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What EU policy framework do we need to sustain High Nature Value (HNV) farming and biodiversity?

Fabrice Gouriveau, Guy Beaufoy, James M. Moran, Xavier Poux, Irina Herzon, Maria Isabella Ferraz de Oliveira, Dimitra Gaki, M Gaspart, E. Genevet, Dimitris Goussios, et al.

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**HNV-Link – Learning, Innovation & Knowledge
A thematic Network on High Nature Value Farming**

www.hnvlink.eu

POLICY PAPER

**What EU policy framework do we need to sustain
High Nature Value (HNV) farming and biodiversity?**



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- Coordination** International Centre for Advanced Mediterranean Agronomic Studies - Mediterranean Agronomic Institute of Montpellier (CIHEAM-IAMM), 3191 route de Mende, 34093 Montpellier, France - www.iamm.ciheam.org - Contact: iamm@iamm.fr
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Our vision of an HNV farming-friendly common agricultural policy

This policy paper builds upon the work carried out in the framework of HNV-Link (H2020 Project, 2016-2019, www.hnmlink.eu), a thematic multi-actor network on High Nature Value (HNV) Farming involving 13 partners from 10 European countries. The goal of this network is to support HNV farming systems by inspiring and sharing innovations/practices that improve their socio-economic viability while preserving their ecological value and the public services they provide.



HNV-Link informs policymakers and authorities at the European and national levels of the main policy stakes around HNV farming, and to recommend adjustments of the Common Agricultural Policy (CAP) and other policies in order to adequately support HNV farming, the territories in which they are embedded, and the communities that depend on them.

In Europe, farmers operate within a complex and constraining environment and policy/regulatory framework, including income support and rural development measures of the CAP, but also the numerous regulations related to agriculture, food hygiene/safety, animal health/welfare, environment protection, and climate change. This framework can provide farms with incentives or on the contrary, hinder their development, and it has consequently a major influence on their economic viability and the survival of the communities depending on farming. This institutional framework was designed to deal mainly with the problems that intensive farms face. Far less weight has been placed on designing and implementing policies adapted to the needs of HNV farms, i.e. those low-intensity farms which rely on and safeguard a rich biodiversity and associated ecosystem services made up of a variety of habitats and landscapes elements. Hence, there is a need for a creative yet thoughtful design and implementation of adapted policy measures.



We acknowledge that, in some aspects, the CAP has evolved positively, with an attempt to redress progressively the historic bias against less competitive but more sustainable agricultural production modes, such as HNV farming. The CAP already includes several measures which potentially can be supportive of HNV farming, such as direct support to areas with natural and other specific constraints (ANC), Agri-Environment-Climate Measures (AECM), Natura 2000 payments, and Operational Groups (OGs), and the ambition of its revised version (2021-2027 period) looks stronger in terms of both socio-economic and environmental objectives, which is encouraging.



The new CAP foresees increased subsidiarity for Member States (MS): while the EU will set basic policy parameters (e.g. the nine specific objectives of the CAP which cover economic, social and environmental dimensions) as well as the different types of intervention, Member States will be responsible for drawing up their CAP Strategic Plans (2021-2027) and translating the EU framework into support arrangements for beneficiaries (at the national or regional levels), to achieve production but also environmental, climate and socio-economic goals.

CAP Strategic Plans will be financed by the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD). This increased subsidiarity could be double-edged: on the one hand, it will probably allow to better adapt regulations to regional and local contexts, but on the other, it raises concerns with regards to a possible renationalisation of definitions, priorities and environmental ambition of the CAP. In terms of environmental achievements, past experience (e.g. cross compliance implementation before the 2003 mid-term review) suggests that it could result in lesser efforts from Member States and a greater heterogeneity when it comes to reaching environmental objectives.

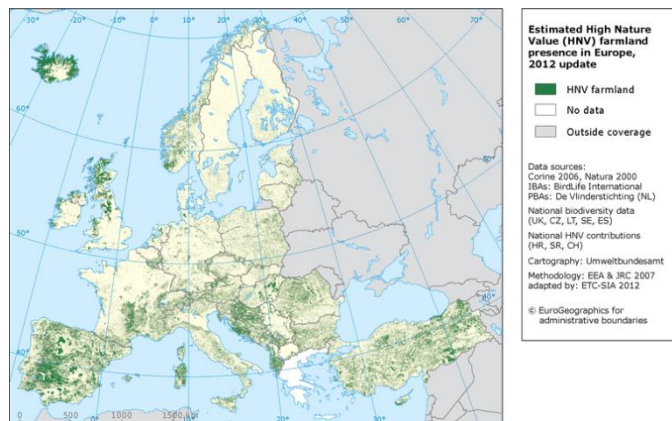


Source: www.ec.europa.eu

HNV-Link found that some countries/regions make a very positive use of a range of current CAP options and measures to support HNV farming, while others do very little for it and even implement the CAP in a way that is weighted against it. The crucial question therefore is how to design an EU policy framework and governance system that steer all Member States towards a highest common denominator in terms of HNV farming support.

