FOOD SOVEREIGNTY: A COMMON CHALLENGE IN AFRICA AND IN EUROPE

Agricultural policies and regional integration for family farming
Food sovereignty: a common challenge in Africa and in Europe

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Coordinated by
Edoardo Calza Bini and Stefania Boccaleoni
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Secretariat of EuropAfrica Campaign
c/o Terra Nuova Onlus
Via Gran Bretagna, 18- 00196 Rome, Italy
Tel. +39 06 8070847
boccaleoni@terranuova.org
www.europafrica.info

Technical Coordination of the publication
c/o Crocevia
Via Tuscolana n. 1111 - 00173 Roma
Tel: +39 06 72902263
crocevia@croceviaterra.it
www.croceviaterre.it

Graphic project: Stefania Serra
Translation: Manuela Ciri

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Food sovereignty: a common challenge in Africa and in Europe

Agricultural policies and regional integration for family farming
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The food crisis which deflagrated in 2007-2008, causing uncontrolled price increases which in turn prompted food uprisings, clearly evidenced the total incapacity of the current agro-food business to guarantee food security. According to FAO, estimates, we are witnessing a continuous increase in the numbers of hungry people, already surpassing one billion count. Olivier De Schutter, the “Special Rapporteur on the right to food”, cites FAO data and points out that the crisis is not over yet, with an emergency situation still persisting in 32 countries. “The analysis of domestic food prices for 58 developing countries included in the report shows that, in around 80 per cent of cases, food prices were higher than 12 months earlier, and around 40 per cent higher than in January 2009”.

It is now clear that this persisting crisis is not ensuing from a particular trade cycle phase, as hypothesized by someone in the past; instead, it highlights the failure of the neo-liberalist model, which claimed the market to be the most efficient and effective system for guaranteeing foodstuff production and distribution on a global scale. For the last 20 years this system, by advocating a production-driven modernizing of agriculture, with the support and sponsorship of Green Revolution advocates and International Financial Institutions, in the name of the conditionality principle, imposed privatization, liberalizing and deregulation policies, leading to the gradual dismantling, and eventually to the total elimination of public policies in agriculture. Such process, further reinforced by international free trading agreements (both multi-lateral and bilateral), involved the northern regions of the world as well, and shaped the current global agro-food system which has become extremely concentrated and is dominated by a handful of multinational corporations (both upstream and downstream from agricultural production).

The deregulated and oligopolistic system of multinational companies originated an explosive mix, deriving from the convergence of high oil prices and the agro-fuel business with financial speculation and generating an inflationary vortex which beat down hard on small producers, consumers and especially on poor populations.

As prices were going off the roof and the crisis was raging, however, the capillary presence of small and medium scale producers was a factor of crucial importance; in fact, these producers could restock proximity markets, which remain indispensable in most agro-food systems on the globe. This is the “discovery” from which we must take off again, with the aim of finding solid and sustainable answers to the crisis. These heterogeneous realities are based on resistance practices implemented by endogenous subjects who are locally active, but should be supported by adequate policies in order to fully express their development potential, based on their ecological, social and cultural specificities.

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1 - FAO, 2009. The State of Food Insecurity
Starting from the above premises, for over 5 years, the EuropAfrica Campaign’s agenda focused on claiming the right of each African country or regional group to plan and implement agricultural policies through a definition process which benefits from the participation of civil society organizations, with the objective of meeting food needs through local produce, thus achieving food self-sufficiency and utilizing the potential of family agriculture for a sustainable agricultural development.

The other fulcrum of the agenda was the need to reform the CAP in Europe, abandoning support to the production-driven industrial model and turning to alternatives based on agro-ecological farming and local markets, keen on utilizing and preserving the economic, social and environmental resources of the various areas.

In this perspective we assert the need of defining a new global food and alimentation governance that, as stressed by the farmer organizations of Africa, “will have to be conceived and ensured within the system of the United Nations, in particular by the agriculturally involved institutions in Rome, with a stronger participation of the professional agricultural organizations”.

Reflection and work carried out by the EuropAfrica Campaign to highlight the importance of adequate agricultural public policies at both local and global levels, in the southern and northern territories, crucial to promote and protect the specificities of local agricultural systems which are economically, socially and ecologically sustainable: this is the core on which our publication is based.

This essay is written as a contribution to the above mentioned issues, with the objective of starting with an analysis of the European CAP experience (which has promoted regional integration but has favoured a model of industrial agriculture over one of family farming and has provoked significant damage to African agriculture) and confront the European situation with that of the African regions with a view to drawing lessons that can be relevant to:

- Formulating regional agricultural policies in Africa that promote family farming
- Stimulate reflection on the reform of the CAP in the direction of a sustainable model of agriculture which does not impact negatively on the agricultures of other regions.
- Underline the importance of favouring agricultural production models which take into consideration the issue of climate change in Africa and Europe and which have adaptation capacities (supplying local markets on the basis of their natural resources and of an ample agricultural biodiversity).

The case studies presented in this publication start from a common analysis grid based on the three axes that the organizations and authors have autonomously developed to emphasize the specificities of the countries and regions which form the object of this study.

The three axes focus on:

1) Agriculture common policies analysis

- The economic, political-institutional context inside which the process of integration and formulation (and reform) of common agricultural policies is carried out, both at national and at regional level, including the influence of international factors such as trade, development aid policies, etc...

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4 - The campaign was launched in 2005, as a partnership between the platform of peasants’ and farmers’ associations of Western Africa ROPPA, ItalAfrica – Terre Contadine, an Italian network of farming and civil society organizations (in Italy, the Campaign is coordinated by Terra Nuova and by the Centro Internazionale Crocevia) and the non-profit organization CSA (Collectif Strategies Alimentaires, Belgium). Since 2008, the network expanded to include other international partners: GAIA Foundation in Hungary, UK Food Group in Great Britain, EAFF (East African Farmers Foundation) and PROPAC (Regional Platform of Farmers’ Organizations of Central Africa).

- Policy actors present in the policy process for the formulation and application of common agricultural policies, their interrelations, their interests, and their potentialities and resources to negotiate and defend their interests.
- The contents of the agricultural policies and their reforms: declared objectives and instruments for its implementation.

2) Family-based agriculture and agricultural policies
- Production structures and impact of policies on family-based agriculture
- Resistance, adaptation and innovation practices of family-based agriculture

3) Perspectives and propositions for the future
- What common agricultural policies for the future?
- Objectives and instruments for an agricultural policy oriented to strengthening the existing family farm structures and the construction of local markets.

The crucial challenge, as clearly evidenced by the studies presented in this publication, remains the prevailing, in the various decisional arenas, of the principle of food self-sufficiency as the founding base in formulating public policies in agriculture. Thus new policies are envisioned, in order to support sustainable development of the heterogeneous local agricultural systems existing on our planet, and essential to guarantee the implementation of the right to food and the elimination of hunger.
COMMON AGRICULTURE POLICIES (CAPs) IN AFRICA: MYTHS AND REALITY

Anna Ricoy
Consultant, FAO, Climate, Energy and Tenure Division, Rome

Jean Balié
Economist, FAO, Economics of Agricultural Development Division, Rome

Original version in French
Introduction

Since the beginning of the XXI century, Africa has seen the birth of numerous projects aimed at implementing common agricultural policies (CAP), within the frame of recent efforts to encourage regional integration initiatives in this continent. In fact, these African CAP initiatives were conceived as part of a new model of regional integration, called “open regionalism”, characterized by the absence of discriminatory commercial politics versus countries which are not members of the concerned regional integration space, with the objective of privileging free worldwide exchange (Bergsten, 1996), and by a concerted unilateralism (Fukusaku, 1997). Thus, several African CAP initiatives were conceived within the frame of a more liberal approach to regional integration in developing countries, named “the third wave”6 (Matthews, 2003), and this explains a certain number of their characteristics.

Such initiatives of regional integration for agriculture are numerous and varied. They follow a hierarchy corresponding to different levels of integration/cooperation. Even though changes and evolutions are never strictly linear, often regional initiatives will undergo a modification process, going from subtle to more stringent forms of integration. The most simple form is a preferential area, when 2 countries commit to agreeing on special conditions (such as lowering customs duties) for trade concerning certain products. Within an area of free exchange, the concerned countries have eliminated obstacles to commerce involving the overall circulation of their merchandise, while a common commercial policy towards third countries does not exist. On the other hand, within a customs union, common customs duties levied to third countries have been agreed upon, while internally customs duties and non-monetary obstacles to trading (import quotas, voluntary export limitations) have been eliminated. A common market represents a customs union where the circulation of production factors, namely work force and capital, among the member states have been completely liberalized. Within an economic union, moreover, national economic policies are harmonized and structured communally. A monetary union is characterized by the adoption of fixed exchange rates or a common currency. Within a political union, the member states abandon their political sovereignty and delegate their decision making competence to supranational institutions, although in certain domains the subsidiary principle prevails.

The various regional integration plans originate from several types of motivations, as we will see later, but the base principle of any regional integration plan is the conviction that unity is strength. In a globalized world where balances between the main worldwide players lay upon power relationships, the main issue becomes conciliating these power objectives with the need to respect national identities and specificities. Another motivation for regional integration, more or less explicitly evoked, is development. Regional economic organizations need to stimulate economy through exchange promotion, and equally through mobilizing supplementary resources for investments. In fact, regionalization in Africa, if seen from a pragmatic but rarely explicit point of view, allows African decision makers to increase the volume of aid granted to their countries by the European Union (EU) (Coussy, 1995) in favour of the agricultural sector and beyond. Indeed, the EU encourages regional integration. It supports a large number of initiatives, becoming to all effects the reference point in economical and political cooperation, and

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6 The first wave of regional integration, between 1940 and 1970, was characterized by the adjustment of free multilateral exchange and by rather scarce regional agreements. The regional agreements of the second wave, between 1960 and 1970, were mainly aimed at extending the policy of import substitution, previously practiced at a national level, to a regional scale.
Thus legitimating its own existence. On the other hand, we could just as easily consider that the support granted by the EU to regional integration in Africa is motivated by the effort to simplify the number of interlocutors and to reduce the costs of this cooperation through a scale effect. Regional integration in Africa also allows the EU to influence its commercial policies in the direction of a wider opening, through the ECA (Economic Partnership Agreement) for example (European Commission, 2008).

However, according to Robson (1988), in Africa most of the integration initiatives based on exchanges have so far only brought a minor contribution, if any, to economical and commercial development. After all of the various plans of regional integration, different motivations, multiple and varied influences, nothing proves that agriculture should be the most pertinent sector for implementing a regional common policy in Africa. On the contrary, it is possibly the most difficult sector. Then how to explain why several regional groups have made it their choice? How to justify the perception that agriculture is essential in integration processes? What can be shared from an agricultural point of view? If agriculture is indeed central, how to explain the scarceness of resources, both financial and human, granted to this sector? How to make significant progress towards economic integration by giving a real chance for growth to the agricultural sector? In which way can agriculture constitute a sector that allows the attainment of objectives set by regional integration (economic development, stability, cohesion and political power)? All of these questions are certainly essential and strategic, but were rarely directly addressed during the development of regional integration projects centred on agricultural issues.

The first part of this article analyzes the reasons why some regional groups have made agriculture the unifying axis of integration, and evaluates the results in terms of impact and implementation. Starting from the observation that these initiatives of regional integration for agriculture have had only limited success, the second part of the article proposes instruments, pragmatic and concrete mechanisms to significantly improve both the formulation and implementation of CAPs which should reinforce the agricultural sector, effectively including it in the field of explicit development strategies.

**Agriculture as the unifying axis of regional integration**

**An evolution in the perception of agriculture**

**On historical neglecting of agriculture...**

African political groups have neglected agriculture for a long time, as an issue of public policy, often assigning a very small part – decreasing in these last decades – of the State budget to it. The rate of agricultural expenditure within the global budget declined from 6.3% in 1990/91 to 4.6% at the end of the decade. In 1998, the percentage of expenditure for agriculture in the global public expenses was 5% for Africa, vs. 10% for Asia (Badiane, Delgado, 1995; GRET, 2007). It was not until the agreements reached by the African Union in Maputo, in 2003, that the States pledged to “allocate at least 10% of the national investment budget to agricultural development, with the aim of improving productivity and reducing food insecurity” (FAO, 2003).

As for the implemented instruments, while in the developed countries policies of redistribution and instruments of support to agricultural production have been strongly present everywhere, with taxes levied on the agricultural sector only ensuing productivity increase, most of the African countries, since attaining independence, have tradition-
ally levied taxes on the agricultural sector in order to finance industrial development (Bates, 1983; Timmer, 1991). For example, in Tanzania export taxes on agricultural products (about 2%) were eliminated only in 1998 \(^7\) and the same happened in Ghana for cocoa production. However, it is important to note that the main taxation on the agricultural sector is actually caused by the exchange rate. The devaluation of the AFC (African Financial Community) Franc in January 1994 had serious consequences on the competitiveness of agricultural export business, but also on the ability of food crop agriculture to stand up to imports (Riber, Le Coq, 2007).

In spite of the extensive talk about the importance of agriculture as the development engine necessary to eliminate poverty in rural areas, political interest in the field is either absent or rarely implemented. Actually, numerous agricultural policies are often characterized by an accumulation of texts which appear scarcely legible, and by the absence of a common strategy agreed upon by all of the players. In certain contexts, we notice a profusion of reference frames for the definition of policies which overlap and superimpose upon each other: from documents specifically targeted to the agricultural or rural sector (letters of agricultural development policy, guide diagrams for rural development) to wider-range ones bearing direct implications for the agricultural sector, such as the general outlines of economic policy. In Benin for example, since 1991, the following documents were issued: a “Letter of agricultural political declaration”, a “Document of rural and agricultural development policy”, a “Guide diagram for the rural sector”, a “Strategic operational plan”, an “Action plan for 15 priority domains to be followed by regional studies” (Blein, D’Andlau, 2003). This overlapping of documents occurs both in time (new documents are often elaborated while others are still in force, sometimes having just been issued) and in terms of application domains (a proliferation of strategy documents having different central themes, but telescoping application domains) (Riber, Le Coq, 2007). In the end, this multiplicity causes a marring in the priorities to be set in the field of agricultural policy.

**Recent recognition of agriculture’s major role in development**

The revival of acknowledging the major role of agriculture in development, notably in the wake of the food crisis of 2007/2008 and the publication of the World Bank Report (World Development Report 2008) faithfully echoes economic reality by recognizing that agriculture – including, in its larger meaning, vegetable production, agro-food processing, stock breeding, fishing and forestry – forms the backbone of most African economies. It is the pivot of economy, since it represents over 30% of the national wealth measured as Gross Domestic Product (GDP) in several sub-Saharan countries (Table 1) and it provides 40% of the export income.

**Table 1: Gross Domestic Agricultural Product in Africa**

| Source: World Bank, World Development Indicators, 2006 |

\(^7\) “Trade policy for a competitive economy and export-led growth”, Ministry of Industry and Trade of Tanzania, 2003.
The weight of the agricultural sector within the economy can however vary considerably from country to country: for instance, if the economy of a country is based on oil or other minerals, the weight of agriculture in the GDP is smaller. However, it remains very important in all of the African countries when compared to other southern countries, and even more so with respect to the developed countries. Agriculture is also of major importance in export income, since agricultural products are the main export items in most African countries.

**Table 2: Importance of agriculture in Africa compared to other world areas**

*Source: FAO, State of Food and Agriculture, 2006*

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<tbody>
<tr>
<td>Sub-Saharan Africa</td>
<td>60 %</td>
<td>12.4 %</td>
</tr>
<tr>
<td>Latin America and Caribbean</td>
<td>18 %</td>
<td>16 %</td>
</tr>
<tr>
<td>Asia and Pacific</td>
<td>58 %</td>
<td>5.1 %</td>
</tr>
<tr>
<td>Developed markets economies</td>
<td>3 %</td>
<td>7.2 %</td>
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The crucial role of agriculture in African development is well known, but as the article will demonstrate, agricultural policies in Africa remain far from being adequate to the weight that agriculture and its issues have. The complexity and difficulty in dealing with the agricultural sector, as well as its lack of prestige in Africa, where this sector has always been perceived as retrograde, are some of the reasons that have contributed to the marginalization of national agricultural policies, a phenomenon which affects the CAPs in the context of regional integration.

**Persistence of regional integration for agriculture in Africa**

**Common Agricultural Policies (CAPs): different meanings and interpretations**

The CAP projects, set up since the beginning of 2000, are not based on a clear definition and shared comprehension of the meaning of “CAP”. We would like to propose a definition of CAP by extension, ensuing from the definition of agricultural policy. In general, the use of the term “policy” itself is polysemous in relation to the location, people, institutions or historical traits of the countries it applies to. We will agree on the fact that any agricultural policy is conceived by defining both a content and an elaboration and implementation process. As for the content, an agricultural policy is based on a coherent group of elements, namely: a vision, several objectives, instruments or implementation measures, financial and institutional arrangements for its concretization. Regarding the process, the realization of an agricultural policy passes through several stages, from the phase of diagnostics (issues, opportunities, threats) to the formulation and implementation, followed by a final evaluation. This chain of events is called a policy cycle.
In the effort to stimulate regional integration initiatives in Africa, some agricultural agreements were made within regional groups as different as ECOWAS\(^8\) and WAEMU\(^9\) for Western Africa, COMESA\(^10\) and EAC\(^11\) in the Eastern and Southern areas of the continent, CAEMC\(^12\), CEN-SAD\(^13\) and UMA\(^14\) for Northern and Central Africa. Most of the initiatives have been called CAPs, but in reality each group adopted a widely different plan, attaining variable results. The contents or processes which originated these agricultural arrangements are rarely related to the definition given above. In fact, as we will see later, from the point of view of the content these so-called CAPs are quite often reduced to a declaration of intents which is not implemented. As for the processes, the crucial stage of formulation is marred or weakened by a relatively scarce involvement of the national and regional players.

Nevertheless, all of these projects are based on acknowledging the essential role of agriculture in the fields of economy and growth. On the other hand, it is important to note that other regions, such as the SACU\(^15\) in Southern Africa, have neglected, at least temporarily, agricultural issues and have focused on industry as the engine for integration. The COMESA, more and more centred on the development of commerce with all sectors mixed, provides another example. For the SACU\(^15\), the priority given to industry is explained by the fact that this group is largely dominated by South African economy, where agriculture is of secondary importance. On the contrary, COMESA seems to be privileging a pragmatic approach to market liberalization, taking small steps in the direction of a larger regional cooperation in all sectors, rather than choosing a more efficient integration in certain priority sectors.

**Agricultural issues cannot be separated from political and commercial ones**

As we have seen, agriculture may not be the main incentive for a regional integration process. Moreover, it seems that in all cases, choosing agriculture as an object of regional integration can only be explained within the larger picture of political and commercial issues. Similarly, although the creation of the EU has often been interpreted as a regional integration for agriculture, we should remember that it was the creation of the ECSC (European Coal and Steel Community) in 1951 which effectively brought about Europe’s political unity, by means of sector cooperation. In fact, the common anchoring point between France, Germany and Italy, aside from the objective of reconstruction, was to embroider a Community around the industrial sector. The ECSC was, especially on a political level, an ambitious project which allowed previously sceptical European nations to believe in the creation of a supranational institution capable of getting past

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8 - The Economic Community of West African States, created in 1975, includes 15 countries: Benin, Burkina Faso, Cape Verde, Côte d’Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo.


11 - The East African Community, created at the end of 1999, includes 3 countries: Kenya, Uganda, Tanzania.

12 - The Economic and Monetary Community of Central Africa, created in 1994, includes 6 countries: Cameroon, Central African Republic, Congo, Gabon, Equatorial Guinea, Chad.


14 - The Maghreb Arab Union, created in 1989, includes 5 countries: Algeria, Libya, Morocco, Mauritania, Tunisia.

