

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
http://ageconsearch.umn.edu
aesearch@umn.edu

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

Scientific Journal

Warsaw University of Life Sciences – SGGW

PROBLEMS OF WORLD AGRICULTURE Volume 13 (XXVIII) Number 4

Warsaw University of Life Sciences Press Warsaw 2013

Karol Kociszewski¹

Wrocław University of Economics

Biodiversity protection in European Union agriculture

Abstract. Biodiversity conservation is an important element of EU environmental policy and it influences certain instruments of the Common Agricultural Policy (agri-environmental programmes, cross-compliance rules, organic farming support). These play an increasingly important role in this policy. However, in some Member States they are insufficiently directed to nature conservation. Direct payments affect an increase in threats to biological diversity, although this impact was restricted in the course of the CAP reform (implementation of a regional system combined with cross-compliance rules). Moreover, the withdrawal or significant reduction of the instrument would result in even greater losses. Low effectiveness of existing activities contributes to the continuous degradation of biological diversity in European rural areas: the specialized payments for farmers in the Natura 2000 network are implemented to a limited extent, specialised support directed for High Nature Values (HNV) farming has not yet been introduced in practice, execution of cross-compliance rules was insufficient. In years 2014-2020 nature conservation within the CAP will grow in importance and it will implicate improvement of the effectiveness of actions implemented in the Member States.

Key words: environmental protection in agriculture, biodiversity, sustainable development of agriculture.

Introduction

The impact of European agriculture on biodiversity is multi-faceted. On one hand, the intensification of production poses a threat to nature (enormous use of chemicals, mechanization, monocultures, deleting the landscape elements, which are essential for fauna and flora habitats). On the other hand, extensive agriculture enables the maintenance of a semi-natural rural landscape with its natural wealth. In that context, the threats to biodiversity appear when the abandonment of production and agricultural land takes place. Usually, the reason for this phenomenon is deterioration of farmers' economic and social situations as a result of competitive pressure from industrial farms and agricultural product imports. In such cases, utilized agricultural areas (UAA) are deprived of conservation, are a subject of uncontrolled planting, forestation and the invasion of undesirable plant species (especially in the areas of semi-natural grasslands). The EU is an important actor in constructing nature conservation policy on a global scale and, at the same time, implementing adequate internal solutions. Indirectly, this applies to sector policies such as the Common Agricultural Policy (CAP).

This paper's aim is a synthetic characteristic of the influence of biodiversity protection policy on the CAP instrumental changes. It refers to actions related to the Natura 2000, to the support of agriculture in other high natural value areas as well as to regulations limiting the negative agricultural impact on the environment (including the use of pesticides). The research material includes: EU statistical data, information from official EU documents connected with environmental and agricultural policies as well as the studies and expertise concerning environmental issues of rural areas.

_

¹ PhD, e-mail: karol.kociszewski@ue.wroc.pl

The implications of environmental policy

Along with the development of environmental law and policy, the EU has gradually projected and implemented activities related to biodiversity protection. In accordance with the important principle of environmental policy, these activities have contributed to changes of the CAP instruments (according to the principle, sectoral policies should be integrated with environmental policy). The first four action programmes (which are the base for implementation of the EU's environmental policy) did not contain references initially that were directly formulated to agriculture. They were involved in the Fifth Environmental Action Programme (Towards Sustainability), which covered the period 1993-2001. It referred to the damage caused by intensive agriculture and assigned objectives to this sector: the protection of biodiversity and natural habitats, the essential restriction of the use of pesticides, afforestation of agricultural land and stabilization or reduction of ground and surface water pollution with nitrates. In the Sixth Environmental Action Programme (Our future, our choice), projected for years 2002-2012, four priorities were set out. Among them were nature and biodiversity. The most important instrument for its implementation is the Natura 2000 network. A considerable part of the areas it includes are located in rural areas, therefore – according to the programme – the implementation of agri-environmental programmes (AEP) and other activities of the CAP Pillar II should be extended there.