It is hence a concern that, although HNV farming systems meet all the objectives of the new proposed CAP regulation as set out in articles 5 and 6 (Title II), the proposed text makes no explicit mention of these systems as being essential for fulfilling biodiversity conservation and sustainable development objectives. The CAP regulation puts much more emphasis on correcting the environmental impacts of intensive farming (by improving techniques and reducing chemical inputs) than on supporting existing farming models that deliver high levels of public benefit. Moreover, the fact that HNV farmland and farming concepts have been written out of the new CAP proposals is worrying. The logic of excluding a concept that has been the focus of previous CAP cycles is unusual given the apparently higher environmental ambition of the new proposals. Much work has been completed and public money spent in the Member States to characterise/maintain HNV farmland, since it was included as both a context and an impact indicator in the last cycle, and as a priority for rural development programmes (RDPs) since 2005.

HNV farmland covers over 25% of the EU agricultural land, including nearly all Natura 2000 farmland but also extending beyond these protected sites. Supporting and monitoring HNV farming systems inside and outside Natura 2000 is an essential complement to the policy of protecting habitats and species. Furthermore, a clear signal needs to be given that HNV farming areas of similar character to farmed Natura 2000 areas should be supported and not just fall by the wayside based on a line on a map.



Source: ETC-SIA 2012, adapted from EEA/JRC 2007

Sustaining HNV farming & biodiversity in the EU: Our recommendations at a glance

Recommendations to improve the Common Agricultural Policy:

- Integrate **HNV farming in the CAP vision, objectives and Strategic Plans**, as a diversity of farming systems irreplaceable for achieving EU biodiversity conservation objectives and UN Sustainable Development Goals.
- Accompany the **definition of permanent grasslands/pastures** with EU and national guidelines that ensure the full eligibility of all areas that are effectively grazed or produce fodder, whatever the vegetation type.
- Improve **CAP Pillar 1** and its system of rights and payments to reduce the bias against extensive farming and better reward the provision of public goods by HNV farming (e.g. eco-schemes to support HNV systems and semi-natural pastures).
- Improve **CAP Pillar 2**, adjusting the overall budget balance in favour of Pillar 2 with explicit measures for locally-led HNV conservation projects and results-based incentive schemes (transfers between Pillar 1 and 2, climate/environment schemes, etc.).
- Adjust the **Performance Monitoring & Evaluation Framework (PMEF)** to improve the characterisation/monitoring of HNV farming systems/territories (both HNV farmland quality and extent) and the evaluation of CAP measures, including an income indicator for HNV farms.

Recommendations to accompany HNV farming at national, regional, local levels:

- Do a **full assessment of the HNV systems** in the Member States (values, practices, challenges, etc.) and design ambitious programmes of CAP/RDP measures to ensure their maintenance, with indicators to monitor their condition.
- Strengthen **Agricultural Knowledge and Innovation Systems (AKIS)** with targeted approaches to boost specifically HNV farming innovation, including a facilitation and advisory role for NGOs, professional organisations, natural area managers and local authorities.
- Enhance **joined-up policies and institutions for integrated HNV land management and sustainable development** and develop the framework for participatory models, processes and institutions ruling the governance of these areas to allow HNV farmers to play a role in decision making.
- Improve **land access/stewardship, management & monitoring**, to support the installation of new HNV farmers, longer-term investments in HNV farming, more sustainable land planning, and the assessment of environmental results/services.
- Adapt the implementation of **animal health and welfare regulations** (e.g. TB eradication campaigns) to fit better HNV farming conditions.
- Develop **sustainable food policy** in urban/rural areas and promote **innovative models of urban-rural relationships**, to foster the local production of quality food and the reconnection between consumers and the farmers who supply sustainably food and public services.
- Adapt the implementation of **food production, processing and marketing regulations**, to support the creation of added-value and outlets for HNV farming products, including small-scale processing and direct sales.

What is High Nature Value (HNV) Farming?

The concept of **High Nature Value (HNV) farming** emerged in the 1990s and refers to those **farming systems and farmlands that support a high diversity of wildlife species and habitats and/or species of conservation concern**. It comprises mainly low-intensity livestock farming relying on permanent and wooded pastures and hay meadows, and in some areas includes low-intensity crop systems, traditional orchards and olive groves. HNV farming maintains a diversity of land cover, including semi-natural vegetation, and a high density of features such as hedges, stone walls, terraces and ponds that enhance landscape structure and connectivity. It occurs most frequently in areas where natural constraints (e.g. poorer land, steep slopes) hinder intensive production, but it is far from being marginal, as it covers over 25% of the European farmland.



HNV farms are multi-functional systems that, on top of producing quality food and conserving biodiversity, habitats and landscapes, supply a range of public goods and services: they contribute to water and soil protection, carbon storage, fire and climate change mitigation, employment, and are part of our cultural heritage. As such, they contribute to the sustainability of agri-

food systems.

Owing to its relevance to fulfil the UN Sustainable Development Goals (SDGs) and EU Biodiversity Strategy, the HNV farming concept was integrated into the CAP as a rural development priority from 2005, and used in the Common Monitoring and Evaluation Framework (CMEF) as an impact and a context indicator for RDPs.

High Nature Value farming is an essential component of sustainable agri-food systems and territories and it must be rewarded as such!