15 - South African Customs Union, includes 5 countries: South Africa, Botswana, Lesotho, Namibia and Swaziland.
their individual political weigh, which had been weakened by the war and by the creation of two large antagonistic blocks. This concrete realization created what Jean Monnet, the father of French planning and one of the founders of the EU, called “solidarity de facto”.

Moreover, a regional association helps to reduce conflicts between neighbouring countries, and the risks connected to safety and posed by third countries can be effectively contained thanks to tighter cooperation. The case of the EU again clearly highlights the essential role played by politics in ensuring transnational safety and cooperation for peace and stability. Even though ECSC has put an end to centuries of conflicts between neighbouring countries, it is important to remember that while in Europe the conflicts occurred between nations, in Africa they are more often inter-ethnic within a nation, and threaten stability both at a national and regional level.

Another political motivation for associating is to reinforce negotiation power of the member states at the international level. COMESA, SADC\textsuperscript{16}, ECOWAS and WAEMU bear witness to the conception of regional integration as an instrument of coalition in international negotiations aiming at re-balancing non-equalitarian relations or interrupting relations which are deemed disadvantageous.

Besides political interdependence, regional integration also has the objective and effect of tying countries together on an economic level. Regional integration is based above all on the clenching of intra-regional commercial agreements. It is expected that such agreements stimulate a process of development and growth in the concerned countries. Such expectation is based on the principle of the complementarity of national economies. The international commerce theory by David Ricardo suggests that specialization focusing on comparative advantages (regarding the use of domestic resources) and the disappearance of protection tied to them results in a well-being improvement. Moreover, thanks to the suppression of customs duties within a region, since there is a complementarity of regional productions (for example, a cereal deficit here and an excess there, or else the production of certain items here and of others there) and a supply connected to local demand, exchanges increase.

Also, if regional integration is protective enough towards international markets and if competition is primarily kept on the regional market, there is the possibility of re-integrating the less competitive enterprises within the market circuit, thus generating development.

Finally, the suppression of customs and border duties leads directly to the reduction of transaction costs and to information asymmetries, favouring exchanges and economic growth.

**AN EXPLICABLE WEAKNESS IN INTRA-REGIONAL EXCHANGES**

Numerous institutional stipulations have been issued by regional economic communities, aimed at promoting intra-African commerce within the regional commercial agreements which they had undersigned, notably customs unions (WAEMU, CACEU\textsuperscript{17}, SACU). However, we note today that official exchanges (measured by national statistics) among African countries only represent a small percentage of their total trading budget and that they have the tendency to stagnate, or even to regress in real terms. Intra-regional exchanges in Africa also remain insignificant when compared to the total exports outside

\textsuperscript{16} South African Development Community, established on July 17th 1992, includes 14 member states: South Africa, Angola, Botswana, Lesotho, Madagascar (candidature pending), Malawi, Maurice, Mozambique, Namibia, Seychelles, Democratic Republic of Congo, Swaziland, Tanzania, Zambia and Zimbabwe.

\textsuperscript{17} Central African Customs and Economic Union
the continent (Graphic 1). On the other hand, as shown by the same graphic, in other regional economic spaces such as ASEAN\textsuperscript{18} and MERCOSUR\textsuperscript{19}, intra-regional agreements have resulted in a significant amount of trading. The weak performance of African commerce can be explained by the presence of several constraints and obstacles to trading.

Beyond general considerations, like the importance of informal deals which makes us suppose that some commercial transactions may go unrecorded (particularly in areas with permeable borders) and the non convertibility of most currencies of the African countries, one of the major obstacles to the realization of benefits ensuing from regional integration is the scarce complementarity of African economies, which considerably reduces large scale sub-regional commercial exchange possibilities. In fact, when we analyse African economies on a sub-regional scale we see that overall they have similar production factors (workforce, capital, natural resources). On the other hand, a continental scale integration might bring to the surface real complementarities. Nevertheless, the majority of world trading takes place between countries with similar production structures, as shown by the considerable volume of intra-European exchanges (see Graphic 1) as well as that between the USA and the EU.

Trade liberalization appears particularly difficult for those African countries where customs earnings represent the main source of fiscal income (up to 50\% in some countries). Moreover, countries with sizeable exchanges within a regional area may suffer a considerable loss of public income as a result of integration. In the absence of effective and equitable compensation measures, such income losses will be a major obstacle to intra-African trade development to be pursued through integration projects.

\textbf{GRAPHIC 1: COMPARISON BETWEEN REGIONAL GROUPS, PERCENTAGE OF INTRA-REGIONAL TRADING ON TOTAL TRADING BETWEEN 1981 AND 2006}

\textit{Source: Data collected by the authors, notably from the Commerce and Development Report, CNUCED 2007}

\section*{The weak complementarity and difficult liberalization of African economies}

18 - Association of South-East Asian Nations

19 - Mercado Común del Sur, literally meaning “Southern Common Market”, created in March 1991
The absence of a strategic vision and clear political priorities at a national level originates from a lack of knowledge of the real conditions of agriculture, both nationally and locally, which is indispensable for elaborating policies addressing crucial issues. In particular, the scarce comprehension of the production chains (which includes not knowing who are the direct or indirect operators in the system, the degree and type of competition affecting regional production chains, the degree of transparency of the various exchange levels, the potential markets, the existence – or lack thereof – of real comparative advantages) results in an absence of coordination and harmonization of production and marketing policies and poses a serious obstacle to intra-regional trade development.

Also, intra-African trading is hindered by the deficiency of infrastructures, notably in the area of transport and communications. The road network is mostly made of non-paved roads, which are unusable for part of the year. To this we must add the cost of transactions such as official and non official transport tolls, another kind of informal taxation adding to transport expenses.

These obstacles tied to infrastructure deficiency are paired by issues connected to sanitary norms and standards. Although most African countries do possess, within their ministries of Industry and Agriculture, sections responsible for issuing rules and stan-

**Graphic 2: Overlapping of intra-regional* agreements in Africa**

*CEN-SAD and ICDCS are not included

**Source:** Trade and Development Report, CNUCED 2007
standards and ensuring their implementation, these are not always actually applied. Moreover, the absence of harmonization between the rules of countries within the same area complicates inspection procedures, and there is the serious risk of such rules and standards being used as a non-tariff barrier to trading. Finally, the existence of informal marketing networks hinders accessibility to inter and intra regional markets and poses risks to the consumers.

**A PROLIFERATION OF COSTLY AND SCARCELY READABLE REGIONAL AGREEMENTS**

The lack of coordination in national policies has brought about the multiplication of concurrent and non viable projects [Hugon, 1997]. Numerous countries belong simultaneously to several regional groups (Graphic 2) corresponding to different realities and sometimes having different and contradictory objectives. For example, Mali, Burkina Faso and Niger belong at the same time to WAEMU, ECOWAS, CEN-SAD, ICDCS20 and the African Union. This overlapping of intra-regional agreements creates problems, for example when a country belonging to a customs union (common foreign customs rate to third countries) clutches a free exchange agreement with third countries. In this instance, special conditions and exclusion clauses may be necessary to solve the problem, which complicates the agreement.

**Different Common Agricultural Policies attaining similar results**

**Ambitious common objectives...**

The African CAPs recognize the essential role of the agricultural sector in the growth of economy. The agricultural policy of WAEMU (UAP), the first CAP to be approved by an African regional economic organization, phased in since December 2001, also mentions the “strategic function of the agricultural sector in the economy of the member states of the Union, and its fundamental role in nourishing the population and reducing poverty in rural areas”21. ECOWAP22, the CAP of ECOWAS, adopted in January 2005, is justified by “the preponderant role of agriculture within West African economy and the driving force that its development may exert on other economic sectors” and has the objective of “durably contributing to the fulfilment of the population’s food supply necessities, to economic and social development and to eradicating poverty from the Member states, as well as reducing inequalities within their territories”23.

However, unlike the European policy which was initially based on common preference, most African CAPs follow objectives of trade promotion and market opening outside the regional borders. The UAP of WAEMU for example is structured around 3 intervention axes: the development and adaptation of large regional chains, the increasing of common trading in the agricultural sector, and the inclusion of regional agriculture in the world market. As for the ECOWAP of the ECOWAS, it pursues the improvement of productivity and competitiveness in agriculture, the implementation of intra-communal

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20 - The Permanent Interstate Committee for Drought Control in the Sahel is an international organization grouping the countries of the Sahel. Created in 1973, it includes: Burkina Faso, Cape Verde, Gambia, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Chad.
21 - Extract from the Additional Act of 03/2001 concerning the adoption of WAEMU’s agricultural policy – preamble.
22 - Agricultural Policy of the Economic Community of West African States.
23 - Decision regarding the adoption of the CAP of ECOWAS, January 19th 2005.
commercial regulations, the equalizing of foreign commercial regulations (protection and streamlining of negotiation positions).

As common policies open towards the outside world, the African CAPs fit right into the natural progression, in time (from the ‘80s to the present) and space (from international level – IMF, WB, WTO – towards national and then regional level) of the leading representations in the field of economic policies, ensuing from 25 years of structural adjustment policies applied in all of the countries in Africa. For example, the African CAPs are clearly part of the controversial debate regarding the notion of self-sufficiency and food independency. Inspired by the neo-liberal wave of the ‘90s, numerous founding texts of the African CAPs insist on the necessity, rather than producing food staples, of attaining the financial means to purchase them at the lowest possible price on the international markets. This is what we read in the proceedings of the consultation which was held in Niger for the elaboration of the UAP: “the food security of the country must therefore be based not on seeking self-sufficiency, but on attaining financial resources ensuing from market openings”.

**Somewhat different plans of regional integration in agriculture**

We notice an evolution in the contents of the CAPs which were issued over time, especially regarding the gradual letting go of the open regionalism issue. The first one, the UAP of WAEMU, is the most “liberal” of the CAPs: it is essentially centred on production and supply chain performances vis-à-vis the world market, and limited in its interventions by the low level of common foreign rates. ECOWAP and ECOWAS aim at modernizing the sector, while assigning more importance to the development of intra-communal markets. The most recent one, the Agricultural Strategy of CAEMC, strongly distinguishes itself from the other two by its four strategic axes: “improving the life conditions of the producers by increasing revenues”, “developing infrastructures for market access”, increasing the rate of national budgets allocated to agriculture” and “negotiating, both regionally and internationally, commercial agreements which are stimulating and beneficial to the rural and agricultural sectors”. It is the only one which explicitly mentions seeking better life conditions for the producers; it addresses issues which are not strictly agricultural, but also rural, and recognizes the need to not only conform to international regulations, but also take a more proactive approach in negotiations.

Besides, different colonial, institutional and cultural heritages have contributed to the development of different regional integration plans. For example, the institutional structures of the WAEMU and the working principles of the ECOWAS (subsidiarity, proportionality, complementarity, regionality, solidarity, partnership, consultation, progressiveness) are copied exactly from those of the EU. In other instances, the term “CAP” translates, in reality, into spotty cooperation measures within a country, in the lack of a clearly elaborated, formulated or implemented sector policy, as is the case with COMESA.

**A global lack of plan implementation**

Most African countries have variegated political orientations, and have not reached an official agreement in the debate defining the crucial priorities in agricultural policy. In this context, the passage from the elaboration to the implementation of agricultural policies is still far from being systematic. In this respect, the proliferation of strategy and orientation documents contrasts with the scarce attention given to the endorsement of the process, that is, policy implementation. These documents are, for the most
part, scarcely operational. Similarly to what happens at the national level, the CAPs are most often reduced to a series of declared objectives, quite ambitious but scarcely implemented, if at all [Balié, Fouilleux, 2008].

For example, in the case of CAEMC, about 10 years after its launching, the Strategy document is still not integrally approved. Although a decision of December 11th 2000 authorizes the executive secretary to “take all actions likely to ensure the coordination of agricultural policies of the member States in conformity with the dispositions of art. 33 and 34 of the UEAC Convention”, the lack of human and financial resources, paired by the widely diverging problems and political priorities of the member states (sahelian or equatorial, oil producers or not at all, some at war, others isolated, and so on) prevent any possible advancements in this direction.

As for the ECOWAP of the ECOWAS, no concrete steps have been taken yet. The Union of the Arab Maghreb, on its part, planned since the beginning the creation of a common market for agricultural products, and one of its first documents was a convention on agricultural product trading, envisioning, in chapter 1, the gradual construction of a customs union with the objective of realizing a common market. Issued more than 10 years ago, this convention is still not applied.

Finally, when not completely absent, implementation is often “differential”. The instruments needed for the operation and liberalization of the market are applied, while the envisioned objectives relating to the transversal dimensions (rural development or research and information) remain on paper. In the case of WAEMU for example, the Regional Fund for Agricultural Development (RFAD), initially envisioned a financing of structural actions which has never seen the light, due to budgetary reasons. As for the fund for supporting investments in rural areas, although it was created, its agricultural portion (consisting in a temporary cash allotment while waiting for the creation of the RFAD) has never been sufficient to finance support measures [Balié, Fouilleux, 2007].

In some cases we observe the implementation, within regional groups, of closely targeted policy measures, which apply to sub-sectors rather than sectors. These measures generally remain un-coordinated among them, thus they fail to ensure a coherent organization of the sector, the way a globally conceived and systematically applied agricultural policy could do. In fact, the actions actually undertaken generally bear a very distant reference to the strategic orientations.

Thus the problem of a lack of policy elaboration at the national level gets translated at the regional level into an absence of the foreseen development of the agricultural policy process where, upon analyzing the situation at a regional level, an agricultural plan (strategy and means) aiming at structuring the sector operation should be implemented through public intervention.

**THE PREPONDERANT WEIGHT OF FOREIGN PLAYERS**

The weight of foreign players in the implementation of CAPs is explained by the need of the regional structures to pass through fund providers in order to finance their policies, which entails abiding to these providers’ prescriptive conditions, including open regionalism. This “cooperation” with fund providers and international entities often results in a notable “exogenizing” in the formulation process of the policies [Balié, Fouilleux, 2008; Dieye, 2008]. In fact, administrations in most cases opt for a rather passive position, entrusting the task of policy formulation to outside consultants, extraneous to the political arena and often promptly taken on by the fund providers. The elaboration of the UAP of the WAEMU, born of a restricted, rapid, rather un-politicized
process, entirely entrusted to foreign operators, is an excellent example of this phenomenon. Such foreign interventions do not favour the appropriation of the debate on the part of the concerned parties, nor its development in the public domain, and hinder the employment of apprentices and the capitalization of experience by operators in the field. The peasants, who have long been very poorly organized, did not have any weight in most African countries and were rarely associated to the formulation of agricultural policies. For example, when preparing the agricultural strategy for the CAEMC countries, 8 years of meetings among more or less involved experts were needed for improving a document which no peasant of the area has ever seen and which has not been validated nor implemented.

However, African farmers’ organizations have gained much strength since the ‘90s, especially in Western Africa. Some have even developed transnational relationships [Ténier, 2003] with NGO and agricultural union organizations of the north which give them international visibility, support and assistance. The Network of Peasant Organizations and Agricultural Producers of West Africa (NPOAP), created in July 2000 in Cotonou as a reaction to the implementation of the UAP of the WAEMU, has taken on the mission to bring the complaints of peasants and agricultural producers before the authorities of the WAEMU [Tremblay, 2003].

Lack of Financial and Human Resources

Agriculture, generally under-financed in Africa, has undergone workforce reductions and the loss of its most experienced and competent elements to the benefit of internal competition or foreign entities which offered them better work conditions (international development organizations, financial institutions, non-governmental organizations, programs financed by sponsors). Public institutions therefore continue to suffer from lack of personnel, both on the quantitative and the qualitative level, and in spite of their best intentions are incapable of effectively fulfilling their main function: providing political and normative structuring [Kidane and others, 2006].

This lack of material and human resources to be mobilized inside the agricultural sector at the regional and national level is a major problem and hinders the effectiveness of the African CAPs. At the national level, often only a few individuals are given the task to oversee the region’s business for any given country. At the regional level the situation is similar. In 2005, the Committee of the WAEMU only had 6 permanent functionaries responsible for all of the administrative business connected to the UAP, and also in charge of the Common Policy for Environment Improvement [Balié, Fouilleux, 2008].

Similarly, the fragmentation of the central administration present in most countries results in a dispersion of means and does not facilitate the definition of a common and coherent vision of the sector, nor the necessary national/regional coordination.

Beyond the motivations due to which certain regional groups have chosen agriculture as the unifying axis of integration, the CAP initiatives have had limited success, and their results in terms of impact and implementation have contributed very little to economic and commercial development. As for the process, the crucial passage from the phase of plan elaboration to that of implementation is often marred and weakened by a relatively scarce involvement of the national and regional players. Moreover, the absence of clear and coordinated national agricultural policies which effectively norm the agricultural sector causes a climate of fragility and confusion at the regional level which renders the creation of the CAPs, if not paradoxical, certainly a challenge in terms of operation, coordination and implementation.
How to concretize Common Agricultural Policies

Improving possible links between national and regional levels

Regional cohesion and solidarity bonds among states

We have seen that the implementation of common markets for agricultural products, which entails the establishment of customs unions, creates winners and losers in relation to the profile of national economies and of the competitiveness of the various sectors. In fact, in the absence of effective compensation mechanisms, the less industrialized countries in a customs union come out losers on two fronts: first they lose tariff revenues when certain products, imported from the rest of the world, are imported by neighbouring countries at reduced customs tariffs; but they also risk to lose the little industrial fabric they have in the face of the competition of their more industrialized neighbours.

In order not to endanger the plan of regional integration, when conceiving customs unions it is useful to include some effective financial compensation mechanisms. The example of SACU offers an interesting compensation mechanism in favour of the less industrialized countries of the Customs union. In fact, the SACU agreement recognizes the inequality of industry development between the RSA and the BLNS countries. On the other hand, measures have been envisioned for the protection of the newborn industry of these countries (namely, started less than 8 years ago within each member state), which can require the levying of additional taxes on commodities imported from the rest of the customs union, for filling unbalances and facing competition [Balié, 2004].

In Africa, expectations in the field of coherence for the agricultural and rural sector are high. However, only by assessing the level of coherence between the policy plans’ objectives and the actually employed instruments it is possible to measure the accomplished progress in terms of cohesion. The European example with structural funds shows the degree of involvement required (notably financial and institutional) in order to reduce the unevenness of development among the various areas. In the case of the WAEMU, the principle of financial solidarity seems to be crucial, since fund redistribution is done favouring the more backward areas in the region. Nevertheless, it will be necessary to wait for several five-year terms in order to verify whether in fact this principle has been well respected.

Thus, policy measures are the actual bearers of cohesion. Therefore, depending on the situation, on the objectives of a policy, on tariff options or production support, or the stocking of cereals to be utilized at times of food crisis, they will be more or less conductive to cohesion.

Moreover, the cohesion power of agricultural policy at the regional level obviously depends on its degree of implementation. So, if common policies remain at planning stage, cohesion will not materialize and the perception of CAP’s as development factors will remain a wishful thinking.

Political coherence between national and regional levels

In Europe, agricultural issues were initially addressed at the national level, through strongly institutionalized sector policies, then subsequently brought to the community

24 Botswana, Lesotho, Namibia, and Swaziland.
level, into a common policy which was a sort of “compromise” among the existing national policies. In Africa, on the contrary, an inverse process took place, with a “catalysis effect” occurring at the regional level: initially, in certain instances, there was an absence or vacuity, or else a profusion of scarcely readable national agricultural policies, followed by the development of (scarcely implemented) regional policies, which eventually lead to a stronger organization of the sector and of the national policies addressing it.

However, coherence of agricultural policies at the regional level presupposes a situation where the policies of the regional and national levels correspond, complete and reinforce each other. This in turn requires a thorough work of inventory and analysis of the existing policies to be done at the national level, before starting the formulation of a common agricultural policy. The coherence of measures of the policies decided at the regional level, in relation to what exists at the national level, more than the correspondence of objectives, will allow the two levels to be connected and complementary.