All Member States are obliged to designate the Natura 2000 network on the basis of harmonized procedures and methods of organization. Agricultural activity cannot negatively affect habitats and species of plants and animals, in accordance with the requirements of cross-compliance rules (described later in the paper). The Natura 2000 consists of two kinds of areas:

- Special Protection Area (SPA), which are subjected to the provisions of the "bird" directive [Directive 2009/147/EC]. Until the end of 2011, total SPA covered 59,3 million hectares, including 42,1 million hectares of land area (12,1% of the EU-27 land territory) [Rural development... 2012]. The largest share of SPA in total area of a particular country occurs in the new Member States: Cyprus (25,6%), Slovakia (25,1%), Slovenia (23,0%) and Bulgaria (20,4%) [Natura 2000 barometer... 2010]. In the EU-15 the largest share is in Greece (20,9%) and in Spain (20.6%). In Poland the share is 15,6%.
- Special Areas of Conservation (SAC), on which the "habitats" are implemented [Council directive 92/43/EEC]. Until 2011 total SAC covered 71,9 million hectares, including 58,6 million hectares of land area 13,7% of the EU-27 land territory. The largest shares occur in Slovenia (31,4%), in Spain (24,5%), and in Portugal (17,4%). In Poland the share is 11.0%

SPA and SAC partly overlap and altogether cover 95 million hectares, including 77,1 million hectares of land territory, which represent 17,9% of EU-27 area, 17,5% of the EU-15 area and 18,6% of the EU-12 area. The largest area is located in Spain (13,7 million hectares) and in France (6,8 million hectares). Poland is in third place with territory of 6,2 million hectares. Species and habitats in the Natura 2000 are much better protected than in other areas, where a greater reduction of biological diversity is observed [Environmental statistics... 2010].

In conjunction with the 6th Action Programme, in 2001 the Biodiversity Protection Plan for Agriculture was adopted. The implications of the plan are: the promotion and

support of environmentally friendly agricultural practices, support of farms in areas of high nature value, the improvement of infrastructures in the field of agriculture, as well as traditional breeds of cattle and agricultural plant species cultivation. The 6th Action Programme is also linked to the Thematic Strategy on the Sustainable Use of Pesticides from 2006. It covers, inter alia, issues related to the impact of agriculture on biodiversity (harm to plants and animals, disruption to ecosystems) [A Thematic Strategy... 2006]. The need to implement the strategy stemmed mainly from the incomplete – so far – scope of the intervention, which focused on the terms of placing plant protection products on the market. Existing measures do not limit pesticide consumption and do not influence a reduction of threats to health and the environment. According to EU regulations, all pesticides placed on the market must be safe for health and the environment, but this is verified by tests based on standards created 20 years ago [Which Common... 2010]. Some products are allowed for sale as the result of political decisions without full consideration of their harmfulness. This strategy aims to minimise these threats, to improve the monitoring and control of their use, to reduce contents of harmful active substances and to encourage the reduction of doses used. The main legal instrument of the strategy is directive 2009/128/EC establishing a framework for Community action in favour of the sustainable use of pesticides [Directive 2009/128/EC]. According to its provisions, Member States were obliged to implement (by December 2012) national action programmes in order to reduce the risks associated with the use of pesticides (including the designation of zones where the use of pesticides is banned – for example, the Natura 2000 areas). These programs have to be linked with national rural development programmes and they should be coordinated with *Integrated Pest Management* (IPM) – obligatory from 2014. IPM is the system based on techniques with limited or withdrawn use of chemical agents, including biological plant protection (inter alia, through the use of species that are natural enemies of pests), special forms of crop rotation, methods of deterrence, the pitfalls of pests. The use of these systems will become one of the cross-compliance requirements. It can be concluded that the requirements of the directive are a step in the direction toward reducing damage caused by pesticides. However, it should be noted that a number of shortcomings associated with policy regulating the use of these substances have not been eliminated:

- There are no ceilings specified in the reduction of pesticide consumption. This was argued by the lack of their direct impact on health and the environment, and the lack of reliable data on consumption volume in Member States. The first of these arguments seems to be heavily controversial and hardly believable, even more so, that at the same time, EU institutions expressed hope that implemented measures will reduce pesticide use by 11-16%. It could be asked: if the harmfulness of pesticides was not found, then why is there hope to limit their consumption?
- There is no implementation of fees charged for the use of plant protection products. This was argued by the difficulty in assessing the dangers of individual pesticides in conjunction with particular methods of their application.
- Member states have a sizable range of freedom in constructing their national action programmes. It enables the implementation of soft, inefficient regulations in countries where the agricultural lobby has high bargaining power.

We can only guess that the "soft" nature of directive 2009/128/EC is the result of pressure from the agricultural and chemical industry lobbies, which seek to increase the revenue of farmers and producers of pesticides. Tightening the regulations would result in

an increase in costs incurred by agricultural holdings and would reduce the demand for plant protection products.