HNV farming systems face environmental and economic pressures, and are often neglected by public policies and not suitably rewarded for their public benefits. This may lead to HNV farmland reconversion or to its abandonment/encroachment, with subsequent irreversible biodiversity loss. The challenge is thus to increase the socio-economic viability of HNV farms while maintaining HNV farmlands' natural values. Clearly, agricultural and rural development objectives cannot be fulfilled without adequately supporting HNV farming, and for this, a more innovative and HNV farming friendly policy framework is needed at all levels, as well as the commitment of all the stakeholders.



How can we enhance the viability of HNV farms while keeping their unique ecological characteristics and the public goods & services they provide?

Why does High Nature Value (HNV) farming need policy change?

HNV farming’s specificities must be accounted for when designing and applying policies (e.g. agriculture, environment, land planning, rural development, food, energy, education) at the European and national/regional scales:

- HNV farming is an extensive form of agriculture often practised in areas where natural constraints hinder food production capacity. It sustains, e.g. through traditional style grazing and mowing, semi-natural pastures and meadows, with the biodiversity and landscapes connected to them. Those habitats constitute most of the farmland habitats listed in the EU Habitat Directive, and are also the most threatened according to EU data.



- HNV farming demands a strong and motivated labour force with specific skills and know-how allowing to reconcile production and environmental objectives. Thus, training and employment incentives must be given to HNV farmers to perpetuate this craft and make it more attractive for newcomers. In addition, access to land is critical, and therefore, land tenure policy must be improved to support farmer installations and farm succession.

- HNV farmers apply low quantities of inputs, a prerequisite for biodiversity conservation and self-sufficiency. They take advantage of spaces and resources (e.g. semi-natural grasslands, scrublands, forests) unused by more intensive systems and are therefore more resource-efficient. They also slow down scrub encroachment in open cultural landscapes, which is important in the context of climate change and increased fire risk. Thus, grazing land with shrubs or trees grazed directly or fed to livestock, should be eligible for CAP payments and other forms of support.



- HNV farms are multi-functional systems that, on top of producing quality food and conserving biodiversity, habitats and landscapes, also supply a range of additional public goods/services and contribute to structuring vibrant territories. They contribute to water regulation, soil protection, carbon storage, fire prevention, climate change mitigation, rural employment and social cohesion, and are part of our cultural heritage (e.g. pastoralism, transhumance, silvo-pastoralism). These public goods must be rewarded through suitable financial and other market incentives (e.g. Agri-environment payment schemes, eco-schemes, products’ added value through appropriate labelling and/or certification).

- HNV farming may be considered less competitive than more intensive forms of farming when a broader range of ecosystem services (not just production) are not adequately rewarded. This “disadvantage” in the current policy and market context must therefore be addressed if we are to realise a multifunctional model of agriculture. When policy also incentivises and rewards biodiversity conservation, landscape maintenance, food quality/sustainability and rural economy and society’s welfare then this “disadvantage” becomes an opportunity.

- HNV farms may be exposed to rigid control regimes for animal diseases (e.g. tuberculosis) and to predators (e.g. wolf, bear), which can affect their viability. Animal health regulations and control planning must be adapted to the realities of extensive grazing systems, and greater support given to mitigate predation impacts and reward livestock farmers who operate alongside large carnivores.
- HNV farms may be poorly served by infrastructures, regulations are stringent and hinder local/artisanal forms of food production and processing, and market access can be costly. Consequently, embracing the flexibility of food hygiene regulations or adjusting them, and enhancing the marketing opportunities would enhance the creation of added value to HNV farming products and thus the viability of HNV farms.
- HNV farms need a mix of synergistic initiatives and innovations (social/institutional, policy/regulations, technology/management, market/products) that promote sustainable infrastructures, practices, systems and territories overall, and help to ensure their viability while maintaining their ecological characteristics in the long term. So institutional and policy frameworks must be sufficiently innovative and enabling.
- Overall, HNV farmers’ interests are insufficiently represented, both by mainstream farming unions (for whom profitability and competitiveness are priorities) and by conservationists (whose interests may be mainly environment-oriented). Their networks are often not enough professionalised and organised, fragmented, and lack resources. Supporting the empowerment, organisation, advocacy and cooperation of HNV farmers is thus critical to ensure that their interests are reflected in EU and national policies.
- Where there is sustained innovation in support of HNV farming at a local level, this has usually been facilitated by a local project of some sort, typically by NGOs, professional organisations



and specialized advisors, natural areas managers and local authorities. Motivated “HNV facilitators” working closely with HNV farmers and institutions have a crucial pro-active animation role that is different from normal extension/advisory services. Such projects are needed in all HNV areas, on a long-term basis - it takes time to build momentum and for innovation to develop across themes, so continuity of projects over several years is critical, as is continuity of institutional cooperation and support.

HNV-Link: multi-actor network to support HNV farming

HNV-Link (High Nature Value Farming: Learning, Innovation and Knowledge, H2020, 2016-2019) is a multi-actor thematic network driving a peer-learning process between **13 partners and 10 Learning Areas (LAs)** across Europe. It aims at sharing best practices and innovations that support HNV farming systems and communities by simultaneously improving their socio-economic viability and environmental sustainability.