This absolutely necessary diagnosis phase, which includes identifying the needs to be met, has not been carried out systematically and in depth by most of the regional groups (WAEMU, ECOWAS, CAEMC...). The result is a series of contradictions between the objectives and instruments defined in the regional and national plans, and sometimes a lack of continuity from the national to the regional level, for example when a country embarks directly into the formulation of a CAP while still lacking an agricultural policy at the national level (covering the whole sector, and actually implemented). Finally, diagnosis needs the contribution of several experienced players, among which it is essential to find representatives of the producers and consumers which are interested by the agricultural policy.

**Convergence of national interests and coherence of regional spaces**

The issue of coherence joins with that of a lack of strategic vision and clear priorities at the national level. The persistence of a large number of overlapping regional integration mechanisms (Graphic 2) causes implementation problems in many domains and a technical impossibility in others. The harmonization and rationalization of regional convergences as well as an effective coordination of regional integration mechanisms would allow the concentration of resources onto a limited number of organizations, ensuring the coherence of objectives and eventually, effectively promoting commercial interests and development plans in Africa.

However, the convergence of interests within production zones is not automatic. For example, regarding the support measures to choose when planning a CAP, a coastal country such as Côte d’Ivoire does not have a priori the same interests as a sahelian landlocked country like Burkina Faso, where the type of production chains is very different. On the other hand, an in-depth analysis and better knowledge of the chain potential and competitiveness might evidence the existence of complementarities which are worth exploiting. It is preferable to spell out the issues and make the motivations of each community of players explicit, in order to avoid, after a policy has been adopted, the surfacing of claims which are difficult to take into consideration.

Yet there are cases in which agricultural interests are compatible and convergent. In such cases it is easier to defend these interests at the regional level, provided they are conveyed by organized and determined players. This happened when the cotton producing countries – Benin, Burkina Faso, Mali and Chad – spoke with a single voice in the negotiations at the World Trade Organization (WTO). The fundamental element of that convergence at the regional level was the structuring capacity of the producers
through the NPOAP and their effectiveness in organizing the debate around the cotton issue, asking that it be finally considered by the foreign interlocutors. The issue of interest convergence is still current today in the context of negotiating the Economic Partnership Agreements (EPA) with the EU, and also in sight of partnerships with new players such as China, India or Brazil. How will the countries of ECOWAS and SADC, for example, succeed in conciliating their diverging interests?

**Promoting pragmatic and basic policy measures**

**Promoting the development of intra-regional trade**

Although the promotion of trade, notably intra-regional trade, is a classic objective of regional integration, the actually adopted measures remain ambiguous. Most often it is a matter of generalized rate reductions, which are more conductive to international trade than to intra-regional exchanges. Even if the development of transport and market infrastructures is globally promoted, this needs to be complemented by measures of support or backing to production and marketing in order to effectively stimulate intra-regional trade in conjunction with a correct use of tariff instruments. The participation of public powers through adequate policies is actually a priority measure, needed to ensure the development of the rural and agricultural sector. Some measures of production coordination and harmonization and trade policies can sometimes take the form of public welfare and thus not distort competition. They could be measures of product promotion on certain markets, market analyses, the availability of new production or processing techniques and so on. For example, considering the evolution of consumption modalities of an African population which is becoming more and more urban, resulting in an increasing use of imported products (such as wheat and rice), the reevaluating of local alternatives could contribute to develop intra-regional trade and again give a preponderant place to more traditional local productions. It is essential, for agricultural production issues as well as for preserving biodiversity, to revalue the consumption of staple products such as millet, sorghum, cassava and so on. Actually, even though informal obstacles to goods trading rarely pose a problem, two essential factors heavily penalize intra-African trade. One is the wide occurrence of informal costs (notably transaction costs) [Anderson, 2006] and the other is the relative weakness of formal trading in relation to informal trading, especially in trans-border areas, as shown by the case of un-estimable exchanges along the border between Niger and Nigeria originating from the recent surge of foodstuff prices. These obstacles noticeably increase (+10% for the rice chain in Mali, for example) transaction costs. Moreover, the application and enforcement of sanitary and phyto-sanitary measures still constitute major issues which hinder exchanges, notably for cattle on the hoof and fresh produce. From this point of view, the regional level could play a key role by ensuring the coordination and follow-up of national policies. Likewise, the regional level can have the vocation, as shown by the European example, to set up a unique and coherent system of standards and regulations.

Finally, research has also abundantly highlighted the need for a better coordination of price policies for foodstuff, in order to curb parallel exchanges of imported cereals, generated by price differences within the different countries.
The predominant consensus of development economists is not to oppose protectionism under all circumstances or in all of its forms, but rather to oppose the combination of an excessive protection and an overvalued exchange rate [Badiane, 1991]. The first is unfavourable to consumers and induces income effects to the benefit of the less competitive producers. The second is unfavourable to exports including those towards regional partners, in the absence of a currency union. Together, these two aspects hinder economic development. To be effective, protection must be accompanied by certain performance criteria, as was the case in South-East Asia, and evolve in a tapering and strategic way.

The texts adopted by the WTO include specific facilitations for developing countries (de minimis clause, special and differentiated treatment, safeguard clause, definition of a list of special or sensible products) which are rarely fully utilized by the concerned countries in the context of bilateral negotiations with the EU, for example, or multilateral ones within the WTO. On the other hand, the multilateral commitments of African countries to lower their customs barriers are weak, due to consolidated tariffs at relatively high rates (about 150% for Burkina Faso, 310% for Cameroun). So they are left with major rate protection means. Therefore it is possible to raise (common) rates.

However, as we will see later, it is important to note that the implementation of the Common External Tariff (CET) within customs unions has often induced a much more pushed liberalization than that achieved by countries in the context of multilateral trade negotiations. For example, in the WAEMU the average customs duties decreased from 29% in 1997 (after the Marrakech agreement) to 15% in 2003) [Alpha, 2008]. The result is that the level of CET of the WAEMU allows the UAP to provide only a very marginal protection level to agriculture in the area.

Moreover, the tariff measures must be coherent with the policy objectives. Thus, an objective of food sovereignty or self-sufficiency will necessarily be accompanied by high tariffs for the main staple products if the concerned region does not have absolute comparative advantages, nor access to the direct and indirect support enjoyed by its main competitor countries.

**Autonomous CAP financing**

Agriculture, one of the sectors which were long considered secondary (together with sanity, education, culture) in relation to others, regarded as primary (infrastructure, defence and so on), bears the cost of inter-ministerial budget arbitrations. As we have mentioned earlier, the means of financing a policy are an integral part of it. We have also noted that the influence of foreign partners on the very content of the CAPs results first of all from the fact that their financing is very often tied to backer contributions [Balié, Fouilleux, 2008]. A larger autonomy in the definition of policies is necessarily tied to increasing the portion of a budget allocated for agriculture. In other words, Africa must take care of its agriculture and devote a substantial part of its own financial resources to it. In this sense, the declaration of Maputo (July 2003) invites governments to devote at least 10% of their budget to the agricultural sector [FAO, 2005]. This would also overcome another limitation, that is the need to give the financing of a policy a time-frame [Ribier, Le Coq, 2007].

The difficulty often lies in the fact that the revenue portion of a national budget is the most difficult to account for. Since recently, export taxes have helped to produce budget revenues, but they have also at the same time heavily penalized agriculture [Bates,
A rarely explored possibility, and a quite controversial one among economists, is to think in terms of taxes and inflated revenues. In fact, the volume of agricultural exchanges with foreign countries is significant in most of the regional economic organizations (between 70% and 95% compared to intra-regional trade versus the regions). It could be envisioned that revenues generated from tariffs applied to foreign exchanges be directly allocated to the agricultural budget at the regional level. Thus, revenues originated from agricultural exchanges, notably tied to the usage of imported primary goods and to the export of income generating products, would return to agriculture in order to finance the measures envisioned in the policy plans. This kind of proposition is likely to generate political tensions, since it goes against the well established principle of the universality of revenues and expenses in a public budget. Obtaining a consensus in favour of the priority represented by the agricultural sector would at least partially meet the need for autonomy in agricultural expenses.

**Reinforcing the institutional mechanism of intra-regional negotiations**

**An increased role for Peasant Organizations (PO)**

Certain African POs have become more and more important interlocutors in regional and international debate [Bosc et alii, 2002; McKeon et alii, 2001], asking for more participative and appropriate agricultural policies. For example, the preponderant role of NPOAP in the cotton issue in Cancún, its alliance strategies with well chosen interlocutors from the north, or the resumption of its priorities through the ECOWAS, attests its increasing influence. NPOAP wishes for the emergence of a “new regional space allowing the restoration of a sovereignty in the domains concerning peasants, and with them, all of the citizens of the sub-region” and asks the WAEMU to prompt the international community to recognize, on the one hand, the right to build a regional economic space matched with a real agricultural policy, and on the other hand the right to a “food sovereignty” defined on a sub-regional scale. Also, mechanisms and instruments must be activated to ensure both external protection and internal liberalization, so that “normally remunerative” prices may be established within the sub-regions. Unfortunately we must notice that, aside from the NPOAP, few other POs have emerged so far.

Although appropriation of the debate is one of the main objectives of the POs, it is not enough. The POs must obtain their legitimacy through a strong proposing capacity, beyond denouncing the world governing system; in other words, they must elaborate an influence strategy through defining policy objectives and activating concrete instruments for their implementation, so as to construct a precise, inventive and structured approach.

However, it is important to reflect on the representativeness of such structures in the elaboration of their lines. Which level of dialogue does the NPOAP (or the other structures) carry out with the agricultural producers of which it is supposedly the spokesman? Which are the debate spaces within the POs themselves? Are there arenas where decisions are made after consulting with the peasants themselves, or the debate appropriation is rather done at the level of representatives and leaders of the POs?

The same conflict of interests exists at the level of regional negotiations, where decisions result from influence and power struggles among the various players. As underlined by Michel Petit, “Euros are indispensable, but so is an intelligence, to support the public players, as well as the POs and the private sectors” [Grain de sel, 2008]. The stake concerns the appropriation of common agricultural policy which can only be attained when the debate spaces where deciders, functionaries and peasant organizations meet, exist and are organized. Likewise, it is essential that prior to regional negotiations, the representatives of national authorities have the possibility of meeting with the representatives of producers and consumers to originate and elaborate a debate on agricultural policy, and if possible forge a national consensus.

The need to develop an analytical capacity at the national level

As previously mentioned, knowledge of the reality of national and local agriculture is indispensable for the elaboration of policies which address real issues. This knowledge is based on mastering the capacity of analysing policies and their elaboration process, on the knowledge of supply chains, on institutional analysis, on the participation of a wide spectrum of agricultural and rural players and so on. It is therefore necessary to concentrate efforts on the development of analytic capacities, in particular spend time and allocate means for the identification of agricultural interests in each country and also in each national zone within the elaboration process of a CAP.

Regional integration, under certain conditions, and provided some policy measures are adopted in reference to the local context, can bring to the definition of real supply chain policies, allowing certain products to find their place in the regional and world market. Under regional incentive, some supply chains might evolve, reshaping themselves. For example, one could imagine the cotton chain in West Africa coming under the competence WAEMU or ECOWAS. Supply chain analysis is a tool which allows the identification of competition sources, chokepoints which make exchanges difficult, or the most vulnerable categories of producers.

An integration space may find a stake through analytical capacities, by identifying the chains which represent a stake for food safety or those which need support to survive. A more strategic approach to the food chain could allow obtaining better commercial profits from the regional integration process and understanding the motivations and concerns of producers vis-à-vis a CAP project. Once again, the phase of dialogue with professional representatives is essential.

Transparency and development of information quality

It is however difficult to reinforce the analytical capacities of the various players when information circulates badly, for lack of human and financial means. The texts adopted at the regional level are sometimes unknown to the ministries of the member countries. In January 2007, neither the statutory documents nor the UAP itself were available on the website of the WAEMU which dated back to 2001. the same is true of the website of the ECOWAS: the text of ECOWAP cannot be found and the page on agriculture was not yet available in August 2008 [Balié, Fouilleux, 2008]. Simple and inexpensive measures, like the strengthening of capacities at the institutional level, or the development of infrastructures having an appropriate placement, cost and accessibility, or also a choice of technologies adapted to the local reality, will lead to a better

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26 - Audience, functionaries working especially in Guinea Bissau and Niger.
transparency, development of information access and improvement of its quality. If political will is present, a better circulation of information can contribute to the preparation of the players to the debate and implementation of policies. In all cases, a bit more transparency and less double talk would maybe allow the players themselves to see the situation more clearly and to get hold of their political destiny more directly. It is not sufficient to lay the foundations of formal manifestations of democratization. A change in mentality is needed, implying a better appreciation of the role of law in modern society, at the service of the regional integration process.

**THE IMPORTANCE OF PREPARING AT A NATIONAL LEVEL FOR REGIONAL NEGOTIATIONS**

The scarce preparation at the national level, notably the lack of prioritization of strategic interests at the table of regional negotiations can originate a badly administered integration mechanism with regrettable consequences for the agricultural sector, as exemplified by the TCE negotiations of the WAEMU. In fact, with the regional integration plan of the WAEMU, the TCE was defined at 0-5-10- 20%27 before even defining a common agricultural policy. This TCE, born of a liberal conception, does not allow the protection of family-based agriculture, by far the most common within the member countries.

The case of rice within the space of the WAEMU illustrates the negative effects of an ill negotiated TCE. Burkina Faso, like the other countries of the WAEMU, imports large quantities of rice coming from the world market at very low prices, lower than the production cost of rice in Burkina Faso (up to the sudden surge recorded in the first months of 2008). Rice importers notably profited from the nosedive of the dollar (about 40% in 2 years), since import tax, defined in the year 2000 by the TCE, remained unvaried: it amounts to 10% (compared to the customs duties in Nigeria, which amount to 100%). Rice producers, discouraged, abandoned the fields and went back to truck farming.

Similarly, while a few years ago Mali could sufficiently provide its population with rice, nowadays in Bamako the stores are full of Asian rice. However, a higher TCE would allow a guaranteed base price of 120-150 FCFA per Kg of rice paddy, and countries like Mali and Burkina Faso could start exporting to Nigeria (the first world importer of rice), for example.

Likewise, the TCE has been defined at 5-10-20-30% for the countries of the CAEMC. This means the impossibility, on the part of the member countries, to exert their right to apply policies defined within the strategic plan of fighting poverty and shows the incoherence of countries which, on the one hand, have laboured, and are still labouring greatly on the definition and implementation of this strategic plan, and on the other hand accept an opening without limits to the world market. In this context, an appropriate capacity of analysis of the policy situation at the national level, the prioritization of the stakes and issues to be addressed, and a real understanding of the national agricultural reality previous to negotiations could constitute an effective lever for conveying a certain political message at the time of negotiations at the regional level (and subsequently, during international negotiations); it could also allow national and international decision makers to promote and defend their agricultural interests.

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27 - Respectively concerning the essential goods, raw materials and equipment goods, intermediary goods and current consumer goods, and luxury products.
Conclusions

We have seen that regional integration for agriculture in Africa is subject to a variable interpretation, and although the central role of the agricultural sector in economy and development is undeniable, agricultural issues cannot be separated from political and commercial ones. We have shown that clenching commercial agreements has not prompted an increase of intra-regional trade, due to the weak complementarity of African economies and to problems tied to liberalization, to the absence of coordination and streamlining of production and marketing policies, and by the overlapping of intra regional agreements having different and contradictory objectives. We have noticed that different CAPs, resulting from various integration plans, converge in envisioning ambitious objectives which however are often translated into non-implemented instruments, similarly to what happens at the national level.

Even though regional integration for agriculture appears to be a challenge in terms of operation, coordination and implementation, we have highlighted that the setting up of CAPs may be successful provided financial and institutional instruments and arrangements for their realization are available. This process implies improving all possible connections between the national and regional levels, promoting pragmatic and basic production and marketing policies, strengthening the institutional mechanism of intra regional negotiations, notably acquiring debate power through a strong and structured proposal ability. Priority must be set on giving debate space to the base players – peasants and civilian population – through a serious analysis of the stakes and the elaboration of a well conceived line of thought, supported by inventive and clear propositions. To this effect, concrete and detailed sector research, especially on chain production mechanisms, may contribute to define the ways and means to stimulate regional exchanges with an eye to long term economic viability. Likewise, the scalability of priorities and construction of influence strategies in preparation for regional and international negotiations may help to guarantee coherent policies which address the envisioned objectives.

We have mentioned the mediocre results of regional integration projects aiming at development.

However, we could indeed revise the meaning of failure; it all depends from the point of view from which we observe. For example, we cannot speak of failure if a project results in the allotment of some funds for development. Indeed, the importance and sense of regional integration lies in the capacity of different countries to act together in order to strengthen their effectiveness – obtaining a "regional added value". Actually, the integration process has its foundations in wellness economy: the “large country” effect can justify the instalment of an optimal customs duty, “territorialised” scale returns and externalities (positive or negative), or market non-fulfilments which justify adjustments and corrections, as deemed appropriate for the region. Such market non-fulfilments can prompt a much more effective intervention at the regional level, rather than at the national or international ones; the ensuing effectiveness would largely outweigh any diversion effect (trade hijacking) which would not be a problem any more.

Moreover, any development strategy even partially based on agriculture entails the development, on the part of the governments, of a common vision of the agricultural stakes, allowing them to conceive a common strategy and consequently elaborate a gradual stream-lining of policies in the fields which are essential to the realization of such vision: commercial policies, enhancement of common resources, fiscal policies...

We have seen, at least in a part of Africa, that even though the initial situation was char-
characterized by an absence or an actual vacuity of national agricultural policies, the setting up of CAPs, even when scarcely implemented, tends to induce the boosting and strengthening of the sector. However, it is important to remember that CAPs have a slim chance of succeeding in fields where the countries themselves have failed, or where they did not want to go in the past. In fact, a strong national basis is needed in order to conceive a concrete strategy for agriculture at the regional level. Therefore, a political arena on agricultural issues at the national level – like the one present within the Organization for Economic cooperation and Development (OECD) – is not possible if not backed, at the national level, by the existence of agricultural policies (including diagnostics, formulation and implementation), leading to a consensus on development strategies and a 10-15 year plan for agriculture, and resulting from consultation among the main players (government, civilians, peasants).

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THE EUROPEAN CAP: HISTORY AND EVOLUTION

Dany Van Der Steen
Collectif Stratégie Alimentaries asbl (CSA)

Original version in French
History of the creation of the CAP

The context of its birth

After the second world war, Europe was heavily dependant on imports of foreign agricultural products, mainly coming from the USA. The mean productivity of European agriculture, low in comparison with that of the USA, had made the growth of staple food imports inescapable. Wishing to increase its level of food self-sufficiency, Europe gave itself an instrument: the Common Agricultural Policy (CAP). At the time of its creation, it was conceived and set up with the aim of attaining food self-sufficiency. Presently, several LDCs (Least Developed Countries) are experiencing a very similar situation: an insufficient national offer and a strong dependence on low price food imports, which compete with the local production. On the other hand, chances of setting up the necessary agricultural policies to address this issue are reduced.

Key dates of creation and evolution

1957 Birth of the EU, with 6 founding members
1962 GATT agreement on the creation of CAP, in return for null duties on European imports of livestock food
1963 Stresa Conference, creation of the CAP
1967 Implementation of the first common organization of the cereal market
1968 Implementation of the Mansholt plan, aiming to increase European agricultural productivity
1992 Reform at the beginning of the Uruguay Round Agreement (under Commissioner Mc Sharry)
1993 Signature of GATT agreements (to be enacted in 1994) at the conclusion of the Uruguay Round Agreement
2000 New reform of the CAP - Agenda 2000 (under Commissioner Fishler)
2003 New reform of the CAP (still under Commissioner Fishler)
2008 Health check of the CAP
2009 Discussion of the CAP’s budget
2013 Planned date for a new substantial reform of the CAP

The nature of the original CAP

A food sovereignty policy

The CAP of the ‘60s, was, in many ways, a food sovereignty policy. At the beginning, it imposed a «community preference» for its strategic products, while the GATT was trying to liberalize international trading. In order to ensure community preference, effective instruments were employed, such as variable levies, which imposed high import tariffs when needed to counter-balance low world prices.