The latest strategic document of nature conservation is the *EU biodiversity strategy to 2020*, which was implemented in 2011 [Our life insurance... 2011]. It is an integral part of the *Europe 2020 strategy*. The main objective is to stop the loss of biodiversity by 2020, and its restoration to the greatest extent possible, as well as to increase EU participation in international policy aimed at preventing the loss of biodiversity in the world. Among the six detailed objectives there is the increase in the number of habitats (by 100%) and the number of species (by 50%) with improved protection under "habitats" and "bird" directives. In the environmental assessment of the strategy, it was found that 60% of European areas used for agriculture require a management favourable for biological diversity. This applies both to areas of intensive and extensive production. The reversibility of nature degradation is followed not only by loss of intrinsic value of the environment, but also by measurable economic losses. In EU agriculture, 80% of crops depend on the population size of pollinators. The value of production from these crops is estimated at 15 billion EUR per year. Among the 20 measures – specified in the strategy – there are the ones which are related to agriculture and rural areas:

- Completion of works on the Natura 2000 network establishment in all Member States and ensuring a steady source of their funding.
- Leading in new direct payments or increasing existing CAP direct payments (beyond cross-compliance) for activities related to the provision of environmental public goods (permanent pasture and meadow maintenance, crop rotation, the Natura 2000, ecological set-asides, water ecosystems improvement).
- Better targeting of rural development policy for biological diversity protection and for landscape feature maintenance. The European Commission, in cooperation with the Member States, would introduce measurable objectives within rural development programmes (especially in AEP). These objectives would be adjusted to regional and local conditions and circumstances.
- The designation of HNV (High Nature Value) areas, implementation of financial support for HNV farms within national RDPs and monitoring developments in this matter.

HNV is the second (next to the Nature 2000) category of nature conservation areas in agriculture. It is defined with farming as the main method of land utilisation and as meets three basic features. These features are the basis for classification of three types of HNV areas:

- 1. Areas with a high proportion of semi-natural vegetation (semi-natural meadows, pastures and other grassland, which are characteristic for village landscapes, woodlands, bushes, marginal farmlands, water bodies, baulks) with diversified land use (crops, set-asides, various vegetation, specific features of the landscape) [Beaufoy, Cooper 2009].
- 2. Areas with many farms conducting extensive agricultural production, often associated with breeding (less than 1 Livestock Unit/ha).
- 3. Agricultural areas favourable for diversity of habitats and species, including those protected within European and global nature conservation policy.

HNV areas may partly overlap with the Natura 2000 network, but are designed to cover a larger territory – it was considered that to preserve Europe's natural heritage it is not enough to protect only the most valuable habitats.

In accordance with the integration principle, instructions addressed to agriculture clearly implicate the CAP changes. Consequently, biodiversity actions are closely linked with already functioning instruments (cross-compliance, agri-environmental programmes (AEP), payments for farms in the Natura 2000 areas) and are determinants of changes planned in the reform of this policy for years 2014-2020 (Pillar I and II measures proposed for HNV farming support).

The measures implemented within the Common Agricultural Policy

Nature conservation-related activities were gradually introduced into the CAP together with consecutive steps towards greening that policy. For the first time this came along with the 1992 reform (so-called Mac-Sharry package), when the AEPs were introduced in practice to all Member States (the programmes are based on payments for environmental services which bring environmental benefits; among others, for nature and landscape). Furthermore, most of the price of support instruments has been replaced by direct payments, which has limited incentives for negative externalities. In addition, for this purpose, obligatory set asides have been introduced. Initiated changes were reinforced in the next stages of reform: in Agenda 2000 (1999), in the so-called Fischler Package (2003) and in Health Check (2008).

It is worth underlining the modification of direct payments, which became decoupled from production volume. From 2005, Member States could choose one of three basic systems: historical, regional and hybrid. Regional system is most favourable for biodiversity because in it the payments are granted not only for areas directly used for agricultural production, but also for so-called "open landscape". It is a part of farmland, which is not used for economic reasons but is naturally valuable [Evaluation of environmental impact of the CMO... 2007]. Payment value – per farm – depends on number of hectares but not on production volume per hectare. Consequently, for farmers, it is beneficial to declare "open landscape" area as a basis for direct payments' calculation. Thanks to that, the subsidies are suitable for extensive farms (including HNV), contribute to agricultural maintenance and – together with cross-compliance – help to preserve the nature of rural areas.