It builds upon the [Focus Group on HNV Farming of the European Innovation Partnership for Agricultural Productivity and Sustainability \(EIP-AGRI\)](#).



The 10 Learning Areas: Western Stara Planina (Bulgaria), Dalmatian Islands (Croatia), Thessalia (Greece), Causses & Cévennes (France), The Burren (Ireland), Sítio de Monfurado (Portugal), Eastern Hills of Cluj (Romania), La Vera (Spain), Västra Götaland (Sweden), Dartmoor (UK)

LAs gather farmers, practitioners, advisers, NGOs, authorities, and education/research institutes that work hand in hand to support the viability of HNV farms and the range of environmental and socioeconomic benefits they provide. These territories may have contrasting contexts and dynamics, but they share challenges. Each one has experience to share in terms of actors' organisation and collaboration, enabling policy, successful projects, innovative approaches to adding value to farm products, etc.



LAs have formulated their own visions of sustainable HNV farming development pathways, identified the barriers to those and the opportunities. But more importantly, they have analysed, shared and applied a range of solutions to achieve their goals, combining innovations in the social/institutional, regulations/policy, farming techniques/management, and products/market fields.

We have identified a wealth of innovations suitable for HNV farming, and sharing/discussing these across diverse social and geographical contexts enabled us to inform how widely applicable each one is. The Project highlighted the urgent need to actively support HNV farming, by spreading innovation and implementing appropriate CAP Strategic Plans and measures focused on realising the potential of these areas in an integrated, targeted and results-focused policy framework.



Multi-actor networks such as HNV-Link drive innovation & policy change, as they connect research, policy and practice and foster co-innovation.

Our recommendations to support EU HNV farming & biodiversity

Recommendations to improve the Common Agricultural Policy (CAP)

- **Integrate HNV farming in the CAP vision, objectives and Strategic Plans, as a diversity of farming systems irreplaceable for achieving EU biodiversity conservation objectives and UN Sustainable Development Goals.**

All reference to HNV farming has been written out of the new CAP proposals, which is unexpected and questionable given the apparently higher environmental ambition of the revised CAP, and considering that much work has been completed in most Member States to develop and implement the HNV farmland context and impact indicators in previous CAP cycles.



HNV farming is an overarching European concept and the only one linking explicitly biodiversity conservation on agricultural land to the maintenance of specific (extensive) farming practices. It has gained considerable momentum as the basis for targeted support measures in Pillar 2, and it should certainly remain in the CAP as a clear signal that this form of agriculture, which covers over 25% of the European farmland, must be suitably supported if biodiversity is to be preserved at large enough scale, in and beyond Natura 2000 areas.

Considering the increased subsidiarity to Member States, the sustainability dimension of the EU agricultural development vision and policy framework must be strengthened to prevent the renationalisation of definitions (e.g. permanent pasture), environmental targets, and monitoring/evaluation indicators. This will help to ensure non-discriminatory treatment for all farmers throughout the EU territory, to prevent distortion of competition, and to drive emulation towards environmental conservation, so as to fulfil EU CAP specific objectives and sustainable development goals. Strengthening the CAP sustainability calls for the recognition of HNV farming and farmland and an adjustment of the reward mechanisms for the public services provided.

The CAP should reaffirm not only the need to mitigate the negative externalities of the more intensive farming systems, but also the need to give greater support to those nature-friendly farming systems (including HNV farms) that already contribute to environmental objectives, by supporting their economic and social viability. It should refer explicitly to HNV farming in the objective on biodiversity and ecosystem services (Title II article 6 1.f) as key for conserving EU farmland biodiversity, beside Natura 2000 areas ("Natura 2000 and farmland of similar HNV character").



Member States should continue their effort to define and characterise HNV farming and farmland, to size and adjust the support given to this form of agriculture, and the CAP should include a requirement for CAP Strategic Plans to analyse/assess HNV farming needs & opportunities (challenges, supply of ecosystem goods & services, options for support and innovation, development pathways, etc.), in order to develop and implement adequate support and monitoring measures.

- **Accompany the definition of permanent grasslands/pastures with EU and national guidelines that ensure the full eligibility of all areas that are effectively grazed or produce fodder, whatever the vegetation type.**

As HNV farms rely on and maintain a range of valuable semi-natural herbaceous and non-herbaceous areas/resources (meadows, woody pastures, heathland, scrubland, forests, silvopastoral systems, etc.), these must be recognised when they constitute a component of the farming system (e.g. as a fodder supply or free-range space), and must be considered for financial support (e.g. through direct payments under Pillar 1, and through ANC, AECM, and organic production under Pillar 2).