The CAP was subject to many criticisms, also from the producers themselves. Shortly after its creation, starting in 1966, angry producers from the main CMO protested
against the Mansholt Plan, which envisioned a reshaping of the sector in order to increase productivity. This plan called for the gradual reduction of small farm numbers, the increase of the average farm surface and production intensification.

Several aspects are to be taken into consideration when conceiving a food self-sufficiency plan: agricultural industrialization and its effects on jobs in the field, the environment, the natural resources, the landscape, and above all the production systems. Therefore we should ask ourselves if the population truly wants the advent of a model which calls into question the peasant model of production, even if it has undoubtedly allows a rapid increase of food production. Similar doubts can arise in the field of food policy. As to the impact of the CAP on food self-sufficiency of the other populations, the question was not raised, but it was not so important at the beginning, since the EU was in heavy deficit.

The five objectives of the CAP

to increase productivity, by promoting technical progress; to ensure a fair standard of living for the agricultural Community; to stabilize markets; to secure availability of supplies to consumers and food processing industry; to provide consumers with food at reasonable prices.

The working principles of the CAP

The functioning of the CAP is ensured by guaranteed prices and border protection. It is based on three principles:

• unitary market;
• community preference;
• financial solidarity among the member States.

The common organization of the cereal market provides a good example for the European system, which, for certain products (cereals, milk, beef, sugar...), works like a lock, isolating the internal market from the fluctuations of the world market.

The main instruments of the CAP

Three prices are established annually by the EU, for commodities included in the Common Market Organization (CMO):

• the indicative price, upon which the level of the internal price depends. It results from a political decision and it is negotiated annually by the member States;
• the threshold price, based on the indicative price. It is the minimum price of a commodity, and therefore an import commodity having a lower price will automatically be taxed in order to reach the threshold price;
• the intervention price, based on the indicative price. It is the price at which the EU guarantees the purchase of any national production for sale. The intervention allows for absorbing and stocking surplus, while controlling the market.

These instruments are part of the «guarantee» aspects and are administered by the EAGGF – guarantee (European Agriculture Guarantee and Guidance Fund).
In order to avoid competition from imported products in the sectors protected by the CAP, an import tax is levied, varying in relation to world prices and corresponding to the difference between the threshold price and the price upon entry.

**Intervention**

In the event of market saturation, the intervention organisms are obliged to acquire surplus at the intervention price, with a European subsidy.

**Export refunds**

In order to allow the outflow of European products to foreign markets, export refunds fill in the difference between external and internal prices.

**Structure policy**

This is the «orientation» aspect, aimed at stimulating the evolution of agricultural structures and governed by the EAGGF orientation.

**The challenges encountered by the CAP**

The CAP originated a production increase of the main agricultural products, but also encountered numerous problems.
Negative consequences have appeared, particularly on the social (reduction of the number of farms, inequality of farmer revenues, difficult access to production factors...) and environmental level, mortgaging the durability of agricultural production. Recently, major efforts were made in the environment field, but such improvements are thwarted by the continuous decrease of prices to producers. The other major problem is the agreement on import at null duties (or much reduced ones) of livestock feed, which reinforces the production of surplus (cereals, milk, meat...) and poisons the management of the CAP. These policies of export support, structural food subsidizing, financial imbalances and the de-structuring of the integrated culture/breeding production model have called into question the legitimacy of the CAP. Moreover, the CAP protects its markets without envisioning instruments to manage the over-production resulting from its success, nor the protection unbalance originating at its borders. And the surplus outflow will strongly affect other producers around the world.

Production concentration and intensification

The system of guaranteed prices for unlimited quantities favors the most productive farms and areas. Agricultural structures evolve and concentrate production into large farms and in the most favorable regions. This process speeds up the reduction of agricultural employment, the impoverishment of numerous farmers and the economic decline of certain areas. It causes a regression of the natural environment tied to agriculture, as well as environmental pressure on intensively cultivated areas. This in turn causes negative consequences on the sanitary level (crises, allergies...) and the tightening of the norms affects hand-made production.

The CAP and the situation of agricultural producers

At the time of expansion of the EU to 15 members, one family farm was disappearing every 2 minutes. At the time of expansion of the EU to 27 members, two such farms disappeared every minute. Other data are to be pondered, at the European level:
- 6% of the cereal farms produce 60% of the total European cereal productionn;
- 90% of the aviary breeding is in the hands of 10% of the producers.
Exodus in the agricultural sector takes place following a bankruptcy or, more often, simply because of moving when closing down business. The operators who leave had been lingering on without investing up to retirement, unable to find a buyer.
The situation is tied to a context of price reduction and incessant reforms of the CAP, creating an unstable environment which cannot guarantee the future of family agriculture.
In February 1991, at the dawn of the reform of the CAP, the European agricultural Commissioner Mac Sharry noticed that the CAP had originated a massive rural exodus, since 80% of agricultural subsidies were allocated to 20% of the farmers, due to the price support system28.

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The tendency of the agricultural workforce to decrease and the difficult conditions faced by many farmers are not going to change in the future. Many farmers who have invested hoping to fare better in the future are overwhelmed by heavy debts which forces them into extra work or complementary activities. Farmer’s revenues are lower than those of other professional categories, while the work conditions are much harder (vacations, leave of absence, duration of man-day...) The disappearance of agricultural workers in our regions creates serious problems for the society:

- desertification of rural areas;
- under-development of the poorest rural areas;
- loss of quality of food products;
- disappearance of short circuits and loss of variety of hand-made products;
- incapacity on the part of farmers to manage the rural space and to preserve biological and cultural diversity.

The creation of structural agricultural surplus

The CAP contains some elements which are at the basis of a vicious circle. In fact, it guarantees a price to farmers, whatever the quantities of commodity produced. Since this guaranteed price decreases regularly, farmers intensify their production and increase the cultivated surface in order to maintain their revenues. This process is reinforced by the structural reforms (Mansholt Plan) aiming to increase productivity. The result has been the production of structural surplus, since the end of the ‘70s. European production largely surpasses its demand. Stocks are accumulated (cereals, butter, milk powder, meat), and they are extremely costly. On the world market, increasing agricultural product quantities causes a fall in prices.

Incomplete market protection and livestock feed

Right from the start, the orientation of the agricultural sector of the EU has been determined by the GATT, and the ensuing results are irreversible. In 1962, during the Dillon Round, Europe granted to the USA the right to export at null, or almost null, customs duties some traditional American items (soy, corn by-products...) mainly used in the composition of livestock feed, in exchange for setting up a protection system (the CAP) for its own products. The impact of these measures is considerable. Actually, following the Dillon Round trade-off, 2 very different levels of protection appeared at the EU borders, resulting in by 2 very different price levels inside its borders. Cereals, milk, beef, sugar are well protected and circulate at high prices within the EU; cereal substitutes (CS) needed for animal feed are scarcely protected and circulate at very low prices.

These different levels of protection and prices modify farmers’ behavior: they purchase animal food products and cultivate their prairies to produce commodities to be sold at a higher price (cereals). Hence, internal markets for the former products disappear, while cereal surplus is generated.

Imports of animal feed at low prices stimulate the growth of “stable” (indoors) breeding, which in turn raises the production of beef and dairy products. And the Commission finances the subsidies necessary for exporting surplus...
The effect on the common agricultural policy budget is drastic: sectors which used to originate revenue (cereal import taxes) have become a cost (cereal export restitutions); imports of cereal substitutes (CR, soy) do not originate any revenue.

The disequilibrium of EU foreign trade ensuing from the agreements of 1962 is shown in the graphic below, illustrating the consequences of the incomplete protection of the European market.

The two curves develop inversely, while their total remains relatively stable:
- the major deficit increase in the sector of imported tax-free animal feed (thus generating no financial inflow);
- the shift from a deeply in-deficit cereal availability (at the origin of the debit) to an abundant cereal surplus (at the origin of 30% of EAGGF expenses).

**The imperfect protection of the European market: budget repercussions**

The effect on the common agricultural policy budget is drastic: sectors which used to originate revenue (cereal import taxes) have become a cost (cereal export restitutions); imports of cereal substitutes (CR, soy) do not originate any revenue.

**The impact of imperfect market protection on production structures**

The effects on the production structures and on territory habitation are tied to the crucial position occupied by the production of livestock feed on usable agricultural area, namely 75% of the total. The environment is also involved, since there was a shift from an integrated system of cultivations/breeding to a new one where these two sectors have become autonomous. In-stable breeding is highly favored. Nitrate pollution increases.

**Loss of legitimacy of the CAP at the foreign level**

Outside the EU, large subsidies to producers are criticized within the GATT by the promoters of agricultural liberalization, in particular by big exporters from both the north and the south.

**European vegetable protein dependency**

Since the ‘60s, the EU realized the entity of the mistake made in 1962 regarding tax concessions on animal food products, and attempted to escape its dependency by asking for a «re-balancing». Five times (in 1964, 1968, 1976, 1983 and 1987) it proposed taxes on oleaginous products, and each time the proposal was refused due to pressure from the food products lobby in Europe and in the USA.

In 1973, for climatic reasons, the production of oleaginous seeds in the USA dropped, prices rose and the government decreed a soy export embargo to protect the soy industry. It was a shock for Europe, where internal soy production had fallen to 19%. Subsequently, Europe promoted the production of oleaginous seeds and enacted a plan which, since 1975, has subsidized production with premiums. The plan succeeded in decreasing European dependence, and led to a production increase up to 40% in 1990. However, the USA was soon to react.
Community subsidies to oily seed production were opposed, at the GATT, by the USA, supported by Brazil and Argentina, which pressed charges in front of the special group concerning the erosion of the concessions made by the EU in 1962. The EU countered with a plea on food safety, but the special group concluded that the subsidies allocated to the oily seed transformers reduced the advantages of previous concessions and infringed the rules of the GATT.

In order to reduce its CS imports, in 1982 the Community negotiated a self-limitation cassava agreement with Thailand. As for the corn gluten feed coming from the USA, it became the most risky CS for European agriculture, soon to be the subject of a new litigation between the USA and the EU, since it also benefited from null import taxes.

In May 1992, the reform of the CAP envisioned a major decrease of cereal and beef prices, aiming at re-aligning with the level of international prices, the long-term objective being export without restitutions and the recovery of the European cereal market for animal feed. Direct subsidies were offered in compensation, on a «per hectare» basis (without a ceiling) and calculated in function of the mean regionalized yield. These subsidies were conditioned by a production shrinkage of 15% of the agricultural area. Oily seeds were the first cultures to be subject to this new regime, in order to allow the EU to conform to the GATT decisions.

Although the heavy fall of cereal prices favors a larger incorporation of European cereals into animal feed, the reform heavily disadvantages hay and some other green fodders. By favoring corn and other cereals in animal feed, we are still increasing our protein needs.
In November 1992, in Blair House (Washington), the USA and the EU signed an agreement protocol on the agricultural aspects of the GATT negotiations. In conformity with the agricultural policies decided by the USA and the EU, this agreement ratifies the principles of decoupling production and subsidies, and it defines its modalities. A peace clause, enacted starting in 2003, forbade the USA from re-calling into question the European compensatory subsidies agreed upon in May 1992. The USA imposed supplementary binds to the EU, divided in the negotiation: it had to limit its surface devoted to oily seed cultivation and it lost even more points concerning corn gluten feed. The Blair House agreements unblocked international negotiations on agriculture and foreshadowed the final terms of the Agricultural Agreement of the Uruguay Round, in vigor since 1995.

**Commercial war for agricultural markets**

In 1986, at the dawn of the Uruguay Round which was to address agricultural production, commercial war broke up again between the USA and the EU, with agricultural surplus reaching its historical peaks. For the countries originating surplus, all means were fair to dispose of their production, including using it as food aid. USA practices were the result of an aggressive policy of market conquest, motivated by a considerable agricultural potential. Those of the EU were dictated by the need to dispose of surplus resulting from a lack of offer control, and from gaps in the European market protection concerning livestock feed (resulting from the Dillon Round of 1962). Such gaps, together with the intensification and specialization of the CAP, had driven the EU towards an agro-exporting policy, to the detriment of seeking self-sufficiency.

**Dumping creates problems in ill protected markets**

The disposal of surplus in the direction of Southern countries has taken the form of food aid, but also, mostly of (sometimes subsidized) commercial export. This has exposed the populations of the South to new products, not locally produced (like bread in Africa). The offering of imported foodstuffs at low prices has become a source of competition with the hinterland, which traditionally provided staple food. Thence, peasants are deprived of the indispensable complementarity with towns. They replace their locally grown and consumed plant varieties with export products, the latter heavily controlled by public powers, aware of the fact that food imports need a source of income. But due to price fall and competition, the making of sufficient revenues is never assured.

**The WTO Agricultural Agreement of 1993**

The Agricultural Agreement of Marrakech addresses non-tariff barriers. Customs protections must be clarified, and then reduced. Subsidized exports and the subsidy amount paid to the farmers must be reduced, and the subsidy form must be regulated. Also, internal support to production cannot be given in the form of compensatory re-
mittances to counterbalance price falls. WTO now encourages decoupled production aids (environmental aid, aid to disadvantaged areas, revenue guarantee and so on). A mandatory market access covering 5% of the consumption was agreed upon.

**Offer management**

Production quotas for sugar were established in 1968. In 1984, milk production quotas were established to contain the over-production of milk, thus stabilizing European production. As for cereals, maximum guaranteed quantities (MGQ) were fixed and agreed upon yearly at the time of reaching price agreements. In case of surpassing MGQ, prices would be lowered. Land freezing was originated in the reform of 1992. These instruments of production management in the surplus sectors were effective, although their application could be improved. These new instruments came to supplement those already in place, such as stocking, support to commodity outflow towards foreign markets and stock destruction.

Although originally conceived to solve European problems and not to limit attempts at reaching food sovereignty, these measures had a positive impact on the world markets and could have been used more effectively abroad. Subsequently they were progressively abandoned as the CAP changed its orientation in 1992, just before the agricultural negotiations of the Uruguay Round. The quota system is still in place for milk production, but its phasing-out has been planned.

Due to its cooperation with the ACP countries, the EU had also enstated commercial devices aimed at limiting the negative impact of the price fluctuations of agricultural products (STABEX) allowing, in the context of contingents (quotas), the access of producers from the ACP countries to European markets at internal European prices (the case of the «sugar» protocol). For the LDCs (less developed countries) these systems are much more favourable than the measure «anything but arms». It allows them unlimited access to the EU market, but at very low prices which do not cover production costs, allowing for their productivity.

**Taking environmental issues into consideration**

**The stages**

Up to the ‘50s, agriculture fit in the environment naturally, occupying a large part of the territory and acting as the main biodiversity creation factor. Pollution and threats to the environment were problems of the industry and urban settings.

After the war, the main objective was to increase production, since although 20% of its workforce was employed in agriculture, Europe was heavily in-deficit and farmers’ lives were quite difficult. Hunger psychosis was rampant and environmental stakes were nobody’s concern...

Starting from the ‘50s, we witness the very rapid development of technical innovations in European agriculture, supported by the Marshall Plan and later by the Rome Treaty (1957), which lay the foundations of the CMOs (in the ‘60s) and organized the reform of agricultural structures (Mansholt Plan) pushing for modernizing and concentrating...
the farms. Guaranteed prices led to a very rapid production growth. Quickly, product surplus appeared, accompanied by increasing threats to the environment (pollution, hormone laden poultry, excessive specialization, variety disappearance...)

Between 1970 and 2000, environment progressively makes its appearance in the agenda. The defined objectives for Agenda 2000 are widely different than those established by the Rome Treaty.

<table>
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<tr>
<th>Rome Treaty</th>
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<td>- to increase productivity, by promoting technical progress</td>
<td>- to improve international competitiveness</td>
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<td>- to raise the revenues of the agricultural community</td>
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<td>- to stabilize markets</td>
<td>- to improve food safety</td>
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<td>- to secure availability of supplies (to consumers and food processing industry)</td>
<td>- to protect the environment</td>
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<td>- to provide products at reasonable prices</td>
<td>- rural development</td>
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**Some important dates for the environment**

- **End of the '60s** Warning given to Sicco Mansholt
- **1975** Support to farms in mountain areas, subsequently expanded to areas subject to environmental limitation (compensatory indemnities)
- **1979** Bird guidelines
- **1985** Regulation 787/85 article 19, on the efficiency of agricultural structures, allotting subsidies for environment protection and improvement and for the compatibility of productions with environmental requirements
- **1987** Implementation of the Single Act which acknowledges environmental concerns and defines the objectives, principles and factors to be considered in elaborating the new plan
- **1991** Organic farming is taken into account
- **1991** Nitrates guidelines
- **1992** Habitat guidelines (Natura 2000)
- **1992** Reform of the CAP setting up restrictive measures on animal dockage and set-aside. As well as agro-environmental regulations
- **2000** Aids (per hectare and livestock unit) compensating price falls are subject to environmental conditions: respecting “good agricultural and environmental conditions” and “regulation needs in the management field”
- **2003** Compensatory aids are further decoupled from production; the 1st pillar resources are partially redirected to the 2nd pillar; agro-environmental measures are reinforced.

**Environmental protection components**

In concrete terms, the environmental issues addressed by the CAP are the following:
- protection of water which can be made drinkable (nitrates, phytos...)
- protection of water in general (natural resources)
- greenhouse gas abatement campaign
- biodiversity (Natura 2000, wildlife, domestic breeds, OGM...)
- public property (farm borders, odors, neighborhood...)
The reforms of the CAP and agricultural liberalization

Starting from 1992, several reforms succeed one another, in the wake of the liberalization movement which, starting with the Uruguay round of the GATT, systematically addressed the agricultural sector.

In spite of the criticism raised against the European CAP system (which includes variable levying, tariff quotas, export restitutions, market organization, advantages given only to LDCs and so on...) the EU chose not to reform the most contested aspects of its agricultural policy in order to preserve the core of the system. A system which, however, would be quite useful to DCs (developing countries) and LDCs (least developed countries) in particular.

The EU preferred to progressively move towards a totally different system, taken from the model used by the USA. It is a system of direct aids which supports farmers without the need to use tariff barriers.

This system, which has the advantage of being accepted by the GATT, can still be criticized for a number of reasons; it is only accessible to States having major resources and it causes distortion effects on the world markets, even in the case of decoupled subsidies.

The CAP was reformed in 1992, following this new direction, during the agricultural negotiations of the Uruguay Round which was just about to be concluded. Since then it has gradually moved away from its original model, eliminating the instruments needed for food self-sufficiency, and it has become a major protagonist of liberalization.

The passage from a system of internal price support to one of direct aid to producers is a pivotal one. Direct aid, which goes to support European farmers, allows totally “legal” exports, from the point of view of the GATT, at prices which do not cover the production costs within the EU.

The planned phasing-out of the sugar quotas and protocol in favor of the ACPs and some other countries30, as well as the milk quota system (which will be abandoned in 2015) are some of the first steps in this direction. Likewise, in its commercial cooperation policy, the EU is putting an end to the preferential agreements in favor of the ACPs. These are going to be replaced by Economic Partnership Agreements (EPA), in conformity with the rules of the WTO.

