	138 EUR/ha	133 EUR/ha		

Glad that Latvian farmers do not participate here!

### What does farmer receive actually:

- Maintaining biodiversity of grasslands 133 EUR
- Single area payment- 37 EUR
- □ LFA 0-64 EUR
- Suckling cow premium 0-131 EUR

Total payment 170-365 EUR

Too little or too much?

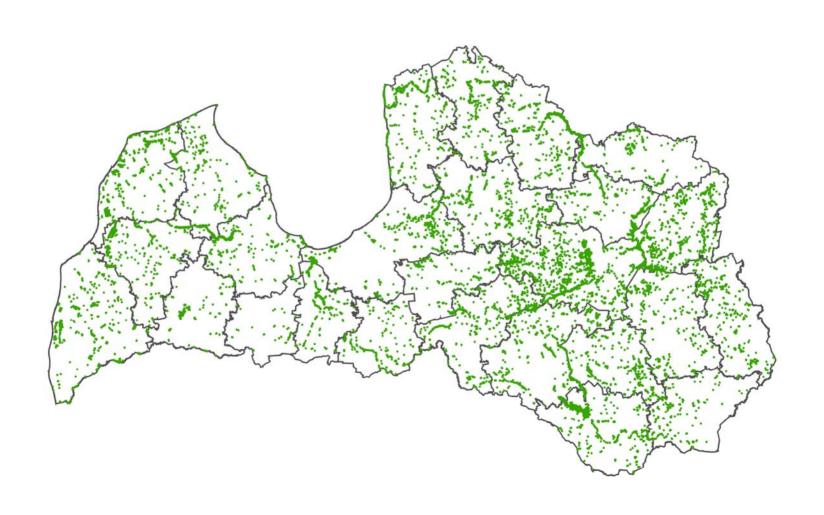
### What policy could be in the future?

- Most probably agri-environmental schemas will be in place;
- Risk preference of farmer to use the land as arable land – is not solved by increase of support rates
- Other instruments to be used:
  - Fiscal policy
  - Spatial planning

# Project "Determination of new biologically valuable grasslands"

- Ministry of Agriculture finance project "Determination of new biologically valuable grasslands" in 2005 and 2006.
  - Project was carried out by Latvian Fund of Nature
  - Year 2005 were inspected grasslands in the area of 23 970 ha. 8 557 ha of grasslands were accepted as biologically valuable grasslands (36 % of all inspected grasslands)
  - Year 2006 were inspected grasslands in the area of 13 601 ha. 5 344 ha of grasslands were accepted as biologically valuable grasslands (40 % of all inspected grasslands)

### Biologically valuable grasslands



## Project "Differentiation of biologically valuable grasslands"

### Grasslands differ by:

- water level;
- topography;
- other .....

It results in different work time and costs to maintain grassland

Aim to differentiate support rates



### Questions to discuss:

- Is chopping of moved grass suitable for grasslands?
- Can the area of restored grassland be included in the agri-environmental schema? (requirement of land to be in good environmental and agricultural land on June 30, 2003. This is area eligible for SAP.)
- Grassland fields are not perfect. They includes different landscape elements like separate tress, wetland spots and so on. Is those landscape elements included in eligible area are not to receive a subsidy?