Efforts were made in that direction with the Regulation (EU) No 2017/2393 (referred to as “Omnibus regulation”) which recognizes the eligibility of woody pastures/grazed areas, and this



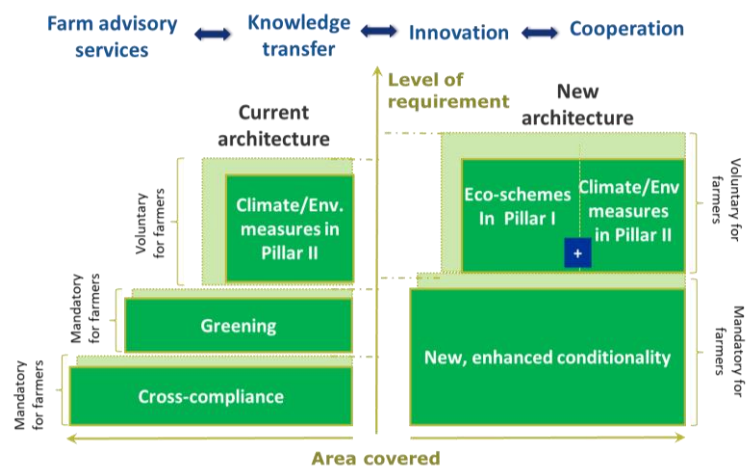
regulation should be applied more consistently across Member States. To reinforce/complement this regulation, the concept and definition of permanent pastures/semi-natural vegetation should be adjusted and agreed upon at the EU level, and the terms “permanent grassland” and “permanent pasture” should always be mentioned together. All types of permanent vegetation contributing to the farming system that be included in the definition, while regularly reseeded pastures, which currently fit the EU Commission’s definition of permanent pasture, should not be considered as permanent.

The term “permanent grassland/pasture” should refer to “land used to grow grasses or other forage (self-seeded or sown) and that has not been ploughed or reseeded for 5 years or longer” (as set by EFNCP since 2010), and “may include shrubs and/or trees that contribute directly or indirectly to the farming system, or do not impede farming activity” (Omnibus regulation, 2017).

- **Improve CAP Pillar 1 and its system of rights and payments to reduce the bias against extensive farming and better reward the provision of public goods by HNV farming (e.g. eco-schemes to support HNV systems and semi-natural pastures).**

CAP overall payment scheme:

The CAP should ensure a fairer redistribution of direct payments between farmers to reduce the bias against extensive farming. Currently, direct payments in some Member States are still linked to historic production and may not alleviate negative externalities. In some countries, there are huge areas with no historic rights, and payments are very low on extensive grazing land. Direct payments should centrally support the provision of public goods/services by farming and should not be about “distribution”. All Member States should move to a flat-rate system with no link to historic rights (all eligible land in active farming use should have payment rights regardless of historic claims).



Source: EU Commission, 2019 (Presented at HNV-Link Final Conference, 31/01/2019)

When applying CAP Pillar I payment system, to incentivise the provision of public goods/services, Member States should:

- set a maximum amount of aid per hectare per farm per worker ;
- adapt the capping/calculation of payments per ha and to local conditions, e.g. for heterogeneous surfaces (under art18 of the proposed new Cap regulation), and ensure the recognition of all the pastoral areas (including silvopastoral systems) in the capping classes;
- disconnect the capping from the calculation of the support measures from the 2nd Pillar;
- apply degressive amounts per hectare to favour the first ha and reduce the pressure on land;
- Give coupled livestock payments only for grazing livestock (permanent pastures included) up to a max LU/ha, or with payments weighted in favour of more extensive systems.
- pay particular attention to the control methods (timing, simplicity, reliability, trust) taking into account the silvo-pastoralism characteristics;
- ensure that the level of payments allows fair socio-economic living for HNV farmers.

Eco-Schemes:

Targeted measures should be implemented to support HNV farming at large scale, e.g. through the eco-scheme under article 20 of the proposed new CAP regulation. Eco-schemes represent an opportunity to provide a bonus payment/incentive to support already sustainable practices, including the sustainable management and conservation of semi-natural permanent pastures and possibly of other low-intensity systems (e.g. traditional olive groves and orchards, extensive crop systems). The bonus could be linked to a points/results-based system in order to favour progressive commitments for HNV conservation (avoiding a dual system). For the eco-scheme to be effective, it could consider an area-based top-up for extensive use of permanent grassland.



Areas facing natural or other specific constraints (ANC):

Generally, ANC payments should count towards the percentage expenditure on environmental measures only when they include mechanisms to target payments to particular farming systems of environmental value, e.g. HNV, extensive grazing up to a maximum LU/ha, traditional low-intensity olive groves. ANC payments must not pay irrigated systems.



Predation prevention/mitigation and compensation measures and payments:

Opportunities for dialogue, higher levels of participation, appropriate financial support and technical means must be given to HNV livestock farmers operating in the presence of large predators (e.g. wolf, bear), in order to support best participatory coexistence mechanisms that reduce attacks on livestock, and to mitigate and compensate for predation impacts on the farms viability and farmers’ health. Predation prevention costs (as compensation ones) should preferably be covered by the European Regional Development Fund (ERDF, environment part), rather than by the European Agricultural Regional Development Fund (EARDF), since they support an environmental objective. That would increase the budget available for other farm investments that support herd management improvements, land access, etc., and that are essential to sustain HNV farming systems.