The reform of the CAP in 1992

The reform was articulated around a major lowering of the price of cereals and beef, bringing them close to the level of international prices, with the objective of exporting without restitutions and reacquiring the European market for animal food products. Direct aid was offered in compensation, awarded “per hectare” (without a ceiling) and

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30 - See the paragraph «The Reform of the European sugar regime»
calculated in function of the average regional yield. The aid is conditioned by a withdrawal from production (land freeze). Oily seed products are the first cultures to be subject to this new regime. See § 3.5. for the issue of European dependence on vegetable proteins.

The reform of the CAP in 1999

«Agenda 2000» introduced:
• a new cereal price decrease of 15% ;
• an alignment of the oily seed production aid to that of cereals, and a decrease of aid for oily seeds, which further reduced interest in these cultures, already heavily in-deficit;
• a 10% base percentage for land freeze;
• the keeping of premiums for corn silage (destined for animal feed).
This new reform confirmed the priority granted to exports, by means of price reductions which opened the possibility of exporting without subsidies. By exporting at very low prices, the EU becomes poorer and its animal product exports entail massive imports as well as animal feed processing.

The reform of the CAP in 2003

A “mid-way revision” was made on June 26th 2003, aiming to strengthen the competitiveness of European agriculture, to simplify the CAP, to facilitate expansion and improve the taking into account of the CAP on the part of the WTO.
The revision of the market policy of the CAP mainly involves cereals, some dairy products, (quotas will be maintained until 2014-2015), rice, durum wheat, nuts, potato starch and dry fodder.
Price decreases are compensated by increasing direct payments to producers of arable cultures, taking the form of a single payment per farm, independent of production (decoupling).
Direct payments are subordinated to the respect of extra legal regulations concerning the environment, food safety, animal well-being, health and land management. A reduction of direct payments is planned to take place between 2006 and 2012, and the saved amounts will partially be allotted to rural development. The reduction will vary in relation to the amount of farm income. A portion of the saved funds will be redirected towards rural development, whose scope has been widened; food quality, animal well-being...

The reform of the European sugar regime

Operation of the common organization of the sugar market

Due to its peculiarities, the common organization of the sugar market was especially interesting. Although the European market is organized by public powers, its financing is influenced by the producers. The volume of exports ensuing from imports at preferential conditions (sugar protocol) is financed by the EU budget. The effect of the sugar CMO on the European budget is therefore neutral.
The price guarantee limitation on the internal market (quota A) softens possible negative effects surfacing when subsidized exports enter foreign markets which are not covered by similar measures. The indicative price, preferred within the EU, is obtained due to the protection of the internal market, purchase guarantees and export support. Price guarantee is ensured by purchases at the intervention price. Production surplus benefits from restitution upon export, leveling the price difference with the world market.

The 2005 reform of the European sugar regime and the end of the sugar protocol

The main modification of the sugar CMO was a reduction of the sugar price by a total of 36%, spread out over 4 years. A maintenance tax of 12€ per ton was left. Compensation to producers (in the form of direct aids) was determined, at 64.2%. Farm restructuring as well as dismantling of activities was also implemented.

Following the reform, in 2007 the EU decided to put an end to the protocol, beginning in October 2009. As a result, the ACP countries will pay no customs duties when exporting sugar to the EU, but this will happen only if the producers are competitive enough. On the other hand, sugar price for any exports on the European market will be reduced by 36%, accounting for the bad reception of the reform on the part of the ACP countries.

The “health check-up” of the CAP in 2008

In 2008, the CAP underwent a “health check-up” ensuing which price support systems continued to be dismantled, while part of the resources was transferred from the first pillar to the second. The new proposals aim at simplifying the single payment scheme (SPS) while making it more effective, to adapt the CAP to modernization and to an expanded EU of 27, and to face the most recent challenges (climate changes, bio-fuels, water management and so on...).

The Commission proposals of November 2007

Simplifying of SPS: change from the old aid calculation system based on produced quantities to a system employing a more linear support rate, to be implemented over the period 2009-2013.

Decoupling of direct aid to arable cultures: partially coupled aids will only remain in cases or areas where production is important in both environmental and economic fields.

Payment ceilings: Payment limits, establishing floor and ceiling levels (proposal rejected in 2003).

Revision of market management tools: abandoning public intervention, price support and export restitutions. As for the milk quotas, the Commission reformed the CMO for dairy products and wants to “softly” eliminate the quota system, by progressively increasing milk quotas.

Cereal intervention: gradual reduction of cereal intervention for fodder cereals (already the case with corn) with the exception of wheat, in order to have a safety net.

Suppression of obligatory land set-aside: as a consequence of to market evolution and the installation of SPS, but preserving the environmental benefit of land set-aside.

Environmental challenges: through advisory measures reinforcing the existing rural development measures (2nd pillar), in order to fight climate changes and adapt to it, im-
prove water management, and environmental services regarding bio-energies and biodiversity.

*Modulation through financial transfers from the first to the second pillar:* through an accrued aid reduction in the 1st pillar to the benefit of rural development, which will enjoy increased funds.

**Comments to the Commission proposals**

The results of the health check-up confirmed the trend of 2003 and addressed only a few aspects of the CAP’s evolution. The diagnosis takes into account both experience from the past and the increasing opening of agricultural markets.

Due to new challenges, social and environmental demands, the agricultural budget was latched beforehand, to the detriment of the necessary policies.

The reform completely abandons market regulation and offer management, opting for a single direct aid instrument tied to the farm surface, completed by systems of open-handed revenue insurances. European farmers, having to face tighter bonds connected to the specificity of European agriculture, (social, sanitary, environmental needs) become more dependent on market fluctuations.

As for the challenges connected to milk offer management, some producers and member States wish for a revision of the proposals and for the integration, in new CMO, of exceptions to the rules of competition for agriculture, in order to allow producers’ organizations to manage the offer directly, in the event that public management should disappear.

**The future: future budget and the reform of 2013**

In 2009, the EU will re-examine its budget as well as the CAP, and in 2013 the CAP will be radically reformed. Different visions have already surfaced during the health check-up. From there on, all of the proposals must fit into a latched budget frame, all the more limited since it will also include the new member countries.

According to the Commission and certain member States\(^{31}\), decoupling remains the central support instrument to revenues, and market instruments are eliminated, with market signals having to orient production choices.

In a context of constantly elevated prices, direct aid risks becoming delegitimized, as well as badly distributed. Such a situation might lead, in the future, to the disappearance of European agricultural policies all together.

On the contrary, other member States\(^{32}\) assert that market management and regulation has a role to play to counter price instability, which could lead to a comeback of food uncertainty. According to these states, the CAP must stand strong in its economic vocation around the first pillar, which the most recent modulations tend to weaken. They propose the redistribution of direct aids at large within the first pillar and the financing of risk management instruments.

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31 - Germany, Estonia, Lettonia, Malta, Holland, Portugal and the United Kingdom...
32 - Austria, Belgium, Bulgaria, Finland, France, Italy, Luxemburg, Romania, Slovakia, Czech Republic...
BELGIAN AGRICULTURE IN EVOLUTION

Alex Danau
Collectif Stratégies Alimentaires asbl (CSA)

Original version in French
Belgian agriculture in evolution

In Belgian economy, the proportion accounted for by the agricultural sector (including hunting, forestry and fishing) in the Gross Domestic Product (GDP) fell from 1.36% in 1995 to 0.92% in 2005. Export of agricultural goods accounted for 2.9% of the total exports in 1995, decreasing to 2.4% in 2005. Import of agricultural products amounted to 19,908 million Euros (€) in 2005, while exports amounted to 23,133 million Euros. This represents 8.715 of the total imports and 7.59% of the total exports of the EU-25. As for the presence of Belgium in the total agricultural production of the EU-25 in 2005, it was 2.2%.

About 76.9% of Belgium’s imports and 86.6% of its exports result from trade with countries of the EU-25.

As for couples (ménages), they spent about 12.14% of their revenues for purchasing food products in 2005, compared to 13.4% in 1995.

Farm transformations

Less farms, larger surfaces

In 55 years (from 1950 to 2005) the number of professional farms has decreased by 75%. In 1950, Belgium numbered 212,394 professional operating farms. In 2005, it had only 51,540 (67% in Flanders and 33% in Wallonia). This decrease in farm numbers goes hand in hand with the increase in their average size, which more than tripled over the same period, growing from 7.52 ha in 1950 to 27 ha in 2005 (18 ha in Flanders and 44 ha in Wallonia).

Family farms

Work

Farms have kept their familial character, therefore the workforce is found within the family of the farmer (generally the farmer himself, his wife, his sons and daughters...). Only 15% of the total agricultural work force does not come from the family (a large portion of these workers are employed in the horticultural sector in Flanders).

The way to create income

In Belgium, a large proportion of the farmed surface is rented land. Only 32% of the UAA is owned by the farmers. But the family nature of the business creates income.

Mechanization

Mechanization developed in order to increase productivity in the agricultural sector. The average number of tractors per farm has grown from 1 in 1950 to 1.8 in 2005.
Moreover, tractor power has increased and about 50% are situated in the larger category (over 80 hp). Some productions have been almost totally mechanized, also thanks to structure outfitting.

As for the use of tractors subdivided in power categories, we have 18% with less than 55hp, 36% in the medium category and 46% in the higher category with more than 80 hp.

**Revenues from agricultural work**

The increase in farm surfaces and mechanization might lead one to think that farmers make significant revenues. However, the revenue level of a farmer is generally lower than that of other professional categories. Moreover, statistical data do not reflect the real weight of agricultural work (absence of vacations and week-end rest, over 8 hours of daily work...)

Over a time-span of 15 years, there is a slight tendency towards an increase of the net revenue per worker, in spite of pronounced variances on certain years. When expressed in terms of real value (with a base 1990 = 100), this tendency reverses sharply and shows a significant decrease. If we compare the index of net agricultural revenue per worker to that of factory workers, we notice that the gap between agricultural work income and the reference income never ceases to increase. In Wallonia the average work income per work unit, calculated on a 3-year period (2004-2006), was about 23,800€. Obviously not all farmers make the same income, and major disparities exist. Table 1 shows the distribution of farming businesses by revenue class. About 45% of the employed workers receive a compensation of less than 20,000€, with over 6% having a negative revenue.
The kind of aid considered here does not include aid to investments, nor aid not directly connected to the Common Agricultural Policy (CAP), such as subsidies to livestock purchases and sales.

Since 2005, the 1st pillar includes decoupled aid (or single prizes which, starting from 2006, also include compensatory aid for dairy products and for the sugar sector) as well as some coupled aid (mainly for lactating cows). Before 2005, the 1st pillar included all of the compensatory aids to cultures, cattle (and ovine) prizes and compensatory aid to dairy products (starting from 2004). In 2006 a compensatory aid to the sugar sector was granted, due to the decrease of the institutional price of sugar. This aid was immediately incorporated within the single prizes.

The 2nd pillar notably includes agro-environmental subsidies, aid to disadvantaged areas, aid to organic agriculture and aid to integrated productions.

The following table illustrates, sector by sector, the importance of aid in revenues over the last 3 budget years (2004-2006).

In 2006, aid from the two pillars globally accounted for 80% of the total revenues for the Wallonia region, 87% of which came from the 1st pillar.

The actual amount of aid varies with the years, in relation to revenue levels, the increase of pre-existing prizes (milk in 2005 and 2006) or the introduction of new ones (sugar in 2006). The proportion of aid in agricultural revenues has increased steadily, passing from 63% in 2004 to 77% in 2005 and 80% in 2006.

Among aid from the 1st pillar, single payments related to ordinary rights, land set-aside and special rights accounted for 51% of the revenues in 2006, with a sharp rise from 2005 (39%).

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**THE IMPORTANCE OF AID IN WORK REVENUES**

**Table 1 Farming revenue compared to work revenue per work unit (%) from 2004 to 2006**

*Source: DGA (2006-2007)*

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<tr>
<td>&lt;0</td>
<td>6.43</td>
<td>7.2</td>
<td>6.48</td>
<td>6.7</td>
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<tr>
<td>0-5000</td>
<td>5.22</td>
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<td>7.03</td>
<td>12.08</td>
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<td>10000-15000</td>
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<td>12.71</td>
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<td>2.21</td>
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<td>0.8</td>
<td>0.21</td>
<td>1.3</td>
<td>0.77</td>
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<td>&gt;75000</td>
<td>2.01</td>
<td>1.48</td>
<td>3.02</td>
<td>2.17</td>
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</table>
As for the 2nd pillar (100%), the quota related to agro-environmental measures rose sharply in 2006 (56%) compared to 2005 (47%), while aid to disadvantaged areas fell to 23% from 29% in 2005.

### Table 2 Proportion of aids (from 1st and 2nd pillars of the CAP) in work revenues (%)

**Source:** DGA (2006-2007)

<table>
<thead>
<tr>
<th></th>
<th>1st pillar</th>
<th></th>
<th></th>
<th>2nd pillar</th>
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<td>Agricultural cultures</td>
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<td>53.30</td>
<td>58.30</td>
<td>3.60</td>
<td>5.70</td>
<td>6.60</td>
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<td>Highly specialized dairy produc</td>
<td>23.50</td>
<td>37.00</td>
<td>49.40</td>
<td>10.20</td>
<td>9.70</td>
<td>13.80</td>
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<tr>
<td>Less specialized dairy produc</td>
<td>45.50</td>
<td>58.10</td>
<td>65.30</td>
<td>8.50</td>
<td>13.00</td>
<td>13.80</td>
</tr>
<tr>
<td>Mixed cattle</td>
<td>75.50</td>
<td>83.10</td>
<td>81.80</td>
<td>13.60</td>
<td>8.00</td>
<td>9.20</td>
</tr>
<tr>
<td>Beef cattle</td>
<td>110.50</td>
<td>125.40</td>
<td>105.70</td>
<td>6.60</td>
<td>20.30</td>
<td>23.50</td>
</tr>
<tr>
<td>Cultures and dairy produc</td>
<td>46.20</td>
<td>61.30</td>
<td>68.20</td>
<td>2.50</td>
<td>4.80</td>
<td>3.30</td>
</tr>
<tr>
<td>Cultures and non-dairy produc</td>
<td>62.60</td>
<td>76.80</td>
<td>69.40</td>
<td>5.30</td>
<td>7.70</td>
<td>7.00</td>
</tr>
<tr>
<td>Wallonia region</td>
<td>56.40</td>
<td>67.70</td>
<td>69.10</td>
<td>6.50</td>
<td>9.20</td>
<td>10.50</td>
</tr>
</tbody>
</table>

Transformation of agricultural production methods

In an effort to maintain their income, farmers are forced to modify their production techniques.

**Transformation of production methods in a few words**

There are several determining factors in the development of structures and production methods over several years, but it is the need to make a viable revenue – a farmer’s main concern – which essentially motivates decision-making regarding the choice of production techniques as well as the profession of the family youths. In a context of decreasing prices, the farmers who stay in business are often those who started early to improve their situation in terms of revenue, by enlarging their property and intensifying or specializing production.

**Intensification:** in a parallel with mechanization, production intensifies. The volume of agricultural production increases by 2% every year. This yield increase per hectare is mainly due to genetic selection (selected seeds, hybrid varieties, selected animal breeds) as well as the use of synthetic fertilizers, pesticides and so on.

**Specialization:** Because of the major investments necessary for specialized mechanization, farmers cannot opt for a highly diversified production. Single farms tend to specialize on a few crops, which are grown with reduced culture rotations. Farmers might choose land farming or livestock raising. Breeders might specialize further and opt for reproduction or fattening, or else choose product specialization, such as beef or milk...

**Concentration:** Specialization and mechanization have still another consequence: production is carried out in farms which get larger and larger, while their numbers decrease steadily. On a parallel, we notice a higher geographical specialization and concentration.
Integration: in an effort to guarantee their income, some intensive and concentrated agricultural businesses establish contracts with the agro-industry. Farmers have control of fewer and fewer elements (input, marketing, stock), thus becoming similar to a sub-contractor. This is the case with stock fattening farms (also called indoors livestock farms).

In these stock farms, which work best with mono-gastric animals (pigs and poultry in particular), animals are never free to roam in the open and are fed exclusively with compound feed based on cereals and by-products from industrial food processing of soy, cassava and so on. Farms tend to cluster near the areas where animal feed is produced, and also in major import zones near commercial harbours (in the Netherlands, northern Belgium, North-west Germany but also in France and Italy). This way they benefit from inexpensive industrial by-products and low transport expenses. Changes will probably ensue in response to price increases in these sectors. But production changes do not modify the essence of agriculture, still characterized by a highly diversified structure.

Farm specialization in Wallonia

In 2006 in Wallonia, farm apportionment according to techno-economic orientation showed that 82.2% of the farms were specialized. Specialization mainly concerned beef production (24.4%), agricultural crops (19.5%), milk production (13.8%) and mixed “milk and beef” production (12%).

As for mixed farms (with two or more orientations), they mainly combined cultivations and cattle raising (14.1%).

However, this scheme does not thoroughly reflect farm reality; in fact a large number of farms specializing in cultivations still continue stock raising and vice-versa.

Regional specialization in Wallonia

Taking into account the techno-economic orientation of farms in relation to geographical regions, in Wallonia we find both regional specialization and agricultural production concentration.

The following can be noticed:
- Land cultivation is done mainly in loamy areas, in Condroz and in clayey-sandy areas;
- Dairy farms are frequently found in pasture areas and in Haute Ardenne, or less frequently in loamy areas, in Condroz and Ardenne;
- Beef production is predominant in Ardenne;
- Mixed cattle farms are mainly located in loamy areas, in Ardenne, Condroz and Faembre;
- Mixed “cattle and cultivation” farms are mainly located in loamy areas and in Condroz;
- Farms raising other herbivores are present everywhere, although in limited numbers.

Some other considerations should be made:
- Although farms operating on loamy and clayey-sandy areas and in Condroz are mainly oriented towards agricultural crop production, the other orientations are also relatively well represented;
- Farms operating in Faemme and Ardenne and the Jurassic region are mainly oriented towards beef production. However, in the first two regions we find a relatively high percentage of farms specializing in mixed cattle raising;
Even though pasture areas and Haute Ardenne are best suited for dairy farms, a large number of farms are also oriented towards beef production.

AGRO-INDUSTRY: FARMERS ARE STUCK IN THE MIDDLE

Agro-industry is heavily present in the agricultural field; it provides input and machinery, and intervenes in an increasingly diversified and complex food processing stage. Thus farmers are bound up both upstream and downstream of their production. Schematically, they purchase intermediary products at retail prices and sell their production at wholesale prices.

Production backing, dependency and loss of added value
Following in the wake of agricultural changes, the production sectors situated upstream (seeds, fertilizers, pesticides, animal feed, drugs, agricultural machinery, installations, various services) and downstream of agricultural production have undertaken radical changes. Downstream, basic processing of raw materials, which was previously done within the farm, is now carried out in a factory setting (an example is dairy production).

Dependency upstream of production
The cost of intermediary goods used in agricultural production increased from 32% of the total agricultural production value in 1950, to 64% in 2005. However, the constant price value of intermediary goods generally decreased between 1980 and 2002, thanks to a higher productivity in the sector. Therefore it was the usage which increased.

Animal feed accounted for over one third of the total value of intermediary goods in 2005. Another important header was structure up-keeping expenditure. Fuel and lubricant expenses increased between 1995 and 2005. The volume of animal feed increased, then decreased after 1995. Fertilizers and volume conditioners decreased sharply between 1980 and 1995. As for energy consumption, which accounted for more than 10% in 2005, it has been increasing steadily. Between 2004 and 2006, some intermediary goods (fuel and lubricants) decreased in volume due to the high increase of their purchase price.

Agriculture under contract
Sometimes the bond between farmers and the agro-industry gets even stronger, and the latter gains control over the farm, which gets bound by a contract and consequently supplied with all input and livestock. The farmer then becomes similar to a subcontractor. This is the case with 75% of pig raising farms in Belgium.

