

4. Lessons learnt

- The regional organisations or 'cooperatives' have proven to be able to act as full-fledged intermediary parties between government and land users. They successfully fulfilled many of the tasks and responsibilities that now lie with government institutions. They have tested all procedures that come with this role and included them into 'handbooks' for collective delivery.
- They have developed locally tailored conservation measures and have provided incentives to implement the right measure on the right spot, thus creating improved management mosaics (birds) and ecological corridors.
- This meant that they had to be very selective in contracting and dare to say 'no'. Although this was generally accepted by the applicants, it was a learning process to sharply define and communicate the measures and locations. Absolute transparency upfront can prevent commotion later in the process.
- Many of the locally tailored measures are new for the Netherlands, many of which proved to be effective. These are typically of interest for other regions as well. In two pilot areas, the extended menu of environmental services was embedded in a 'regional offer' to the government, anticipating the new Dutch agri-environment scheme;
- The menus included obligatory combinations of measures (e.g. for ditches and ditch banks) to increase their ecological effectiveness. Sometimes they also combined different financial sources, also using existing finance.
- Although the pilot period was too short to thoroughly monitor the biodiversity benefits, the limited field surveys show that many measures function in the way they were intended. Winter stubble and alfalfa, for example, prove to attract substantial numbers of birds.
- The implementation costs are relatively low: around 15% of the total expenses. This figure does not include the government costs, but these can be substantially reduced if the number of applications would be less than 1% of the current number. The share of implementation costs appears to be subject to economies of scale, but only to a certain level – beyond that level, the advantages turn into disadvantages as the distance between the cooperative and the farmers increases.

The pilot organisations have been showing leadership to locate the proper management on the proper spots. In doing so, they have been mixing a 'warm' with a 'business-like' approach. The acceptance of this ecological guidance is mainly due to the fact that the organisations are close to the farmers, provide welcome services, are well respected and are perceived to be 'their' organisation.

Sharon Dijksma,
Minister for Agriculture:

"I am pleased to see that Europe has embraced the Dutch proposals on the role of farmers associations for nature conservation. Working with these associations makes the system both more effective and efficient: measures will be applied in a less fragmented and more holistic way in areas where we can expect biodiversity benefits. Now that the options for collective delivery have been included in the new CAP regulations, the Netherlands will fully use these possibilities in the next few years. We are also reflecting on their possible role in the greening of the first pillar."

WORKING TOGETHER TO CREATE A GREENER COUNTRYSIDE

Results of a pilot project in four Dutch regions

5. Challenges for the 2014-2020 CAP period

The pilots have demonstrated and advocated the opportunities of 'collective delivery' throughout the project period to a broad audience: from the European Commission to colleague-cooperatives in the Netherlands and abroad. Next to testing and demonstrating their role, they have been acting as a 'think tank' on the greening of the CAP in a broad sense, their ambition going beyond an official role in the agri-environment part of the CAP. Effective greening of the first pillar, a more targeted approach in the second pillar and enhancing synergy between the pillars were their main goals. Now that also the first pillar greening includes options for collective delivery (half of the Ecological Focus Areas can be created in cooperation) and with the extended support for cooperation in the second pillar, the possibilities are increasing. The relation between both pillars however is still a matter of great concern, especially with the rules on double funding.

With the new CAP regulations being nearly finalised, it is now up to the member states to make adequate use of the extended options for cooperation. At the same time, it is up to the bottom-up initiatives all over Europe to consolidate their position and create innovative ways of providing public goods that are attractive to farmers and at the same time comply with the overall principles of administration and accountability. In the longer run (e.g. for the CAP mid-term review in 2017), there will be new chances to change or fine-tune the options for cooperation under the first and second pillar and to extend these options to other public goods, such as Natura 2000 and the Water Framework Directive.

The Dutch experience shows that improved 'delivery' can go hand in hand with cost savings in implementation. These pilot projects may provide inspiration for other local initiatives across Europe and help them understand the importance of fruitful cooperation between farmers, conservationists and governments.

Does the collective delivery of environmental services provide benefits? The reformed CAP (Common Agricultural Policy) includes opportunities for collective delivery in both the first and second pillar. For agri-environment measures, groups of farmers can function as 'final beneficiaries'. Now that there is a strong stimulus to increase environmental output and reduce implementation costs, collective delivery is gaining momentum. Four regional associations embarked on a trial applying collective delivery as a full-fledged intermediary party between the government and the land users. Their findings look promising for the future provision of public goods by agriculture.



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1. Added value of territorial cooperation for public goods

Farmers have always been strong in cooperation – agricultural cooperatives exist for over one century. The rationale for cooperation on public goods has partly the same background: to enhance marketing, in this case for products that face market failure.

There are many benefits and potential benefits from cooperation on public goods. For example, better ecological results are achievable for habitats and species that exceed the individual farm level. Farmland birds and ecological corridors are prominent examples. The same applies for measures that improve water quality or which reduce negative externalities. Ecological benefits can also be realised from improved tailoring of conservation measures and from an increased farmer's participation.

There are also benefits for the farmers themselves. Administrative relief and access to budgets for public goods are a few examples. The Dutch government is currently preparing a new agri-environment scheme for 2016, which will only allow groups of farmers to apply.

Finally, there can be substantial reduction in implementation costs for the government, and thus for society as a whole. This especially applies if the group of farmers is represented by an organisation acting as a final beneficiary and managing and administering part of the work of the Paying Agency. In this way, the implementation of the scheme can be simplified. The four organisations involved in the CAP pilot projects have been putting this new role into practise for the last three years.