In the remainder of direct payment systems, subsidy rates depend on past (historical) production volume in the farm (per hectare). They generate weaker incentives to maintain non-productive (but environmentally valuable) areas. Nevertheless, it should be noted that without application of direct payments (and thus without cross-compliance requirements), the number of smaller, extensive holdings (public goods providers) would be greatly reduced. This process would also limit the number of Pillar II beneficiaries, and consequently, would lower effectiveness of rural development programmes. In areas (regions) where economic conditions are unfavourable but farm functioning is desirable for environmental reasons, agricultural activities would be abandoned. Rural areas would be neglected, which would be detrimental to conservation of biodiversity and landscape. This would reduce external benefits from agriculture.

Among the cross-compliance standards that must be met by the CAP payments, recipients are those that relate to biodiversity. They are included in two groups of requirements:

- Good Agricultural and Environmental Conditions (GAEC), which include permanent grassland protection², preservation of landscape, prevention against expansion of undesirable animal and plant species, the maintenance of olive orchards in good condition.
- Statutory Management Requirements (SMR), consisting of among the others standards from "habitats" and "birds" directives, which are obligatory on the Natura 2000 agricultural areas.

Despite the significant contribution of cross-compliance to biodiversity protection, there are some deficiencies in its implementation:

- no provision for compulsory measures preventing monocultures (such regulations were implemented only in Austria and Finland),
- no requirements referring to obligatory share of biodiversity important areas in UAA, in particular farms,
- no restrictions on withdrawal from animal breeding on permanent grassland.
- "mechanical" requirement to maintain permanent grasslands, without reference to places where it is most desirable. This can potentially allow a reduction in an area with high biodiversity.
- the effectiveness of the instrument is also impaired as a result of leaving Member States a range of freedom in setting of mandatory requirements for farmers.

According to the CAP reform plans for 2014-2020, direct payments will be increasingly directed towards environmental protection. 30% of their value will be obligatorily granted as so called *greening*³, inter alia, for crop rotation and the mandatory assignment of Ecological Focus Areas (EFAs) with landscaping elements (set-asides, forests, wooded areas, bushes, water bodies, terraces, buffer zones). They should cover at least 7% of the agricultural area for each holding (excluding existing grasslands). All these activities will be favourable for biodiversity but (on the other hand) will create new burdens for farmers. They will have to care for bio-diversity, otherwise they will have problems with direct payment absorption. The requirements of greening comply with part of the existing standards in organic farming and in the Natura 2000 network. It means that farms connected with these institutions will be "automatically" granted this part of direct payments. In addition, Member States may allocate up to 5% of their direct payments envelope for farmers in Areas Facing Specific Natural Constraints (AFSNC). This will be a favourable instrument for HNV. The methodology enabling areas to be assigned with this type of agriculture has not yet been codified, so there is no plan of implementation of specialized support for HNV. In spite of this, it is planned to introduce simplified programs supporting small farms, in order to maintain extensive farming in areas where it is relevant in the light of public good provisions. Every country could allocate for this aim up to 10% of the value of the "basic" direct payment component.

Allocation for AEP – the most important environment protection instrument in the CAP – is the biggest among all measures in Pillar II (23,1% of its value in the years 2007-

81

² Member States should maintain permanent grassland area not less than specified in reference period, however in practice, in some cases that territory area could be a little diminished. In Poland, for example, farmers can reduce the area by 5% without additional consent and if they want to reduce more (up to 8%), the permission of the local officer of the rural development agency is required.

The rest (70%) – "basic" direct payments ("basic component") would be granted under the same rules as today.