The socio-economic impact of agricultural changes

Productivity and employment move in opposite directions
Since 1950, the growth of agricultural productivity has reduced the need for hand-labour and improved production yields. As a result, farmers representing only 2.8% of the active working population in 1997 and 2% in 2006 produce more than those working before world war II, who numbered 15-20% of the active population.

The introduction of tractors has been determinant in reducing agricultural hand-labour: it brought about a reduction of 459,000 work units between 1950 and 1990, and of 46,010 work units between 1990 and 2005.
In the years 1992 and 2005, employment in the agricultural sector amounted respectively to 78,000 units (66.8% in Flanders and 33.2% in Wallonia) and 70,017 units (71% in Flanders and 29% in Wallonia). In spite of major productivity increases, farmers' revenues have not followed suit, due to continuously decreasing agricultural prices coupled with increasing input prices, especially since 2003.

**Economic difficulties and farmers’ debts**

The counterpart to productivity increase is the need to undertake major investments and a subsequent frequent running into debt (+49% in Wallonia and +74% in Flanders from 1988 to 1995, with a solvency ratio of 69.9% in 2006). Dept repayment forces farmers to work over-time or find employment in complementary activities. The group of farmers running into economic difficulties is constantly changing: the poorest disappear and are replaced by others which used to make more substantial revenues in the past.

**ARDUOUS AND SCARCE FARM RECOVERY**

Some departures from the agricultural sector are “natural”, due to workers reaching retirement age, but these farmers are not automatically replaced. In 1992, among farmers aged 50 or older, only 23.7% were certain they would have a succession; work replacement was not ensured in 51.3% of the farms, being uncertain in 24.9% of them.

In 2006, 15% of the farmers aged 50 are counting on a succession, yet this is uncertain in 26.9% of the farms.

It should be added that about 54% of the farmers in Belgium are 50 or older. Farm recovery rate is therefore very low, due to a high risk of running into debt as farm constraints (environmental and sanitary regulations among others…) increase. In Wallonia, in the period between 1990 and 2006 the replacement rate never rose above 0.50, and it was 0.37 in 2006.

**Aid distribution among producers**

Between 2003 and 2006 there was a higher homogeneity in the distribution of subsidies from the 1st pillar of the CAP among producers (the Gini coefficient shifted from 0.609 in 2003 to 0.512 in 2006), but we are still far from a truly equitable distribution.

An improvement, which could be called “natural”, in payment distribution among the beneficiaries can be explained by the build-up of prizes and aids to the dairy sector, and in 2006 a new lowering of the Gini coefficient is to be expected, since aid to milk production will increase further.

This partial catching-up is therefore based on the integration of products which previously had been excluded from the direct aid system.

**Land use in the Wallonia region**

Generally speaking, agriculture in Wallonia is characterized by large-scale farming (cereals, industrial cultures), by fodder cultures and rising livestock (mainly cattle) which is tied to the land.

Land use in the Wallonia region reflects this orientation: arable cultures cover 53.8% of the usable agricultural area, while permanent pastures account for 45.9%. Long-
term development monitoring reveals an increase of arable cultures over permanent prairies.

**Agricultural cultures**

The area covered by the various culture groups in terms of usable agricultural area (UAA) is distributed as follows: permanent prairies (45.9%); grain cereals (24.3%, 69% of which is wheat); fodder cultures (11%); industrial cultures (10.4%); set-aside land (2.7%).

**Animal feed tied to the land: meadows, prairies and fodder**

Stock breeding requires a large portion of the UAA, the main part of it being used, in Wallonia, to grow hay and grass which is produced for 92% on permanent prairies, since farms raise mostly cattle.

Meadows, prairies and fodder cultures covered 431,163 ha in 2005, that is 57.1% of the UAA in Wallonia.

Meadows and prairies alone cover 376,003 ha (86.9% of the total fodder producing surface), of which 28,287 ha are temporary prairies. The latter have been regularly increasing in surface over the last 20 years, and they represented 7% of the arable land in 2006. On the other hand, 161,869 ha of prairie are used for hay production.

Of the remaining 56,546 ha of land used for fodder cultures, 51,178 are devoted to corn to be harvested green (for silage).

The area devoted to fodder beets continues to decrease, being presently only 709 ha.

**Purchased animal feed and its unsuspected importance**

In 2005, animal feed products accounted for 31.5% of the total production of agricultural goods. Animal feed can be obtained from 3 interchangeable sources:

- production and consumption within the farm;
- purchase from other farms;
- purchase outside the agricultural sector.

Consumption of animal feed produced within the farm has remained stationary between 1980 and 2007, while consumption of feed purchased from outside the agricultural sector decreased between 1995 and 2007 and reached the level it had in 1985, in spite of a price reduction for such products between 2001 and 2005. Animal production overall decreased slightly between 1995 and 2007.

**Livestock raising and milk production in Wallonia**

**Farms owning cattle**

In May 2006, in Wallonia there were 12,100 cattle owners, corresponding to 73% of all Wallonia farms (versus 78.7% in 1990). This trend is comparable to that of the Flemish region, but there though the number of cattle owners is higher (17,509 in 2006) it corresponds only to 52.6% of the Flemish farms.
The average cattle stock number per farm tends to increase. In 2010 it presently 110 cattle heads, versus 66 in 1990. In Flanders the numbers are respectively 76 and 49.

Following the reform of the CAP in 1992, cattle stocks were reorganized and directed towards meat production. This trend started after the introduction of milk quotas in 1984, which caused a rapid increase of milk yields and an ensuing sharp decrease in numbers of dairy cows as well as of milk producers.

On the contrary, the number of owners of suckler cows increased strongly after the introduction of milk quotas, reaching 12,557 units in 1993. Afterwards it steadily decreased and in 2006 it numbered 9,244 units, representing 76.4% of all cattle owners. In 2006, the average number of dairy cows per herd was 39, versus 19 in 1990. Of 100 dairy cow owners in Belgium, 42 live in Wallonia.

As for suckler cows, Wallonia numbers 46% of the owners, but has 62% of the national stock. Average stock numbers are about double the figures found in Flanders.

The speculation of calves at the udder is present all over in Wallonia, even in the areas which are oriented towards large-scale farming.

**Structural characteristics of milk production**

At the time of instatement of the milk quota regime, Belgian milk production was characterized by a small dimension of dairy farms. Actually, in 1988-1989, 32,037 producers had quotas for milk delivery to dairies, and producers of less than 100,000 litres delivered 31.9% of the total pick-up.

On the other hand, 143 farms had quotas higher than 500,000 litres (averaging 642,000 litres) and delivered 3% of the total pick-up.

The instatement of the milk quota regime caused a major restructuring of the sector, still in progress today.

Presently (2005-2006) 14,361 milk producers are left, already 28% less than the farms accounted for in 2005. It is a decrease of 55%, if compared to the figures of the 1988-1989 survey. There are 3,571 farms with a delivery quota lower than 100,000 litres, providing about 6% of the total pick-up. On the other hand, 969 farms (6.8%) have a delivery quota higher than 500,000 litres, and deliver 19.6% of the total milk volume. In 2005-2006, 33% of the milk pick-up was delivered by farmers having a quota higher than 400,000 litres, that is 13.4% of the producers.

In Belgium, mean individual quotas have increased by 130.6% since 1988-1989, increasing relatively more in Wallonia than in Flanders. Average individual quotas increase every year in Belgium.

Major differences in intensification are fond in the various provinces. For example, Antwerp is by far the most intensive province, mainly because of the presence of a commercial harbour where imported animal feed is delivered and of indoors stock farming.

**Profitability of milk production in Wallonia**

**Income of farmers and their families**

Milk price paid to producers fluctuated between 30.61 € and 26.83€/100 l between 1990 and 2005.33

33 source: belgian confederation of dairy industry.
Over the last 10 accounting years, revenues of farmers and their families in highly specialized dairy farms have progressed mainly thanks to the increase of average production quotas. Actually, between 1995 and 2004, milk value rose only slightly, with total charges per 100 litres increasing by an average 1.96% a year. In these conditions, the revenues of farmers and their families expressed in terms of milk production (100 liters = 100%) decreased at a yearly average rate of -1.14%. Therefore it was the average annual quota increase of 3.78% which made it possible for revenues to increase 2.59% a year.
The use of large quantities of concentrates generally indicates an intensive stock raising structure with a sizeable stock quota, a limited agricultural area and relatively high volume of milk production.
This practice leads to an increase of feed expenditure per litre of milk, thus reducing income per unit. The ensuing income reduction must be balanced by a production increase, leading to the need for a large dairy quota.

**Milk direct sell**

Historically, in-house processing and direct sales were frequently carried out in dairy farms. Over time, farmers joined together creating dairy cooperatives and started delivering milk to dairies. However, some have continued to make their own dairy products.

**Recent development**

Recent development in producer numbers, amount of direct sales and items produced within the farm shows that the number of producers selling directly in Belgium had dropped 50% between the years 2000/2001 and 2005/2006, while the number of producers conferring milk to processing plants dropped about 20%. When expressed as the quantity of whole milk actually sold, this reduction amounted to 45%. On an average, the concerned producers have a mean direct sale quota of 54,000 litres.
In milk equivalent, only 1.1% of the national quota is represented by products directly processed and sold by the producers. About 2/3 of this quantity is transformed into butter, 7% becomes semi-hard cheese, less than 1% becomes ice-cream and the rest is transformed into other products.
Farmers who process their milk tend to produce more and more elaborated and diversified products: dairy desserts, ice-cream in several flavours, sold by the litre or incorporated in frozen desserts, a wide variety of yogurts, several matured cheeses...

**Direct sales and location**

As shown by the table below, direct sales are mainly localized in Wallonia, especially in the province of Hainaut. As of April 1st 2004, the direct sales quota was 4.2% of all sales in Wallonia, while in Flanders it only accounted for 1.1% of the total sales.
Products made directly within the farm premises can be sold via several distribution circuits. In short circuits, sales are carried out in many different ways: directly at the farm or processing place, (including sales to tourists), through mail catalogue, web-sites, at producers’ outlet stores, through home delivery, to local restaurants, joint production committees, at food fairs, local markets, food exhibits, roadside stands, and finally to purchase groups.

In long circuits, sales are carried out on large and medium areas, to wholesalers, resale to traders and retail shopkeepers and through export.

**ORGANIC MILK PRODUCTION CHAIN**

Dairy production is among organic farming main sectors in Wallonia. Production is mainly concentrated in the provinces of Liège and Luxembourg, was an estimated 32.3 million litres in 2003 (representing 2.94% of total milk production in Wallonia) and involved 157 farmers.

Although this niche production is often sided by direct sales, 94.6% of the milk was delivered to dairies.

**ADVANTAGES OF FARM DIRECT SALES IN WALLONIA**

- A better valorisation of raw materials right at the farm, which might originate a sizeable supplementary income.
- The relatively easy possibility to attend training courses for learning more on milk and dairy products as well as improving quality.
- The preservation or creation of employment within the farm, and sometimes the possibility of spouses to avoid working outside the farm, thus being more present at home.
- The development of passion on the part of the workers who become more skilled at their job.
- The safeguarding of product variety and producers’ know-how.
- The preservation of product authenticity and quality: taste, seasonal productions...

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<tr>
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<td>Deliveries (Quintals)</td>
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<td>1.944.986.027</td>
<td>1.946.294.018</td>
</tr>
<tr>
<td>Direct sales (Quintals)</td>
<td>25.053.959</td>
<td>22.747.693</td>
<td>21.410.023</td>
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<tr>
<td>Belgium (in Kg)</td>
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<tr>
<td>Deliveries (Quintals)</td>
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<td>3.223.362.202</td>
<td>3.231.623.120</td>
</tr>
<tr>
<td>Direct sales (Quintals)</td>
<td>109.068.877</td>
<td>87.068.798</td>
<td>78.807.880</td>
</tr>
</tbody>
</table>

**DISTRIBUTION CIRCUIT AND FORMS OF MARKETING**

| Wallonia (in Kg) |          |           |           |
| Deliveries (Quintals) | 1.245.556.330 | 1.262.443.823 | 1.268.678.282 |
| Direct sales (Quintals) | 77.845.905 | 62.102.042 | 55.237.402 |
| Flanders (in Kg) |          |           |           |
| Deliveries (Quintals) | 1.939.726.947 | 1.944.986.027 | 1.946.294.018 |
| Direct sales (Quintals) | 25.053.959 | 22.747.693 | 21.410.023 |
| Belgium (in Kg) |          |           |           |
| Deliveries (Quintals) | 3.201.362.123 | 3.223.362.202 | 3.231.623.120 |
| Direct sales (Quintals) | 109.068.877 | 87.068.798 | 78.807.880 |

**TABLE 3 MILK QUOTAS AS OF APRIL 1ST, 2003 AND APRIL 1ST, 2004, EXCLUDING LEASING AND OSMOSIS**

DGA – DAIRY SECTOR RESEARCH - ANNEX 6
- The preservation of some production based on raw milk.
- An occupation which is part the development of rural activities, puts producers in direct contact with consumers, which is often quite gratifying.
- Revaluing of notion of agriculture, and allowing for a deeper knowledge of the agricultural profession
- Opening up the farms to the outside world.
- Stimulating the creation a welcoming environment at the farm premises and their surroundings.
- In some cases, the grouping of producers among them in order to exchange products, which increases and diversifies offerings to consumers while at the same time stimulating contacts and connections between farmers themselves.
- the possibility of giving the consumers a choice for a different type of society.

**Disadvantages of farm direct sales in Wallonia**

- The production, processing and marketing of dairy products are three different jobs which need to be mastered and for which requirements get more and more stringent.
- Sales at the farm are a daily occupation, requiring ample time and personal availability.
- It is not easy to produce foodstuff of constant quality and keep it checked.
- In order to satisfy clients and optimize product value, it is indispensable to produce several items, not just butter.
- Handling fresh produce stocks is not easy.
- Less and less purchasers are willing to drive to the farm.
- Door to door sales are on their way out, since people are more rarely found at home during the day.
- It is necessary to sell at markets, and this also requires ample availabilities.
- In some cases there is not enough product variety to meet clients’ requirements.
- Some outlet stores are not well organized.
- Distribution is often limited to a short range from the farm.
- Difficulties exist in product valorising, both at the level of promotion and marketing.
- Farm products are in competition with other local productions, therefore a clear demarcation is needed.
- Farm operation is expensive and the adherence to the laws and regulations requires costly investments, especially hard to meet for small producers.
- The HACCP method is characterized by a notable administrative weight, requiring specific knowledge and hard to implement without the help of a consultant.
- A lightening of requirements was proposed for small producers, but the elaboration of a new set of rules and recommendations is not always followed by farm transformations.
- The AFSCA (Federal Agency for Food Safety) requirements discourage a large number of producers, who think that the norms get more and more stringent and often not justified nor fitting the sector, the control methods give the impression that products are always suspect, and there is a wish to make small producers disappear.

**Future threats looming over the sector**

- The development of consumers’ habits is making sales at the farm or home deliveries harder and harder.
- Young consumers mainly shop in large stores.
- Young people are less and less used to the taste of artisan products.
- Regulations at all levels and lack of time push farmers to specialise (in production, processing or sales).
- Confusion between local products sold in large stores and those sold at the farm premises is disadvantageous to the latter.
- The obligation to sell through wholesalers (who impose their own set of regulations and supplementary restraints) lessens profit margins.
- Stricter and stricter sanitary rules and checks discourage producers.
- Consumption pattern development, certainly a more serious threat than hygiene norms.
- Conditionality of aid together with the increase of administrative charges, which force small producers to abandon direct sales.
- The context discourages new candidates who could go into direct sales, but are afraid of the stringent rules and risks.

Farmers looking for other routes

Faced with an agricultural development based on “forward flights”, some farmers try to maintain their revenue levels by regaining the added value of agricultural production through direct sales of high quality products. These initiatives involve a small number of producers but may also be initiated by groups of citizens wishing to establish direct links between consumers and producers.

The example of the Agrisain cooperative in Hainaut

The founding objective of the cooperative was to allow small farms of the region to remain in business and to create employment in rural areas. These farmers wish to manage production marketing through direct sales, to process their products at their premises and create employment possibilities, especially for other family members.

They are critical of intensive production methods and wish to produce high quality following a series of norms and recommendations (some follow organic farming methods).

They wish to establish a direct and personal relationship with the consumers.

The Ansart farmers market

The Ansart farmers market (Tintigny region) was started by “Produits et Marchés de Pays”, a non-profit organization seeking the promotion and marketing of local products. Thirty quality-oriented producers are the actors of the shortest route from artisans to consumers, from the pitch fork to the fork.

Originally from the territories of Gaume and Ardenne, they manifest their “keenness to progress” in the fields of economic, social and cultural development of the region.

The Ansart farmers market is presently managed by the TERLUX cooperative. It works with numerous partners in the region. Although regional products are present on the Ansart farmers market, they are also sold through other channels. The TERLUX cooperative is in charge of their marketing.

**Organic productions**

Two certifying bodies have been entrusted with the supervision of operators (producers, transformers and importers) in the organic market sector: ECOCERT\(^{35}\) et BLIK (a division of the INTEGRA group). Operators wishing to be included in the list of organic producers must notify their activities to one of these two certifying bodies, which will monitor the operator’s compliance with the framework of rules pertaining to his domain of activities. As for agricultural production proper, farmers engaging in organic practices will need to go through a period of conversion, lasting about 2 years. Afterwards their products will be certified organic, and sold with the label specification “produced according to organic methods.”

**Plant productions**

In 2006 in Belgium, certified organic and conversion land amounted to 29,308 ha, with an increase of about 25% over the previous year. After 3 consecutive years of reduction of organic land, there was a major tendency shift, with a comparable growth rate in both regions. The ratio of organically certified land in relation to the UAA also increased, reaching respectively 3.4% and 0.6% in Wallonia and Flanders. This still fell very short of the objective fixed in the “Contract for the future in Wallonia” which envisioned 10% of the UAA in Wallonia converted to organic farming by 2010. In spite of the shift recorded in 2006, this objective keeps receding as time goes by. In order to meet it, an average annual surface increase of 31% would be needed starting in 2007. Graphic 2 shows the recent development of organic certified land in Flanders, Wallonia and Belgium. The distribution of the certified land as regards food crop type has not changed much, and the organic landscape in Wallonia remains widely dominated by forage cultivations, amounting to 85% of the organically cultivated UAA.

In Flanders, forage cultivations cover a little less acreage, about 66% of the certified land, with other plant cultures being much more prevalent than in Wallonia. The most marked difference, relatively speaking, concerns set-aside land and fruit-tree cultivations, respectively amounting to 14% and less then 2% of the certified acreage in Flanders and Wallonia. However, regardless of the region and considering all production methods, forage crop cultures occupy about 55% (54% in Flanders and 57% in Wallonia) of the concerned UAA. Consequently organic agriculture is much more centred on forage production than traditional agriculture in both regions, especially in Wallonia. This is probably due to the fact that it is easier to farm forage crops organically, especially in the case of prairies. Moreover, basically these cultures are grown less intensively in Wallonia than in Flanders, making it easier for farmers to comply with the framework of rules for organic farming in Wallonia.

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\(^{35}\) In March 2007 ECOCERT separated from the international group ECOCERT and became CERTISYS sprl.
Due to the nature and location of organic plant production in Wallonia, and since organic livestock rearing is essentially tied to the land, it is not surprising to note that herbivores, and more notably cattle, make up by far the highest animal contingent when numbers are converted to ABU (Adult Bovine Units).

The numbers of certified animals in 2006, arranged according to the different species, make up a variable portion of the stock accounted for in Wallonia. As an example, cattle, pigs, sheep and goats respectively represent 2.3%, 2.5%, 13.5% et 16.4% of the corresponding total livestock. These rates are all higher than those from the previous year; this is because there is a more rapid increase of organically raised stock heads in relation to the total (pigs, sheep and goats), because the slowing trend has been less pronounced in organic husbandry than in the total stock heads (cattle), and finally because the number of certified stock heads has increased while the total has decreased (poultry).