- **Improve CAP Pillar 2, adjusting the overall budget balance in favour of Pillar 2 with explicit measures for locally-led HNV conservation projects and results-based incentive schemes (transfers between Pillar 1 and 2, climate/environment scheme, etc.).**

Budget balance between Pillar 1 and 2:

Member States should have the possibility to transfer part of their CAP allocations between direct payments and rural development and vice-versa to ensure that their priorities and measures can be funded (The CAP allows a transfer of up to 15% - Art 90 of the new CAP regulation).

Pillar 2 should receive greater amount of funding targeted to environmental objectives, and explicit mention should be made of the need to support HNV farming at a large scale and a more efficient use of Pillar 2 measures is needed to enhance the impact of AECM; the surface of eligible areas under Pillar 2 should increase.



CAP regulation should make explicit mention of and foster locally-led projects to support HNV farming and boost innovation, supported by the Cooperation article of the rural development regulation. HNV farming should also be targeted for support from agri-environment-climate payments, non-productive investments, capacity building of farmers and extension services, etc.

Since 2005, certain Member States have responded to explicit prioritisation of HNV farming in Pillar 2 by implementing targeted HNV farming measures, e.g. AECM in Bulgaria and Romania, locally-led projects in Ireland. The EU Commission should encourage other Member States to follow these examples.

Agri-Environment-Climate Measures (AECM):

AECM should be designed involving different parties representing different fields of expertise, and covering notably ecological and farming system sciences. They should support the integrated management of HNV farming systems (i.e. focusing less on the surface area), including a diagnosis and definition of common objectives (e.g. by naturalists, pastoralists, breeders and other HNV farmers) targeted at one or more management units, with a follow-up over the duration of the contract (e.g. as the method used in the Life+ Mil'Ouv Project).



Within AECM, CAP regulations must give an explicit option for Results-Based Agri-Environment payment schemes (RBAPS). The notion of result should be adapted to the nature of the environmental output aimed at and should favour results on habitats and landscapes rather than results on species (whose achievement is more uncertain).

Investments and Innovation/Complementary Supports:

The CAP should provide incentives (fiscal, social, others) for young/new farmers to practice HNV farming, by this removing a stigma of HNV farming being “old-fashioned” and without future.

Non-productive investments should include individual/collective investments in HNV farming. Experience in many Member States has shown that HNV farmers participating in AECM (including

results-based schemes) often need financial support for actions not covered by the annual payments but essential for maintaining the farming system, for example scrub clearance, repair of stone walls and hedges, and new water points for livestock.

The CAP should provide support for HNV farming producer groups and collective infrastructures, farm diversification, on farm processing and direct sales, considering local contexts (e.g. Art. 68-investments, Art. 71-co-operation, Art. 72-knowledge exchange and information; LEADER if 100% agricultural).

- **Adjust the Performance Monitoring and Evaluation Framework (PMEF) to improve the characterisation and monitoring of HNV farming systems/territories (assessing both HNV farmland quality and extent) and the evaluation of CAP measures, including an income indicator for HNV farms.**

When considering the PMEF, the EU Commission’s proposal is not for a system of payments linked to delivery of results at farm level (as the text of the proposals implies), rather it is a more

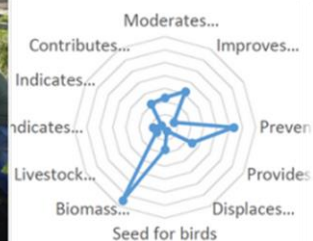


conventional system of indicators to attempt to monitor results against broad objectives. In essence we might know if something is working or not but there is no signal to Member States that something needs to be done to adapt implementation as a result of the monitoring findings.

The indicators in Annex I should be further developed and the correspondence between Impact/Result/Output indicators improved. Indicators should be informed by expertise in DG Environment and DG Agriculture, especially those linked to the protection of biodiversity, enhancement of ecosystem services and preservation of habitats and landscapes (e.g. Indicators I.10, I.14, I.19).

The PMEF should make use of and improve the HNV farming results/impact indicators developed previously, to help Member States with the characterisation, mapping and monitoring/evaluation of HNV farming and measures, and to assess whether the measures implemented by Member States answer the needs of HNV systems.

HNV-Link has focused on the crucial question of HNV farming viability, and it is essential for authorities to gather data on the income trends specifically in these farming systems, given the tendency towards abandonment with subsequent environmental losses. The CAP therefore should introduce an Impact indicator under the group for “viable farm incomes and resilience” (where there is already an indicator for incomes in ANC), e.g. Contributing to the viability of HNV farming systems: evolution of incomes in HNV farming systems, by farming sector. The corresponding Result indicator would be, e.g. Enhancing support to high nature value farming systems: increase in support relative to non-HNV farming. HNV farming incomes can be monitored through a sample survey method, targeting areas identified as having a high proportion of HNV farming.



Recommendations to accompany HNV farming at national, regional, local levels

- **Do a full assessment of HNV farming systems in Member States (values, practices, challenges, etc.) and design ambitious programmes of CAP/RDP measures to ensure their maintenance, with indicators to monitor their condition.**

The overarching problem at present is not so much the current CAP at EU level, it is also the way that Member States implement existing policy options, and the failure of EU governance to ensure that enough effort is put into tackling issues such as the decline of HNV farming in and outside Natura 2000 areas. In particular, certain Member States give very little attention to their HNV farming when designing Pillar 1 regimes and RDPs, with the result that these systems do not receive the support that they need.