2013) [Kociszewski 2013]. In 2011, their physical area accounted for 14,8% of EU's UAA (17,4% in the EU-15 and 8,8% in the EU-12). The number of AEP participants was equal to 14,7% of total number of farmers [Agriculture in... 2012]. The subsidies are granted for extensive production methods use or additional environmental services provided by farmers. These services are favourable both for wildlife (e.g. special Natura 2000 packages, changes in seasons of grasslands swath in a way to be suitable for bird breeding periods), and for maintenance of rare farm animals (e.g. local breeds of cattle and plant species). Studies have shown that AEP in practice contributes to an improvement of life conditions of fauna and flora wild species [Agri-environment... 2005]. This is due to lower consumption of plant protection products as well as to preservation of permanent grasslands and rural landscape. An important direction of AEP support is organic agriculture (its methods in essence are to promote the protection of nature). So far, this support is effectively applied. In 2010, 3,2% of EU-15 farms are organic. They occupy 5,9% of UAA [Kociszewski 2013]. At the EU-27 level, these indicators are as follows: 1,6% and 5,1% (they are decreased by EU-12 countries, where organic farming is at an early stage of development). According to the CAP reform plan (mentioned above), support for organic farming will be excluded from the Agri-environment-climate payments (AECP), which will be a new version of AEP. The subsidies for organic farms will be granted within the new instrument, but the rules of implementation remain similar. The allocation for these measures will depend on the shape of the CAP budget in years 2014-2020. According to the EU budget plans agreed in February 2013, Pillar II value will be reduced by about 20% in comparison to years 2007-2013. Consequently, a support for its instruments will be diminished.

In the context of growing support for nature protection within the CAP, it is worth paying attention to the value of rural landscape. According to available estimates (from 2009), willingness to pay (WTP)⁴ for conservation of landscape as a whole is equal 142 EUR/hectare, 189 EUR/hectare for grasslands and permanent crops, and 113 EUR/ hectare for arable land [Impact... 2011]. The total value of the EU's rural landscape is estimated at 25,8 billion EUR, representing 7,5% of total agricultural production value and 44% of total CAP expenditure per year.

Directly targeted nature protection measures in agricultural policy are implemented in relation to two categories of areas: the Natura 2000 network and HNV. The Natura 2000 area is 10,6% of UAA in the EU-27, 10% in the EU-15 and 12,2% in the EU-12 [Rural development... 2012]. Unfortunately, conservation status of habitats in agricultural areas is worse than in the rest of the network areas (status in 52% of habitats is assessed as bad, in 7% as good) [Environmental statistics... 2010]. This is due to overly intensive production in some areas and extensive production cessation in others. Farmers in the Natura 2000 areas must comply with cross-compliance requirements, and even more, they can participate in additional nature conservation measures in the II pillar. In most countries (e.g. Poland) this occurs within the AEP. Additionally, in the period 2007-2013 the *Natura 2000 payments and payments linked to Directive 2000/60/EC* were led in, but in practice, allocation for this action is scarce - 0,1% of total Pillar II expenditure [Rural development... 2012].

_

⁴ WTP is a basis for one of the leading methods used for environmental valuation [Fiedor 2002].

HNV Farmland methodology is still in the development phase and is not yet fully unified [Situation... 2010]. As a result, assignment of HNV areas has not yet been completed. Incomplete available estimates show that they occupy approximately one-third of UAA in the EU-27. 20% of its regions are characterized by high (over 48%) or very high (more than 71%) HNV share in UAA [Nowicki et al. 2009]. According to other studies, based on FADN (Farm Accountancy Data Network) data base, the criteria for HNV meets 12,5% of farms in the EU-15, on an area of 20% UAA. According to the European Environmental Agency (EEA) estimates [Report "High... 2012], 31,9% UAA in the EU-27, 32,6% UAA in the EU-15 and 28,7% UAA in the EU-12 should be classified as HNV. HNV farms have relatively low income and rely on their own labour resources (their existence is based on low-cost-strategy). Consequently, they absorb fewer external production factors and put less pressure on the environment than other farms. They also receive lower (about half) direct payments than the others [Konecny 2004]. Because of threats to nature that result from abandonment of agricultural activities, it is reasonable to use financial assistance for farm owners. However, so far, HNV farming has not been supported in a targeted way; neither by agricultural policy nor by market mechanism. Pillar II payments were insufficiently directed to the regions with the highest concentration of this type of agriculture. Rules for AEP subsidy rate calculations are based on the value of extra costs and lost revenue due to ecological services. They do not allow for long-term, broadbased support for HNV because its essence is to provide public goods in connection with the continuation of extensive production but not with new "surplus" environmental services.