Compared with 2005, the major sectors of organic stock raising, other than cattle and other herbivores, experienced a growth. In 6 years, the largest growth was observed in the poultry sector, where presently there are 20 times as many heads as there were in 2000.

As for the plant sector, Wallonia is maintaining or even increasing its advance over Flanders in the field of certified organic animal production, including pig raising, even though poultry rearing is a Flemish specialty (especially indoors). Expressed in ABU, certified organic animals in Flanders represent 12.5% of the total organic stock of the country in 2006.

**Development of organic productions**

**Tendencies**

In 2006, certified organic acreage grew very markedly at the national level (+ 25%) and in the 2 regions.

As for the organic livestock sector, in Wallonia, except for cattle and the other herbivores, all stock rearing business grew.
In the organic livestock sector which, except for CAP premiums, is not specifically supported, success is due to short-circuit marketing and to the creation and organization of transparent marketing chains with good communication strategies.

**Importance of organic products market**

A sales growth for organic foodstuff was expected in 2006, compared to the previous year, reaching around 205 million € in Belgium, with an increase of about 2% in one year\(^{36}\). As mentioned in an article published by Bioforum Vlaanderen\(^{37}\), organic foodstuff sales in 2006 amounted to about 245 million €, 20% more than the expected values (+ 22% compared to 2005). Large-scale retailing (60.6%) and niche commerce (30.6%) together accounted for over 90% of the turnover. Sales of organic foodstuff account for about 1.7% of the total foodstuff sales in Belgium.

The most successful organic food products are legumes, spices and condiments; they are followed by eggs and dairy products, and at some distance, by bread. For the latter, the national offer is not sufficient to cover demand, and about ¼ of all organically certified bread sold within the country is imported.

As mentioned above, large-scale retailing has the upper hand in the organic sector overall. It has the capacity to set up its own distribution chains and network of rules\(^{38}\) covering all stages, from production to marketing. Large-scale retailing includes gigantic buying groups which can weigh heavily on price forming; they also set the trend towards a certain standardization, product homogeneity similar to what is found in the non-organic sector. It is unavoidable to notice that consumers place more and more confidence in large-scale retailing, even when purchasing organic agricultural products.

**Dynamism in the organic plant sector in Wallonia**

The concerned acreage is composed by land in conversion towards organic certification, and by already certified areas. Since the acreage in conversion is growing in relation to the total acreage, we can affirm that the sector is animated by a certain dynamism, as far as the total acreage is also increasing. In 2002, there was 1 ha in conversion per 5 ha of certified land, resulting in a conversion rate of 20%, (taking into account all of the certified plant productions). In 2003, there was 1 ha in conversion per 3.5 ha of certified land, that is a conversion rate of 29%. This higher rate is not a clear sign of dynamism, since the certified acreage was in slight decrease; in other words, the organic surface which was being lost did not get compensated by the surface in conversion. In 2004, the setback of land continued but, differently than in the previous year, the conversion rate was also lower, amounting to about 17%, that is 1 ha in conversion per 6 ha of certified land.

Concerning dynamism in the organic sector for 2006, there is 1 ha in conversion per 3.6 ha of certified land, that is a conversion rate of about 28%. If we also consider the increase of certified acreage, we can perceive the first signs of a regain of dynamism in the organic sector in Wallonia. But this tendency will have to be confirmed in the future, before we can really speak of a regain.

It should be mentioned that in 2006, in Flanders, there was a conversion rate of about 15% accompanied also by an increase of certified acreage. Therefore the situation is getting better, and there is a development in the same direction as in Wallonia, but with a lower intensity.

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\(^{36}\) Obtaining numerical data on organic product trading is not easy. But it is clear that the organic sector has been gaining market shares for several years.


\(^{38}\) Obviously these chains must develop in compliance with the regulations in force in the sector.
Self-supply of Belgian agriculture

For a large portion of foodstuff consumption, Belgium is self-sufficient or producing excess quantities, especially for sugar, potatoes and animal products in 1994 and 2004. A major cereal deficit must be noted; for these food crops the self-supply rate was of 52% in 1994 and 47% in 2004. However, this deficit must be seen in the light of over-production of animal products, as it indicates the self-sufficiency rate in 1994 and 2003 for animal products, and livestock consumes the largest portion of cereals. We can assume that this reasoning remains valid in 2004, even though we only know the rate of self-sufficiency for dairy products.

This potential self-sufficiency does not mean that locally grown products are consumed. Agricultural production circulates widely, as notably indicated by foreign trade figures.

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MEETING THE CHALLENGES OF A MULTIFUNCTIONAL AGRICULTURE IN THE UK: THE NEED FOR A RADICAL CHANGE

Patrick Mulvany
UK Food Group
Introduction

To understand the influence of the CAP on British agricultural policy, it is necessary to know something about the structure of farming in the UK and to understand its cultural and historical context. It is also necessary to understand the nature of farming as a biological process. This is increasingly important as the country experiences rapidly changing environments and new pressures in relation to the food and health needs of the population. As the celebrated author, Colin Tudge said in his seminal book *So Shall We Reap* “Agriculture is not a business like any other – it beats to the drum of biology”. The historical pressures, driven by economics, have lead British agriculture, and small-scale farming in particular, to the brink of collapse. However, one area that has weathered the economic downturn and the environmental pressures is organic farming, which covers around 4% of the farmed area but has received the lowest quantum of subsidies from the EC.

There are three key issues highlighted by Tim Lang, Professor of Food Policy, City University, London, which frame UK agriculture.

First, the enclosures, which threw people off the land, meaning we are the only nation on earth where the vast majority have had no contact with the land for generations. The Industrial Revolution of the 19th Century cemented a process begun long before.

Secondly, the British class system - how one sits at table, how tables are laid, its oppositional food culture goes beyond the domestic sphere beloved by sociologists and anthropologists. Food policy, and always has been, a highly contentious space. In Britain, agriculture collapsed after the Repeal of the Corn Laws in 1846 and this buried any chance of a more benign food culture, with proximity between producer and consumer. Proponents of Free Trade argued that food would be cheaper if tariffs were removed. It became so, but it took 30 years to achieve this. And it made the working class dependent. As one 19th century pamphleteer put it: Cheap food, Low wages.

Thirdly, the ‘globalisers’ want to break the Common Agricultural Policy (CAP). Britain is a cheap wage, high tech member of the (Western) European Union. Breaking the cost of CAP, it is argued, could drive down food costs and enable wages to be held lower too. CAP needs reform, but. Prof Lang emphasises, we need to be careful who does this, for whom and on what terms.

UK Farming - an overview

The UK includes four countries: England, Wales, Scotland, Northern Ireland. For the purposes of administering agriculture, farming and the environment, governance is devolved to the separate administrations; England – Department of Environment, Food and Rural Affairs; The Welsh Assembly; the Scottish Parliament; and the Northern Ireland Assembly. Although the implementation of the CAP is administered through Lon-
don, the devolved administrations have considerable say over how the various schemes are implemented. They also have an effective veto on the position of the UK government on issues relating to food, farming and the environment, for example GM policy. In general, most indicators for UK agriculture show significant decline over the past several decades and even the recent price hikes for farm outputs have been more than offset by steeper rises in the cost of farm inputs.

The climate and topography of the UK lends itself to two distinct types of farming. Pastoral farming (the use of grass pasture for livestock rearing) is found in areas of higher rainfall and among the hills, predominantly to the north and west of the UK. Arable farming (land that can be ploughed to grow crops) is concentrated in the south and east of the UK where the climate is drier and soils are deeper.

Farms, farmers and the workforce

In the UK there are approximately 300,000 active farms with an average size of around 57 hectares, much larger than the European average size of approximately 20 hectares. However the UK’s high average size is swelled by the impact of Scotland where the average farm size (including huge estates formed after the Clearances) is over 100 hectares. In England average size is around 50 hectares. For Wales and Northern Ireland, sizes are smaller at around 40 hectares.

Despite the relatively large number of farms in the UK, the majority of the agricultural area is farmed by a much smaller number of farmers. Some 41,000 farms (~14% of the total) are larger than 100 hectares and account for over 65% of the agricultural area. In 2006 the UK farming workforce (full-time, part-time and casual) amounted to 184,000 persons. There were 152,000 full time farmers with a further 198,000 part-time owners engaged in some capacity in the farm business. The total farming labour force of 534,000 in 2006 had been broadly stable over the previous five years but was down 80,000 on a decade earlier.

Farming and the environment

Farmers are responsible for managing around 75% of the UK’s surface area and for maintaining the countryside, including hedges, ditches, meadows and trees, that have resulted from centuries of farming activity. However, government incentives to become more ‘efficient’ have resulted in widespread destruction of habitats and countryside features, though this process was reversed somewhat in the 1990s.

[Graphic 1: % change in numbers of UK farmers in different age ranges 1990-2005]
Ageing farm population

A distinctive feature of UK agriculture is the shift in age of farmers over the past 15 years. The attached chart shows the significant increase in the average age of farm ‘holders’, a third of whom are now over 65 years of age. Only 1.2% of the UK working population is now engaged in agriculture and up to farm gate it contributes less than 1% of Gross Domestic Product making it politically negligible though as the base of a much larger food processing and retailing sector it has a far bigger impact. For example, agriculture and its ancillary trades contribute some 14% to the rural economy of the SW region of England. Farming is still environmentally crucial as it is responsible for some 80% of the UK landscape and there is growing environmental awareness among the public. There is also increased concern about animal welfare and food safety and diminishing incomes and declining morale among farmers. (At £5200 average net income per farmer in 2000 was less than 25% of that 25 years ago in real terms).

Devolution to national governments within the UK

Since the devolution of powers to individual countries in the UK - Northern Irish government, Scottish Parliament and Welsh Assembly – food, environment and agricultural policies are governed to some extent by those bodies, within a UK and EU framework. Significantly, though, the devolved bodies can veto UK proposals on the implementation of particular measures e.g. the licensing of GM crops. Although there has been a recent reversal of policy after the ‘food price crisis’ in the UK, the government view has been for some years that ‘national food security is neither necessary nor desirable’ – the UK can buy its food from wherever it can be sourced a cheaply as possible. That is now challenged, and even the Prime Minister’s office is publishing papers that hint at a change in this paradigm.

Health challenge

As noted by the eminent food policy analyst, Tim Lang, the UK, and especially Scotland, has a food culture where food is a major factor in the nation’s top two causes of premature death - coronary heart disease and food related cancers - breast, colon, etc are food-related. On these, medical evidence is consensual, that excess consumption of fat and under consumption of fruit and vegetables are the key. Yet despite this, the UK food industry spends upwards of £600 million a year on advertisements which are overwhelmingly extolling the joys of sweet, fatty foods. Advice on health education by the Health Education Authority, by contrast, is less than 1% of this. In the UK there is a culture which proclaims the virtues of the market, but whose farmers and consumers are constantly kept in the dark. Farmers didn’t even know that they were feeding dead sheep remains to their cows. Yet one of the first acts of the Dairy/Cattle industry rescue plan after Mad Cow Disease was to throw £110 million at the rendering industry which had helped cause the problem in the first place. It is a food culture one in three of whose chickens come with food poisoning bacteria Production and consumption interests are completely at odds.
Environmental challenge

The UK’s Cabinet Office’s recent study on food has concluded that environmental challenges of the food system are significant. They raise 8 key points:

– The food chain’s environmental impacts nationally significant contributions to UK greenhouse gas emissions, production of packaging and other waste, pollution of water, and habitat and biodiversity loss
– The real impact of food is in the growing and production of the goods, not their sale by the retailers or their consumption in households
– The food chain generates significant waste, much of which is avoidable
– Transport is the biggest user of energy in the food chain, but farming is the single biggest source of greenhouse emissions, and livestock has a disproportionately large impact on the environment
– The distance food is travelling is increasing, but the biggest external cost of food transport is congestion, not carbon
– And while most global fish stocks are being overexploited, the rate of decline in habitats and biodiversity on farmland seems to have stabilised
– The environmental impact of having fresh available all year round can vary hugely from season to season, and depends on the type of product, where and how it is produced, and length and type of storage
– For example, evidence suggests that at some times during the year, transporting produce from other countries may have a lower impact than refrigerating produce grown in Britain, so an appropriate mixing of imports and locally sourced food to match the seasons could reduce overall impacts on the environment

They also note that post 2003 changes in the CAP have had a positive impact.

Concentration in the food industry

Thousands of farmers and workers are forced to leave the industry each year because of the low prices they receive for their produce. Farmers’ organisations believe that a major contributory factor to this crisis in British farming is the increasing buying power of supermarkets and their ability to squeeze suppliers. Supermarket buying power means that a supermarket like Tesco can obtain more favourable terms than other buyers. For example, a Competition Commission investigation revealed that Tesco consistently paid suppliers nearly 4% below the average price paid by other retailers. However when a supermarket squeezes its supplier, it merely reallocates profit margin from supplier to retailer and there should be no assumption that the retailer’s saving will be shared with consumers.

Supermarket profiteering

Intensive agriculture appears to have made it possible for us to eat more food more cheaply but its environmental and social costs have not been factored into the price at the supermarket checkout. Wholesalers, the lifeblood of small local shops, are closing at an ever increasing pace, while new registrations of small scale food manufacturers have fallen by 12 per cent.
According to Michael Hart, chair of the Small and Family Farms Alliance the increasing gap between farmgate and retail prices is, in some cases, due to 'clear profiteering'. In 1991 the farmgate price of potatoes was 9p per kg and the retail price was 30p; in 2000 the farmgate price was still 9p per kg but the retail price had increased to 47p per kg; a price increase of 57%. The farmgate price for cauliflowers was 24p in both 1990 and 2000 but the retail price rose from 73p in 1990 to 98p in 2000, a price increase of 35%. These products require no processing other than grading and packing, both of which are done by the farmer. Michael Hart says that the difference between farmgate and retail prices and the increase in the farmgate to retail price differential is due to the supermarkets' excessive profit margins at the expense of farmers.

**Land Tenure in the UK**

More than 75% of holdings in England and Scotland are larger than 50 hectares in size. A lower percentage in Wales and in Northern Ireland the spread is more even. While many, including holdings >100 ha, are considered ‘family farms’, small-scale farms (<20 Ha) comprise only 10% of farms in Northern Ireland, fewer in Wales and half that proportion in England and Scotland.
In 2002, the UK Food Group published a paper *The Cap doesn’t Fit* that critiqued the CAP before the 2003 reforms. They noted then that the Common Agricultural Policy (CAP) does not deliver the European Union’s broader objectives for food and farming. As noted in the report of the UK Policy Commission on the Future of Farming and Food, the CAP does not provide good value for money for European consumers or taxpayers.

In terms of protecting the environment, animal welfare or even rural farming communities in Europe, the CAP fails to provide the right support structure – if any – or exacerbates problems caused by technological advances and market pressures.

There is strong and mounting pressure in several European Member States, including the UK, for radical CAP reform. However, CAP reform alone will not solve all the problems of the food system. Sustainable food production depends on far more than agricultural policy reform and it is essential that policy makers also examine and address the role of other parts of the food chain eg the agri-chemical, food manufacturing and retail industries, and the role of other policies (such as health, environmental, tourism, services, intellectual property rights, investment, and competition) on agriculture.

These issues are still on the table but exacerbated by new government policy. Since 2003, there have been dramatic changes in subsidy arrangements with nearly all subsidy directed either to major off-farm enterprises or to decoupled single farm payments and Pillar 2 agri-environment schemes. There has been significant delay in payments – some for more than a year – which has added to farm bankruptcies and farmer suicides. Further analysis of this change in payments can be found below.

### CAP does not fit the UK

**Table 1: Agricultural Holdings by Farm Type, Size and Country 2006**

**Source:** DEFRA Statistics

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<th>At June of each year</th>
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<td>Number of holdings (thousand)</td>
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<td>100 hectares and over</td>
<td>26.7</td>
<td>6 319.8</td>
<td>4.1</td>
<td>794.2</td>
<td>9.2</td>
<td>4 846.7</td>
<td>1.8</td>
<td>309.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>200.4</td>
<td>9 326.6</td>
<td>37.4</td>
<td>1 499.6</td>
<td>51.0</td>
<td>5 610.7</td>
<td>26.7</td>
<td>1 028.5</td>
</tr>
</tbody>
</table>

The data in this includes main and minor holdings in Great Britain. In Northern Ireland all active farm businesses are included.

(a) Standard Labour Requirements (SLRs) are representative of labour requirements (hours per-head or hours per hectare) under typical conditions for enterprises of average size and performance.
In 2003-4, before the recent changes from production subsidies to single farm payments, the distribution of recipients of subsidy were:

<table>
<thead>
<tr>
<th>Amount Euro €</th>
<th>Amount UK £</th>
<th>Number of recipients</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;5,000</td>
<td>&lt;£4,000</td>
<td>51719</td>
</tr>
<tr>
<td>&lt;75,000</td>
<td>&lt;£60,000</td>
<td>45643</td>
</tr>
<tr>
<td>&lt;150,000</td>
<td>&lt;£120,000</td>
<td>5113</td>
</tr>
<tr>
<td>&gt;150,000</td>
<td>&gt;£120,000</td>
<td>2161</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>104,636</td>
</tr>
</tbody>
</table>

(Data made available as a result of a Freedom of Information request)


As can be seen in the following table, two-thirds of subsidies provided by the Rural Payments Agency in 2003-4 were less than £1,000. It does not include all subsidies. The 11 largest subsidy recipients of more than GBP (£) 10 million in 2003-4 were:

- TATE & LYLE EUROPE £ 97,559,905.10
- MEADOW FOODS LTD £ 25,928,211.37
- TATE & LYLE EUROPE* £ 20,486,597.30
- C CZARNIKOW SUGAR LTD £ 19,559,518.38
- GRANOX LTD £ 17,575,049.90
- CO OP CENTRALE RAIFFEISEN BANK £ 15,171,336.30
- PHILPOT DAIRY PRODUCTS LTD £ 14,828,269.09
- FAYREFIELD FOODSIRELAND LTD £ 14,328,016.90
- LISBURN PROTEINS £ 11,685,958.80
- NESTLE UK LTD £ 11,609,923.80
- DALE FARM INGREDIENTS LTD £ 11,319,317.40

See: www.freedominfo.org/features/20050407.htm

*http://www.freedominfo.org/documents/For%20release%20-%20CAP%20Payments%20for%20EAGGF%20year%202003-04.xls
The allocation, in terms of total amounts paid, shows that 80% of the total value of the subsidy was received by less than 100 individual recipients. This is indicative of the allocation of the nearly £3 billion subsidies paid out in that year to the UK agriculture industry. The payments to food companies fell dramatically after the reforms and were only about £13 million for the top 20 in 2006.

The figures also show that the Queen received more than £769,000 in EU farm subsidies in fiscal years 2003-04, while Prince Charles benefited from around £300,000 in agricultural payments to his personal estate, the Duchy of Cornwall, and the Duchy’s Home Farm, which, admittedly, are Organic. These, too, changed to single farm payments after the reform.

It should be noted, as the Rural Payments Agency (RPA) pointed out, that for farmers, most payments were made at a fixed rate determined in EU law and farmers have a legal entitlement to those payments. In the case of food manufacturers or traders, export refunds were generally determined by a tender process and the level of payment fluctuated over time. In some cases, entitlement to aid was conditional on the recipient having paid a prescribed minimum price for the raw material. In any case, the extent to which an individual farmer or business benefited from the full range of CAP measures cannot be determined from payment data alone.

The information covered those payments for which RPA was responsible and included payments made under Integrated Administration and Control System (IACS) schemes in England and under non IACS schemes throughout the UK. It did not include information about payments made under IACS schemes by the EU Paying Agencies in Scotland, Wales or Northern Ireland.