The new Strategic Plans are an invaluable opportunity for authorities to take a new approach based on an assessment of HNV farming and its challenges and needs on the ground.

Member States must give options to implement Results-based agri-environment payment schemes (RBAPS), ensuring their continuity over the long term.

- **Strengthen Agricultural Knowledge and Innovation Systems (AKIS) with targeted approaches to boost HNV farming innovation, including a facilitation and advisory role for NGOs, professional organisations, natural area managers and local authorities.**

The CAP should contribute to enhance AKIS across the EU, promoting a clear understanding of HNV farming stakes and of HNV farmers' needs. Strategic AKIS plan should be considered as a compulsory component of CAP strategic Plans, and they should reflect the importance of HNV farming in education, research, advisory sector. They should contain elements to improve in the short, medium and long term the cooperation between stakeholders, the production and flow of knowledge, the identification of the farmers' needs, and the development and transfer of suitable/useful solutions to face current and future challenges. These measures should be supported by long-term investments in human resources that ensure the animation of the necessarily participatory processes.



Knowledge and understanding of HNV farming:

Member States should improve the mapping of HNV farmland and HNV farm characterisation, as well as their knowledge of HNV farming economies and income trends.

Farmers representation:

The empowerment, organisation of HNV farmers and their associations should be strengthened, to help them improve their representation at the national and EU levels, and better defend their interests.

Advisory services and locally-led facilitation:

Advisory services’ awareness of the benefits of HNV farming for biodiversity/natural resource conservation should be raised, and farm advisers should be properly trained to deal with HNV farming specificities in a multi-actor setting, following a “knowledge/innovation broker approach” rather than using the adviser-advised paradigm. Advisers should promote good practices/innovations that enhance the productivity/viability of HNV farms while maintaining their ecological value.



The crucial role of local projects and public/private actors (e.g. NGOs, local development agencies, professional organisations, specialised advisors, natural area managers, and local authorities) in supporting HNV farming must be acknowledged and strengthened, as those are key to sustaining



innovation and development. Motivated “HNV facilitators” working closely with HNV farmers and institutions play an essential pro-active animation role that is different from normal extension/advisory services. Such projects are needed in all HNV areas, on a long-term basis, to build momentum and for innovation to develop across themes and institutional levels. Funding must be made available to ensure the continuity of the projects over several years, and the continuity of

institutional cooperation and support must be a priority.

Education & public awareness:

Several countries incorporate in their education systems and curricula teaching on HNV farming (pastoralism, agropastoralism, agroecology), but teaching must be strengthened and proposed at different academic levels, from primary school to higher education and post-graduate studies, with as much as possible practical field and landscape visits.

Researchers, practitioners and authorities must foster publications and actions related to HNV farming constraints, opportunities, benefits, embedding HNV farming in the food, agriculture, and environment nexus (e.g. explaining that the insect collapse is linked to HNV farming decline to a large extent). Continuous training programmes should be designed and implemented in this regard.



- **Enhance joined-up policies and institutions for integrated land management and sustainable development, and develop the framework for participatory models, processes and institutions ruling the governance of HNV areas to allow HNV farmers to play a role in decision making.**

The CAP should drive an integrated approach to land use policy and management across the EU and the coordination between sectoral policies (agriculture, rural development, environment, animal health, food hygiene) should be improved to address in a more strategic, integrated, and sustainable way common issues related to agriculture, environment protection, energy, food, socio-economic development, etc. The UN Sustainable Development Goals should serve as overarching framework.

HNV farming is an overarching European concept that integrates the conservation of the most valued farmland biodiversity and the maintenance of the essential farming systems. Within this framework, CAP/RDP should be used to promote Natura 2000 objectives for habitats maintained by HNV farming.

Integration is also needed at the local level. For example, specific HNV indicators should be designed to support the assessment/funding of Local Development Strategies developed by the Local Action Groups that operate in recognised HNV areas in the framework of the Leader Programme (2021 – 2027).



Governance of HNV farming areas demand real participation of farmers involved. For this participation to be effective there is a need for training, facilitation, capacity building and collaborative institutions actually committed to sustainable development. The role of skilled facilitators is key for developing these infrastructures.

- **Improve land access/stewardship, management & monitoring, to support the installation of new HNV farmers, longer-term investments in HNV farming, more sustainable land planning, and the assessment of environmental results/services.**

Access to land is the largest barrier to new entrants to farming in Europe, as highlighted by several actors and studies (see for example EIP-Agri Focus Group on New Entrants to Farming), and the CAP should create opportunities for existing HNV farms to thrive, and for new ones to start. In many regions, the availability of land for sale or rent is low, and the competition for different uses is high (farming, residential, tourism, etc.). In addition, the current CAP tends to disincentivise land sales and rental, and exacerbate land speculation.

The rules for the allocation of and access to municipal grasslands/pastures should be adapted to support longer-term access and investments by livestock farmers, and fit the needs of extensive farming systems (e.g. pastoralism).



The CAP system of rights and direct payments should incentivise land sale/rental to farmers and ensure the best use of the land.