The main objective of the EU's biodiversity protection policy (stopping its loss for 2010) was not reached and threats to European nature continue to get worse [The Assessment... 2010]. It refers, among other things, to changes in farm structure and in the way of land management. Between 1990 and 2000, the EU-15 intensification of agriculture resulted in grassland reduction by about 0,5 million hectares (through their conversion into arable land or permanent crops) [Osterburg et al. 2008]. In years 2000-2007 they decreased by a further 2,3 million hectares, mainly due to expansion of infrastructure and urbanization, but also by an increase in specialization of agriculture (concentration of arable land at the expense of pastures and meadows), especially on lowland areas [Environmental statistics... 2010]. Despite restrictions on pesticide consumption, it is still excessive. In addition, plant protection products are often improperly used. Consequently, their concentrations in the environment are over permitted limits. It is estimated that they threaten 26% of animal species [Which Common... 2010]. To assess changes in rural area biodiversity Farmland Bird Index 23 (FBI 23) is used. It characterises changes in the population of 23 bird species specific to rural areas. In years 1980-1996 its value in the EU-15 fell to 54% of the reference value [Beaufoy, Marsden 2010], which is the effect of agriculture intensification. In the mid-1990s, beneficial effects of the 1992 reform appeared and the index value began to increase. In 2000, the FBI 23 reached 60% of reference value and, with some temporary fluctuations, stayed at this level until 2008. [Rural development... 2012]. Another index used to assess the impact of the CAP on biodiversity is European Grassland Butterfly Indicator. In years 1990-2009 its value decreased by 70% [Beaufoy, Marsden 2010], but it is worth noting that the value from the base year was already at a low level after a few decades of European agriculture intensification.

Conclusions

Development of the EU nature conservation policy increasingly affects the CAP changes, which aim to limit agriculture's impact on biodiversity impoverishment. Designation of the Natura 2000 network in rural areas in the general outline is effective (they involve 10,6% of EU-27 UAA, 10% of EU-15 UAA and 12,2% of EU-12 UAA). On the contrary, due to a lack of appropriate tools, agricultural policy related to other areas was ineffective (table 1).

Table 1. Implementation of biodiversity protection policy in CAP measures.

Implications	Current CAP instruments		Future CAP instruments (2014-2020)	
	Pillar I	Pillar II	Pillar I	Pillar II
More restricted nature conservation requirements for farmers.	Cross-compliance rules are insufficiently directed to nature conservation*.	Cross-compliance rules are insufficiently directed to nature conservation*.	-	-
More restricted policy on pesticides use – including IPM (so far policy is disadvantageous*).	Cross-compliance rules insufficiently protect from risks connected with pesticides use.	Ban on pesticides use in organic farming,	IPM will be obligatory within cross-compliance rules (from 2014).	-
Requirements connected with Natura 2000 sites: -increasing existing CAP direct payments related to biodiversity protection, -implementation of new direct payments related to biodiversity protection -better targeting of Pillar II measures for biological diversity protection.	Regional system is more favourable for nature conservation than the other ones, No direct financial support.	Allocation for AEP is the biggest among all measures in Pillar II (23,1% of its value in years 2007-2013) but is insufficiently directed to nature conservation, Low value of <i>Natura 2000 payments</i> (0,1% of total Pillar II expenditure) implemented in years 2007-2020. Support for organic agriculture is effectively applied (in 2010, 3,2% of farms and 5,9% of UAA in the EU-15 were organic) but is insufficiently directed to nature conservation.	30% of direct payments will be obligatorily granted as "greening". The duties connected with nature conservation will cover at least 7% UAA in each holding Farms connected with organic agriculture or located in the Natura 2000 sites will be granted by these payments.	According to the EU budget plans, Pillar II value will be reduced by about 20% in comparison to years 2007-2013, The subsidies for organic farms will be granted within the new instrument excluded from the AEPs.

Designation of	Designation of	No measure directly	Member States may	No measure
HNV areas:	HNV areas is not	oriented to HNV farms,	allocate up to 5% of	directly
-implementation of	completed		their direct payment	oriented to
financial support	(different	Support in the	envelope for farmers	farmers in
for HNV farms	estimates are	framework of AEP is	in AFSNC,	these areas.
within current	presented in the	not fully relevant for	Simplified programs	
national RDPs,	text),	HNV farming.	supporting small	
-changes in the			farms (with	
CAP reform for	No direct		allocation up to 10%	
years 2014-2020	financial support.		of the value of	
(targeted support			"basic" direct	
within Pillars I and			payments.)	
II).				

^{*} the problem is described in the text

Source: Author's own elaboration based on: [Nowicki et al. 2009], [Report "High... 2012], [Kociszewski 2013], [Situation... 2010], [Rural development... 2012].

