

KEY ISSUES

Floor Brouwer¹

The papers included in Part III cover a range of agri-environmental measures that reward farmers for the supply of public benefits (e.g. environment, biodiversity values and nature management). Measures include: 1) the adoption of a new Environmental Stewardship Scheme to be put in the broader context of agri-environmental programmes in England; 2) buffer strips as a very specific and targeted agri-environmental measure in Finland; 3) a comparison of agri-environmental measures relative to other agricultural policy programmes that could contribute to meeting environmental targets in Germany, Sweden and Switzerland; and 4) a specific programme (the CRP) in the United States to control soil erosion and conserve wildlife.

General comments

In all cases payments are provided to stimulate farmers in changing their practices. However, the objectives of the evaluated policy measures are very diverse. Objectives include addressing local and site-specific water quality problems from nutrients, to regional and national problems related to soil erosion, biodiversity, wildlife habitats and ammonia emissions. Some countries have very explicit policy objectives (e.g. Switzerland), but most countries have not been specific on the targets they want to achieve through the payment programmes.

Some of the evaluations (Switzerland and, to a lesser extent, in Finland) primarily focus on environmental effectiveness. Cost-effectiveness is a key criterion in the Swedish and English examples. Benefits are identified in rather broad terms in the US analysis, which offers an assessment of the CRP's impact on society in terms of rural employment, rural population and recreational activities.

The evaluations largely rely on knowledge from natural sciences, complemented with economic assessments. Other social science disciplines are involved to a limited extent only. The analyses seem to be based on modelling work, which might be complemented with empirical analysis at farm and regional level, e.g. as in the Finnish and German evaluations.

Recommendations

A number of *recommendations* are provided in the papers.

- Information on the efficiency and effectiveness of programmes, and examining costs versus benefits of programmes is important. However, the value for money might be hard to assess

1. Agricultural Economics Research Institute (LEI), the Netherlands.

in the case of programmes that are broad and shallow, applying to a considerable land area. A number of the studies (*e.g.* the English, German and Swedish studies) noted the inefficiencies of single payment rates. It also remains to be debated as to how much time should be provided for the gathering of evidence on the value for money. In Switzerland, for example, there is a 10-year evaluation programme (including a periodic updating of agricultural policy once every 4 years).

- Farmers' compliance costs seem relevant to only a limited extent in the case where payments are made for the provision of public services. The programmes examined mainly include measures that affect land management. Costs for investments might be marginal in such cases. The most suitable economic indicators are declines in income or revenues, rather than increases in production costs.
- Some assessments describe the dilemma in treating single issued policy themes. A reduction of ammonia emissions may result in higher leaching of nitrogen to soil and water. The Swedish case shows that payments have both positive and negative impacts, and a trade-off is required. This study also showed the divergence that can exist between real world judgements by farmers and the analysis derived from profit maximising regional sector economic models. This may arise if farmers' decisions are not only based on profit maximisation, but over and above on additional economic signals (*e.g.* long-term viability of the holding), and societal demand and pressure.
- A gap might exist between the research agenda of the academic world and policy demand. It is advised that policy questions addressed to the research community should be made very explicit, building on existing knowledge and providing sufficient financial resources.

To conclude, most of the papers touch on the uptake of measures by farmers and environmental effectiveness. Issues for further consideration:

- Uptake *vs* sensitivity to environmental problems – uptake is not necessarily highest by farmers (and in regions) that are most sensitive to environmental problems.
- Level of payments *vs* services provided – examining whether payments match the public services provided by the farmer.
- Farms participating in agri-environmental payment programmes *vs* those that do not – key indicators to compare would include income, production intensity, and the diversity of crop and livestock production.
- Sectoral *vs* farm level models – which modelling approach should be used to assess policies.

TABLE OF CONTENTS

	<i>Page</i>
FOREWORD	3
SUMMARY	9
Summary Annex – One-page Summaries of Country Evaluations	15

Part I EVALUATION DESIGN

Key Issues	
<i>Markku Lehtonen</i>	37
Chapter 1. Evaluating Agri-environmental Policies in the OECD	
<i>Darryl Jones, OECD Directorate for Food, Agriculture and Fisheries</i>	39
Chapter 2. Building Accountability Structures into Agri-environmental Policy Development	
<i>Steve Montague, Performance Management Network Inc. and Erwin Allerdings, Agriculture and Agri-Food Canada</i>	55
Chapter 3. What Constitutes a Good Agri-environmental Policy Evaluation?	
<i>David Pearce, University College London</i>	71