National and regional rules, e.g. for grazing and management of municipal pastures should be adapted, as the rules for allocating municipal grasslands/pastures to livestock farmers, to distinguish livestock kept in-door/grass-fed only, plain/mountain (e.g. National legislation for allocation of municipal grasslands to local livestock farmers without tender procedure).

Long-term contracts for use of municipal land (adapting the law on land use and municipal regulations) and long-term pacts between owners, producers and other stakeholders should be promoted, to ensure stability, investment and social support to grazing, and other HNV activities.

Sustainability criteria in state-owned land should be implemented, for the monitoring of land given for concession, to preserve agricultural landscape and biodiversity.

- **Adapt the implementation of animal health and welfare regulations (e.g. TB eradication campaigns) to fit better HNV farming conditions.**

Animal health and welfare regulations should be adapted and implemented based on risk, and risk management should be addressed across the relevant policies. Member States must promote cooperation between national/regional authorities, farmers/herders and experts to design animal health regulations, campaigns, programmes adapted to HNV farming systems, notably on common pastures with wild fauna vectors (e.g. TB eradication in Spain).



Overall, governments must encourage practices and infrastructures that enhance animal welfare (e.g. free range husbandry, local or mobile abattoirs). The effective participation of HNV farmers and their organisations in committees, strategies and planning affecting health and welfare regulations must be guaranteed.

- **Adapt the implementation of food production, processing and marketing regulations, to support the creation of added-value and outlets for HNV farming products, including small-scale processing and direct sales.**

Member States should embrace the flexibility of EU food hygiene/sanitary legislation and rules and allow flexible application to encourage small-scale and on-farm processing and marketing of HNV farm products (e.g. on-farm slaughtering, artisan/raw milk cheese production and direct sale, mobile abattoirs, mobile cheese factories...).

The marketing of HNV products through direct sale and certification should be supported to increase their added value, based on guarantee systems made of criteria/indicators compatible with national certification systems. The link between the product and ecological characteristics of the HNV farm is key.



- **Develop sustainable food policy in urban/rural areas and promote innovative models of urban-rural relationships, to foster the local production of quality food and the reconnection between consumers and the farmers who supply sustainably food and public services.**

Cities and towns, which host many of the food consumers, must implement sustainable food policy/measures to promote environmentally sustainable farming systems: encouraging the consumption (e.g. in public school restaurants, public health infrastructures) of products originating from environmentally sustainable farms (e.g. HNV or organic); supporting the organisation/cooperation of agri-food value chain actors to multiply marketing options and allow a fairer redistribution of the products' added-value; fostering "short-circuit retail" which can decrease intermediary costs and result in higher profit for the farmers; encouraging the mobilisation of urban/peri-urban land for the installation of HNV farmers.

All these local food actions should entail explicit biodiversity and landscape criteria/goals, giving more positive meaning to local farming rather than simply "efficient" or "non-polluting" farming. The relationship/connection between HNV farms/territories and rural/urban consumers should be strengthened through collaborative tools such as land pacts with the participation of consumers, urban and rural inhabitants and all stakeholders involved.

Conclusion

Biodiversity and landscapes in particular, and natural resources in general, are being lost in the EU and worldwide at an unacceptable rate. Their conservation across sufficiently large scales, beyond nature reserves and sanctuaries, calls for the continuation of “High Nature Value farming”, i.e. low intensity/input/impact farming, in areas threatened by land abandonment/encroachment or intensification and irreversible degradation.

The CAP, as the overarching EU Agricultural Policy framework, forms the basis of the EU common sustainable development vision, that all Member States should back and concretise. As such, it must clearly and effectively support the recognition and socio-economic viability of environmentally beneficial (including HNV) farming systems in the long run, as much as it supports the greening of the more intensive forms of agriculture. As biodiversity and landscapes are one of the most crucial and irreplaceable heritage for all citizens, the EU dimension of HNV conservation should be reaffirmed. The conservation of HNV farming is the responsibility of all levels of intervention: from the European to the local level.

The EU should promote effective and targeted support for HNV farming, e.g. through financial incentives from CAP Pillar 1 (direct payments, eco-scheme, etc.) and Pillar 2 (AECM, local HNV farming support and facilitation, etc.), and using other instruments that boost agricultural innovation and farming viability (e.g. Operational groups of the EIP-Agri). In addition, real efforts are needed to improve AKIS and promote joined-up policies and institutions, to develop sustainable food policy and food systems, to facilitate land access/stewardship, and to adapt nationally/regionally the implementation of animal health/welfare and food production/processing/marketing regulations.

While there should be some flexibility for Member States and regions to design locally-suited measures in support of HNV-farming (e.g. eco-schemes, AECM), the CAP should propose a strong and convincing framework ensuring that EU biodiversity conservation is a top priority for all Member States at all times, and that existing forms of agriculture that already support exceptional biodiversity are rewarded across the EU through results-based incentives.

Food production cannot be EU’s agriculture unique driver anymore, and the ongoing shift of paradigm and practices towards “agroecology” must continue if agroecosystems are to be managed sustainably and if our societies want to keep on enjoying the range of ecosystem services that HNV farming produces.



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