2. Cooperation in the Netherlands and elsewhere in Europe

In the Netherlands, the first farmers' associations on farmland conservation were created in the early 1990s, many of them building on pre-existing regional groups and/or local leadership. The associations' origin was also part of a more progressive approach to farmland conservation by farmers, in contrast to the policy where farmland is purchased by conservation organisations. Since 2000 the Dutch government has been promoting a collective approach under the agri-environment scheme. As a result, the number of cooperatives has increased and their scope of activities has widened. The public debate on the effectiveness of agri-environment measures has increased the awareness that the decline in farmland biodiversity could only be countered by a collective, landscape-scale approach.

There are now some 150 regional cooperatives in the Netherlands, all being legal entities, involving over 10,000 farmers and many thousands of citizens. Their working areas cover more than half of the Dutch countryside. They have no formal position in the current agri-environment scheme. In preparation for the new Dutch scheme only being open to groups, the cooperatives are now involved in a major reorganisation and the professionalization of their procedures and administration.

Cooperation on public goods is of course not restricted to the Netherlands. There are worldwide examples of successful cooperation, as a recent OECD report shows. These vary substantially: from incidental cooperation on specific projects, to long-term initiatives on sustainable farming. What they all have in common is a grass-roots or community-led approach to fulfil governmental goals and/or to serve society's demand for a greener countryside, hence promoting a stronger connection between the farming and the urban societies.

3. The pilot areas and their activities

Agrarische Natuurvereniging Oost Groningen (ANOG)

Eastern Groningen is merely a large-scale arable production area, but with considerable local differences. In the clay area close to the North Sea coast, wheat is the dominant crop. The sandy soils more to the south have a rather narrow crop rotation with an emphasis on starch potatoes. The ANOG association is one of the largest of all Dutch associations on farmland conservation, covering 130,000 ha. There is substantial uptake of field margin options under the current agri-environment scheme, mainly targeted at birds such as the European skylark, partridge and Montagu's harrier.



Board member Henk Smith:

"We aim to prove that there is room for biodiversity in a large-scale arable region like this. In the pilot project we tried to create better connections between contracted field margins. This meant that we had to guide the participation. Sometimes we had to refuse applications, other times we had to visit people who didn't apply but had just the right field margins to make a difference. Because ecological set-aside of field margins is rather expensive in our country, we also tested cheaper measures, such as winter stubble for food and bird-friendly crops such as alfalfa, caraway and buckwheat. We knew from abroad that such measures could provide benefits – and so they did."

Noardlike Fryske Wâlden association (NFW)

The NFW association (Northern Frisian Woods) is in fact an umbrella organisation of six smaller associations in the north-eastern part of the province of Friesland. The area consists of grasslands important to birds and of smaller scale fields which are surrounded by hedgerows and hedges. The area is renowned for its dense network of linear elements, which also appear to be rich in biodiversity. The association has a long history in collective action and in its pursuit of more 'self-governance'.



Chairman Douwe Hoogland:

"Our aim in the pilot project was to develop, implement and improve a comprehensive system of collective delivery of public goods. We have introduced six certificates on grassland use, landscape and biodiversity, each certificate including a series of measures. The participation was high and the results were good. Some farmers have even been planting hedgerows to improve the ecological corridor function. And we created teams of farmers and citizens to carry out the field inspections. All our experiences were collected in a handbook on collective delivery, which can act as a model for the future national scheme."

Water, Land & Dijken association (WLD)

North of Amsterdam, the Laag Holland (Lower Holland) area is a mixture of old peat grasslands and more recently reclaimed clay polders. The 50,000 ha area is rich in public goods: grassland birds in high densities, but also various species found in marshy habitats. Some 10,000 ha are under agri-environment contracts. The WLD association has 650 members, of which 500 are farmers. The area is still diverse in its farming, landscapes and biodiversity, but market forces are stronger than environmental incentives, hence resulting in a more uniform land use. WLD is therefore seeking targeted incentives to stimulate farm development suited to the landscape and its values.



Sjaak Hoogendoorn, WLD chairman:

"We have been testing the thresholds for farmers to take action in a biodiversity-friendly way. Moreover, we have been very selective in our contracting. Not only the farmer's interest for a contract was leading, but also the location of this contract. In anticipation, together with conservation organisation and the water board, we have been preparing

maps with the most favourable locations. Our field coordinators were carrying out the inspections. They know almost every farmer, every field and every cow. Working so close to the farmers makes a huge difference in terms of implementation costs."

WCL Winterswijk Foundation

The WCL Foundation is an exception to the other pilots in that the organisation involves all relevant stakeholders in the Winterswijk area including land users, conservation organisations and regional governments. Winterswijk is located in the most eastern part of the country. It combines a relatively large-scale and intensive farming with a very small-scale landscape: small fields of grassland and arable land flanked by hedges, hedgerows and small woodlands. Their presence creates high production costs, but is, at the same time, highly appreciated by the general public. The continuation of farming is crucial for preserving the landscape, however there are no instruments for remunerating the small scale, not even under the Less Favoured Areas scheme.



Project leader Arie Schoemaker:

"We have developed a broad menu of locally tailored conservation measures and have offered this to the farmers. The adoption was high, even of measures that were quite drastic, such as the reconversion of maize fields to traditional wheat. We are actively communicating with our participants, providing field demonstrations and individual guidance. This has been

instrumental to our success and has led us to propose an expanded 'bid' to the government, anticipating the new Dutch agri-environment scheme."