Part II EVALUATION OF PAYMENTS - MID-TERM EVALUATION OF RURAL DEVELOPMENT PLANS

Key Issues	
<i>David Ervin, Portland State University</i>	101
Chapter 4. Evaluation of Agri-environmental Measures in Flanders, Belgium	
<i>Koen Carels and Dirk van Gijsegem, Flemish Agriculture Administration</i>	103
Chapter 5. Evaluation of Agri-environmental Policies Implemented in France from 2000 to 2002 under the CTE Farm Contract Scheme	
<i>Jean-François Baschet, Ministry of Agriculture, Forestry, Fisheries and Rural Affairs</i>	117
Chapter 6. The Implementation of Organic Farming: The Case of Peloponnese, Greece	
<i>Konstantinos Kloudas, Nikolaos Michopoulos and Angelos Koutsomichalis, European Enterprise Organisation Group SA; and Elena Kagkou and Amalia Liatou, Ministry of Rural Development and Food</i>	129
Chapter 7. The Evaluation of Agri-environmental Measures: A Survey of Different Methods used by Italian Regions	
<i>Annalisa Zezza, Istituto di Servizi per il Mercato Agricolo Alimentare</i>	141

Part III
EVALUATION OF PAYMENTS - OTHER

Key Issues

Floor Brouwer, Agricultural Economics Research Institute (LEI)..... 159

Chapter 8. Evaluating Agri-environmental Schemes in England

Geoffrey Radley, Department for Environment, Food and Rural Affairs 161

Chapter 9. Alternative Approaches for Evaluating the Performance of Buffer Strip Policy in Finland

Jussi Lankoski, MTT Agrifood Research Finland 177

Chapter 10. Assessing Long-term Impacts of Agri-environmental Measures in Germany

Bernhard Osterburg, Federal Agricultural Research Centre 187

Chapter 11. Sweden's Experience with Evaluating Agri-environmental Payments

Bo Norell and Martin Sjödaahl, Swedish Board of Agriculture..... 207

Chapter 12. Evaluation of Agri-environmental Measures in Switzerland

Ruth Badertscher, Swiss Federal Office for Agriculture..... 223

**Chapter 13. Conservation Policy and Agriculture in the US:
Valuing the Impacts of the Conservation Reserve Program**

Daniel Hellerstein, United States Department of Agriculture..... 231

Part IV
EVALUATION OF TAXES

Key Issues

Iain Fraser, Imperial College..... 261

Chapter 14. The Use of Green Taxes in Denmark for the Control of the Aquatic Environment

Hans Larsen, Ministry of Taxation..... 263

**Chapter 15. Taxes as a Tool to Reduce Health and Environmental Risk
from Pesticide Use in Norway**

Erlend Spikkerud, Norwegian Food Safety Authority 281

Part V
EVALUATION OF REGULATORY REQUIREMENTS

Key Issues

Davide Viaggi, University of Bologna..... 293

**Chapter 16. The Regulation of Nutrient Losses in Denmark
to Control Aquatic Pollution from Agriculture**

*Søren Kjaer, Ministry of Environment; Pieter Feenstra, Ministry of Agriculture,
Food and Fisheries; Søren Mikkelsen, Danish Institute of Agricultural Sciences;
and Torben Moth Iversen, National Environmental Research Institute 295*

Chapter 17. Has Conservation Compliance Reduced Soil Erosion on US Cropland?

Roger Claassen, United States Department of Agriculture..... 309

Part VI
EVALUATION OF ADVISORY AND INSTITUTIONAL MEASURES

Key Issues

Ingo Heinz, University of Dortmund 325

**Chapter 18. Evaluating Community-based Programmes in Australia:
The Natural Heritage Trust and the National Action Plan for Salinity and Water Quality**

*Mike Lee, Department of Agriculture, Fisheries and Forestry,
and Blair Wood, National Land and Water Resources Audit*..... 327

Chapter 19. The Canadian Shelterbelt Program: Economic Valuation of Benefits

*Suren Kulshreshtha and Edward Knopf, University of Saskatchewan;
and John Kort and Julie Grimard, Agriculture and Agri-Food Canada* 347

Chapter 20. Evaluation of the New Zealand Sustainable Farming Fund: A Work in Progress

Kevin Steel, Ministry of Agriculture and Forestry 363

Part VII
EVALUATION OF POLICY MIXES

Key Issues

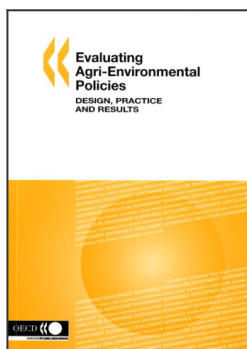
John Finn, Teagasc (Irish Agriculture and Food Development Authority) 377

Chapter 21. Evaluation of Agri-environmental Policies in Japan

Yukio Yokoi, Ministry of Agriculture, Forestry and Fisheries 381

Chapter 22. Evaluation of the Dutch Manure and Fertiliser Policy 1998-2002

*Hans van Grinsven, Martha van Eerdt and Jaap Willems,
National Institute for Public Health and the Environment (RIVM);
Francisca Hubeek, Agricultural Economics Research Institute (LEI);
and Erik Mulleneers, Ministry of Agriculture Nature and Food Quality (LNV)*..... 389



From:
Evaluating Agri-environmental Policies
Design, Practice and Results

Access the complete publication at:
<https://doi.org/10.1787/9789264010116-en>

Please cite this chapter as:

Brouwer, Floor (2006), "Key Issues", in OECD, *Evaluating Agri-environmental Policies: Design, Practice and Results*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264010116-12-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.