Changes to the CAP in years 2014-2020 will target their instruments towards nature conservation. Pillar II allocations will be reduced so nature conservation measures will be enforced within Pillar I. This implies a rise in effectiveness of the actions implemented in the Member States – mainly referring to the greening component of direct payments and to support for AFSNC.

Literature

Agriculture in the EU. Statistical and economic information 2011. [2012]. European Union, DG Agri, Publications Office of the European Union, Luxembourg, pp. 204.

Agri-environment Measures, Overview on General Principles, Types of Measures, and Application. Unit G-4; Evaluation of Measures applied to Agriculture, Studies. [2005]. European Commission DG Agri, Brussels, pp. 7.

Beaufoy G., Cooper T. [2009]: Guidance document, The Application of High Nature Value Impact Indicator. The programming period 2007-2013, European Commission, DG Agri, Brussels, pp. 7.

Beaufoy G., Marsden K. [2010]: CAP after 2013, last chance to stop the decline of Europe's High Nature Value farming?, European Forum on Nature Conservation and Pastoralism, BirdLife International, Butterfly Conservation Europe, WWF, pp. 9-22.

Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (O. J. L 20/7 26.1.2010).

Directive 2009/128/EC establishing a framework for Community action in favour of the sustainable use of pesticides (O. J. L 309, 24/11/2009).

Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (O. J. L 206, 22/07/1992 P. 0007 – 0050).

Environmental statistics and accounts in Europe. Eurostat statistical books, 2010 edition. [2010]. Publication Office of European Union, Luxembourg, pp. 203-266.

Evaluation of environmental impact of the CMO and direct support measures of the CAP for arable crops. [2007]. Alliance Environment, Auzeville-London, pp. 200-225.

Fiedor B. (ed.) [2002]: Podstawy ekonomii środowiska i zasobów naturalnych, Wyd. C. H. Beck, Warszawa, pp. 170–195.

Impact Assessment, Common Agricultural Policy towards 2020 Annex 2: Greening the CAP. [2011]. European Commission, Commission Staff working document, Brussels, pp. 6-25.

Konecny M. [2004]: EU Enlargement and Agriculture: Risks and Opportunities. Friends of Earth Europe, Brussels, p. 40.

- Kociszewski K. [2013]: Ekologizacja polskiego rolnictwa a jego zrównoważony rozwój w warunkach członkostwa w Unii Europejskiej, Wyd. Uniwersytetu Ekonomicznego we Wrocławiu, Wrocław, pp. 154.
- Natura 2000 barometer. Natura 2000. [2010]. European Commission, Nature and Biodiversity Newsletter, no 29.
- Nowicki P., Goba V., Knierim A., van Mieijl H., Banse M., Dalbaere B., Helming J., Hunke P., Jansson K., Jansson T., Jones-Walters L., Mikos V., Sattler C. Schlaefke N., Terluin I., Verhoog D. [2009]: Scenar 2020 II Apdate of Analysis of Prospects in the Scenar 2020 Study Contract no 30 CE 0200286/00-21, European Commission, DG Agri, Brussels, pp. 8.
- Our life insurance, our natural capital: an EU biodiversity strategy to 2020. [2011]. European Commission, Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, COM(2011) 244 final, Brussels.
- Osterburg B., Nitsch H., Laggner A., Wagner S. [2008]: Analysis of policy measures for greenhouse abatement and compliance with the Convention Biodiversity, Institute of Rural Studies of the vTI Johann Heinrich von Thünen-Institute, Federal Research Institute of Rural Studies Forestry and Fisheries, pp. 90.
- Report "High Nature Value Farmland in Europe 2012 update". [2012]. European Environment Agency, Copenhagen, pp. 2-20.
- Rural Development in the European Union, Statistical and Economic Information. Report 2012. [2012]. European Union, DG Agri, Brussels, pp. 154-308.
- Situation and Prospects of Agriculture and rural areas. [2010]. European Commission DG Agri, Brussels December pp. 12-19.
- The Assessment of Implementing the EU Biodiversity Action Plan. [2010]. European Commission, Report from the Commission to the Council and the European Parliament COM(2010) 548 final Brussels, pp. 2-7.
- A Thematic Strategy on the Sustainable Use of Pesticides. [2006]. Commission of the European Communities, Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions COM(2006) 372 final, Brussels.
- Which Common Agricultural Policy for Europe after 2013? [2010]. PAN Europe Position Paper. PAN Europe, pp. 2.