**Single Farm Payment regime 2006 onwards – GB Pounds**

The National Audit Office reports that in 2006 there were 116,667 subsidy recipients, distributed as follows:

<table>
<thead>
<tr>
<th>% recipients</th>
<th>Amount paid per farm UK £</th>
<th>Approx Number of recipients</th>
</tr>
</thead>
<tbody>
<tr>
<td>12%</td>
<td>&lt;£68</td>
<td>14,000</td>
</tr>
<tr>
<td>24%</td>
<td>&lt;£682</td>
<td>28,000</td>
</tr>
<tr>
<td>58%</td>
<td>&lt;£50,000</td>
<td>68,000</td>
</tr>
<tr>
<td>6%</td>
<td>&gt;£50,000</td>
<td>7000</td>
</tr>
<tr>
<td>(breakdown of 6% paid more than £ 50,000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.8%</td>
<td>&lt;100,000</td>
<td></td>
</tr>
<tr>
<td>1.1%</td>
<td>&lt;15,000</td>
<td></td>
</tr>
<tr>
<td>0.3%</td>
<td>&lt;200,000</td>
<td></td>
</tr>
<tr>
<td>0.1%</td>
<td>&lt;250,000</td>
<td></td>
</tr>
<tr>
<td>0.1%</td>
<td>&gt;250,000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>117,000</td>
</tr>
</tbody>
</table>
In 2006, 49% of the total subsidy was received by the 10% largest recipients. The amount of subsidy was determined by the farm’s past level of subsidy payment under the former scheme and is affected by the GB pound / Euro exchange rate agreed for farm payments. Approximately this payment equals about £200 - £250 per hectare. It is only payable in return for the farm complying with a set of conditions related to environmental stewardship, animal health and welfare and the quality of farming. Subsidy payments are often higher than the income received from family farming at smaller scales. In other words, without the subsidy there can be significant rural poverty. One result is that farmers tolerate very low product prices in the market, to the advantage of the buyers i.e. subsidies are the cause of low prices. The distribution of subsidy payments is approximately the same in 2008/9.

Changes in livestock numbers and crop areas 2006 - 2007
The downward trend of livestock numbers in the UK accelerated in the past year.

| Table 2 Changes in livestock numbers; United Kingdom |
|---------------------------------|----------------|
| THE DATA IN THIS CHART COVER ALL HOLDINGS (INCLUDING MINOR HOLDINGS) IN THE UNITED KINGDOM. | SOURCE: DEFRA STATISTICS |
| thousand head | 2006 | 2007 | change |
| Dairy cows | 1,979 | 1,954 | - 1.3 |
| Beef cows | 1,737 | 1,698 | - 2.2 |
| Ewes and shearlings | 16,637 | 16,064 | - 3.4 |
| Lambs | 17,058 | 16,855 | - 1.2 |
| Breeding sows & gilts | 468 | 455 | - 2.8 |
| Other pigs | 4,369 | 4,292 | - 1.8 |

Cropping areas have changed in response to the new markets for agrofuels, among other things. Oilseed rape (Colza) area is significantly higher in the past year at the expense of legumes – animal protein being provided from increased imports of soya.
The percentage changes in cropping area 2007 over 2006 are presented in the following table.

<table>
<thead>
<tr>
<th>Enquiries: Alison Wray on +44 (0)1904 455313</th>
</tr>
</thead>
<tbody>
<tr>
<td>thousand hectares</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>Wheat</td>
</tr>
<tr>
<td>Barley</td>
</tr>
<tr>
<td>Sugar beet</td>
</tr>
<tr>
<td>Oilseed rape</td>
</tr>
<tr>
<td>Peas &amp; beans</td>
</tr>
<tr>
<td>Potatoes</td>
</tr>
<tr>
<td>Horticulture</td>
</tr>
<tr>
<td>All other crops</td>
</tr>
</tbody>
</table>

The data in this chart cover all holdings (including minor holdings) in the United Kingdom.

Source: DEFRA Statistics
Flight of Agricultural Labour

The workforce has decreased substantially over the past three decades. There has also been a change in type of employment with temporary labour now providing more than twice as many people as in the permanent labour force.

![Agricultural Labour 1973 - 2007](image)

Redefining UK Food Policy Goals

As Tim Lang advocates, three actors must change to ensure a healthy and sustainable food system in the UK.

- **State:**
  

- **Supply chain**:
  
  Work to omni-standards: GHGs, H₂O, nutrition, fairness, etc.

- **Consumers & civil society**
  
  Eco-nutrition will require dietary change; Shift to ‘values-for-money’
  
  For example, the UK’s consumption of healthy food compares badly with other European countries. The chart below shows fruit consumption over the past three decades.
Crofting in Scotland

The following comments are by the Scottish Crofting Foundation - the only representative and campaigning organisation for crofters and crofting in Scotland. It is the largest organisation of small-scale food producers in the UK.

Food production in Scotland must concentrate on quality, local provision, provenance and environment. Maintaining food production, especially livestock, in upland, peripheral and island areas is of inestimable social, economic and environmental importance. Small scale agriculture, such as crofting, has been successful in maintaining populations in some of Scotland’s most remote areas. By contrast, industrial scale agriculture driven by a commercial UK food policy, whether in the Straths of Sutherland or the arable prairies of the East of England, has cleared rural populations leaving a degraded environment and a countryside that is the preserve of the very rich.

It is an often stated myth that food security requires larger and larger agri-businesses. Britain’s self-sufficiency in food is actually less than it was in the 1950s and some of the world’s most densely populated countries are fed by very small producers. “Agriculture has long been recognised as ‘multifunctional.’ The preoccupation of looking at food and trade in food as purely economic issues is of recent vintage.” So we would wish to see production and distribution of food being as diverse as possible, rather than dominated by a few supermarket chains and multinational suppliers. On one hand supermarkets point to the vast diversity of food they offer. On the other, they claim there is no demand for such native Scottish produce as light lamb and young mutton. Odd, when Italian supermarkets sell as much light Shetland lamb as they can get hold of.

Broadly speaking, our best food leaves our shores and supermarkets decide what food we are going to eat, cheaper food that does not have the same quality assurances that marks Scottish produce, but provides them with profit.

Tourism is one of Scotland’s most important industries with considerable growth potential, and food is a vital part of that. If Scotland is to be a high-quality tourist destination, visitors are entitled to expect to be served the best of local produce, and small producers in the Highlands and Islands have a vital role in meeting those expectations. Small scale, low-intensity food production tends to be associated with High Nature Value farming, and many of Scotland’s most valued habitats and landscapes are maintained by crofting agriculture.

Scotland’s dietary related health is poor and yet we produce some of the world’s finest foods. The challenge for a sustainable Scottish food policy surely is to close that anomaly.

A fresh approach to food - Scotland is placed to lead the UK in a sustainable model of food production. Scottish Crofting Foundation SCF looks forward to having a food policy that makes fresh, healthy, local produce the norm – available and affordable for all of the people of Scotland – with crofters contributing fully to that objective.
The role of crofting in Scottish food production

The importance of crofting to mainstream food production has increasingly been in its production of store livestock which now accounts for the vast majority of output from crofts, a situation which will continue for the foreseeable future. Crofters’ methods of husbandry, utilizing extensive grazing and natural forage with low artificial inputs, produces hardy store and breeding stock of high health status which is an integral part of mainstream Scottish beef and lamb production. The Scottish NFU recently stated, “It is essential that crofting remains a vibrant and viable sector as it plays a very important part in Scottish agriculture and makes a large contribution in providing good quality breeding stock to the wider industry.”

This position is supported by increasing awareness amongst crofters of the need to maintain the enviable health status of their stock. There has been a good uptake of Land Management Contract options for animal health plans. Cattle producers, for example in Uist and in Shetland have implemented co-operative schemes to safeguard their high health status.

The land resource of crofting

The ‘crofting counties’ cover roughly one third of the land mass of Scotland. Within this area approximately 25% of the agricultural land is under crofting tenure. Much of this land is rough grazing, but there is good arable and grassland in crofting tenure in such areas as Easter Ross, Caithness, Orkney, the south end of Shetland, and the machair39 lands of the Outer Hebrides and the Argyll Islands. This is a resource, potentially, of formidable food production capacity.

Crofting has sustained communities in the remote rural areas of the Highlands and Islands through extensive livestock rearing, growing of traditional crops such as potatoes, vegetables and native cereal varieties, and keeping poultry. This semi-self-sufficiency was traditionally supplemented by income from off-croft work such as fishing, seafaring, weaving/knitting and the construction trades.

As a small-scale food production system, crofting is very efficient, and during WWII food shortages, crofts were contributing significantly to feeding the Scottish cities. However,

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39 Scotland’s machair land: the sandy flat grasslands found on parts of the west coast and western isles.
post-war agricultural policy has threatened crofting practice and culture. The CAP forced crofting into becoming part of the commercially driven industrial agribusiness that the UK adopted. The perceived value of crofting fell, the confidence and pride of crofters dropped, people left the crofting areas, and crofts became abandoned and neglected. The government response was to encourage amalgamation of crofts, to turn them into small farms, but in so doing exacerbated the destruction of what made the crofting system strong. Amalgamation has been seen as the legacy of the many going to the few – driven by national policy and manipulation by subsidy. The result of this policy has been a move away from food production for local consumption in favour of store livestock production, mainly sheep.

Land Reform in Scotland

Crofting is an important and valuable part of life in the Highlands and Islands; underpinning the rural economy, retaining an active land-managing rural population, protecting and retaining a distinctive cultural heritage and generating significant public goods. Crofting has been a proven model of sustainability, when regulated, and provides a productive and diverse socio-economic structure to maintain population. Annexed, is the Crofters Charter developed by Scottish Crofting Foundation that provides an agreed way forward for sustainable farming in the Highlands and Islands of Scotland. In the following table, SCF summarises what Scottish crofting needs to deliver its potential.

REPORT OF DEBATE IN SCOTTISH PARLIAMENT, 2003

Land reform has been one of the defining issues of the Scottish Parliament ever since it was promised by Donald Dewar at the outset of devolution. But to its most ardent supporters, last night’s vote represented the keeping of a promise made at the Labour Party’s birth.

Alasdair Morrison, the Labour MSP for the Western Isles, said: "It’s been a privilege and an honour for my generation of Highland and Labour politicians to see a centuries-old aspiration becoming law, a Keir Hardie manifesto pledge being fulfilled."

Mr Morrison said the legislation would replace 19th century patterns of landownership by embracing a new model for the 21st century.

Even though ministers rejected accusations that the legislation had been introduced as revenge for the Highland Clearances, Mr Morrison suggested otherwise when he said crofters had been "subjected to the whims and prejudices of landlords often brutally exercised".

Bill Aitken, the Tory MSP leading the attack against land reform, repeated fears that rural economies would suffer from the proposals and claimed the Bill marked "one of the darkest days of the Scottish Parliament". He said: "This type of legislation has no place in modern Scotland. It will have a dreadful effect not only on those living in rural areas, but on city-dwellers whose hard-earned tax will be used to pay for this Mugabe-style land grab."
The following Crofters’ Demands for what the new CAP should deliver will, however, need the continued strong organisation of the SCF to push these demands, supported by a sympathetic, nationalist Scottish Parliament.

- **Stability and equity in appropriate support schemes.** To fulfill its potential in food production, crofting needs firm regulation, stability, equity and continuity in support schemes and opportunities for new entrants. The three support schemes unique to crofting – Cattle Improvement Scheme, Crofting Counties Agricultural Grants Scheme and Croft House Grant Scheme - have been under attack for a number of years and it is a constant struggle to maintain them. The Less Favoured Area Support Scheme (LFASS) has been mis-targeted to provide highest payments to more favourable areas. We need assurance that these schemes will continue and, where a case can be made, will be enhanced. LFASS must be re-targeted to the LFAs. The Scotland Rural Development Programme must have appropriate measures to enhance Scottish food production, to promote small scale production and to develop crofting as a key contributor to rural Scotland.

- **Protection of inbye land.** In some areas there is intense pressure on crofting land for speculative housing. We need regulatory and planning policies that protect this land for food production.

- **Strong regulation.** Consistent policies to deal with disuse, neglect and dereliction of crofting land and that reward food production and non-market goods.

- **Local abattoirs.** We need a secure future for local abattoirs and development of new abattoirs in areas where they are required. There is a particular need identified in Skye and Lochalsh. Shorter supply chains in the meat industry are needed on grounds of animal welfare, product quality and bio-security.

- **Local purchasing** by public authorities to support local producers, reduce food miles and improve freshness and quality.

- **Availability of crofts for new entrants.** Tackling croft absenteeism and creation of new crofts; active assistance to find crofts for suitable new entrants; training and mentoring; financial support.

- **Skills training.** Funding for a rural skills training programme that focuses on crofting, small-scale food production, local producer groups, local and direct marketing.

- **Land use development.** Funding for a ‘Growing crofting communities’ programme.

- **Promotion of small-scale producers.** Help is need for small-scale producers to meet EC regulations and for small-scale producers to protect their Crofting producers’ ‘Mark’.

**What Scottish crofting needs to deliver its food producing potential**

The Scottish Crofting Foundation, established and run by crofters themselves, actively engages with agencies and government officials at local, national and international levels to influence policy on rural, agricultural, social, environmental and other issues. It will:

- work to develop, promote and encourage crofting.
- represent and safeguard the interests of crofters, their families and communities, their cultural heritage and their legislative rights.
- promote the environmental, social and cultural benefits of crofting activity and land use as intrinsic aspects of rural development.
Conclusions

The purpose of this paper was to give an overview of UK food and farming in order to improve understanding of some of the peculiarities of agriculture in the UK. The data presented here show that the UK’s food and agriculture policies are indeed in need of radical change if they are to meet the challenges of nutrition, climate change, human health and ecosystem stability. Many issues have not been dealt with in detail, for lack of time, including access to land in countries other than Scotland and the impact of the credit crunch on small-scale farmers. The costs of industrial agriculture in terms of pesticide pollution and water contamination from nitrates is considerable in the East and South of both England and Scotland. More information on this is available from PAN-UK and the Soil Association. What is not in doubt is the need to move more towards a more self-sufficient, multi-functional and integrated production system of mixed farming. Several campaigns in the UK focus on changes in the food and agriculture system, including Friends of the Earth (England, Wales and Northern Ireland). The CAP Health Check is a moment at which these issues can be raised but there is little optimism that necessary changes will be made. While, there is greater likelihood that the UK will press for subsidiarity of payments with the option to withdraw as many payments as possible in the UK, Scotland’s views may prevail in support of small-scale crofting. If they do not, the implications for UK farming, if regulation of industrial agriculture is not simultaneously strengthened, is dire for the small-scale sector.

References

All of the references including official data, articles, reports, web-sites and attributions are available on-line in the report used for compiling this chapter: www.ukfg.org.uk/EuropeAfrica/uk-farming-history.php
CAP AND ITALY: HETEROGENEITY OF THE FORMS OF PEASANT RESISTANCE

Marco Foschini - Coldiretti
Alessandra Corrado - University of Calabria/GAO Cooperazione Internazionale
Riccardo Bocci - Coordinator Reti Semi Rurali
Antonio Tesini - Stefano Freddo - Associazione Rurale Italiana - ARI

Original version in Italian
When reconstructing the history of the European Union (EU), great evidence must be given to the role played by the Common Agricultural Policy (CAP) in fostering and implementing integration among the 6 founding members of the European Union (EU). Firstly, CAP allowed for participation of the agricultural world in global socio-economic dynamics, while at the same time providing complementary advantages which resulted from the development of specialized production sectors within the single integrating nations: for example, France, the Netherlands and partially Italy could counterbalance import of industrial goods from Germany with export of their agricultural products.

From an economical point of view, CAP worked in synergy with other initiatives, such as the European Coal and Steel Community (ECSC) and the planned European Atomic Energy Community (EAEC), in directing and sustaining European industrial development. The strategic scenario was that of industrialization: this was pursued by CAP as well, through sometimes contradictory “guidelines”, often conditioned by the socio-political situation of the moment, but always fostering a stronger leadership of the food industry in the agro-food sector, as well as the industrialization of agricultural activities. Thus we can say that CAP, though being an essentially “regional” policy, rose past the strictly local initial measures of intervention, implemented in the period between the two wars, allowing the agricultural sector to become “intimately connected to the global economy”, as we read in Art. 39 of the Treaty of Rome.

CAP almost completely replaced national interventions in the agricultural sector, particularly in Italy, thus allowing the single nations to devote their financial resources to industrial development; moreover, its communal nature (both regional and supra national), allowed for the implementing of protection measures in the European Common Market (ECM) which would have been harder and harder to justify within the context of international relationships originating right after the second world war, characterised by an increasing commercial openness.

A specifically Italian issue was represented by the doubts arising within the professional Organizations of agricultural workers at the time of CAP’s incubation, in the period of the Conference of Stresa of 1958, during which the foundations of CAP were established. The leading agricultural organization in Italy, Coldiretti, although deeply and strongly pro-Europe, was concerned that Italian agriculture would be catapulted into a fast process of modernizing, having to compete with other realities, like France and Germany, where this process had started much earlier, giving their agricultural enterprises a hedge on the market in key production sectors like cereals, milk and meat.

It might be surprising that one of the main instruments used to this purpose was a form of support for agricultural prices; this might seem in contrast with the idea of agriculture having to lower its prices in order to favour the taking off of agro-industry. Probably in this instance, in addition to the confrontation between France and Germany on the reference price of wheat, an incisive factor was the numerical and political weight of the agricultural world and its professional organizations. In fact, in those years, the
agricultural work-force formed a very relevant portion of the whole active working population, even considering its variation in the percentages encountered among the founding Nations (see tables 1 and 2).

**Table 1. Active agricultural work-force in Italy, expressed as a percentage (%) of the whole active working population.**
*From: Daneo, Breve storia dell’agricoltura italiana, Milano, Mondadori, 1980*

<table>
<thead>
<tr>
<th>Year</th>
<th>1936</th>
<th>1951</th>
<th>1961</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural work-force</td>
<td>47.7</td>
<td>41.1</td>
<td>29.0</td>
</tr>
</tbody>
</table>

**Table 2. Active agricultural work-force in EU Nations, expressed as a percentage (%) of the whole active working population.**
*From: Saccomandi, Politica agraria comune e integrazione europea, Edagricole, Bologna, 1978*

<table>
<thead>
<tr>
<th>Year</th>
<th>1950</th>
<th>1955</th>
<th>1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>24.7</td>
<td>18.5</td>
<td>13.8</td>
</tr>
<tr>
<td>France</td>
<td>28.3</td>
<td>25.9</td>
<td>20.7</td>
</tr>
<tr>
<td>Italy</td>
<td>41.0</td>
<td>40.0</td>
<td>30.8</td>
</tr>
<tr>
<td>Netherlands</td>
<td>4.0</td>
<td>13.0</td>
<td>10.4</td>
</tr>
<tr>
<td>Belgium</td>
<td>11.3</td>
<td>9.3</td>
<td>7.7</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>24.0</td>
<td>19.4</td>
<td>16.4</td>
</tr>
<tr>
<td>CEE</td>
<td>28.8</td>
<td>24.2</td>
<td>19.7</td>
</tr>
</tbody>
</table>

This opening in favour of agricultural producers, in spite of the overall push towards industrialization, was counter-balanced in several ways, notably taking into account the different national contexts.

First of all, the agricultural sector was used as a holding tank for the non-agricultural work market, with the gradual reduction of agricultural employment contributing to contain salary rise demands; secondly, support to agricultural prices ensured and guaranteed the flow continuity of agricultural provisions by stabilizing their price. This provided a definite advantage to industrial processing businesses, by levelling price fluctuations which had previously been quite high, both in internal and international markets.

In analysing the chosen “tools” and how they were applied, the different degree of protection given to products, agricultural producers and different geographical areas within the EU is evident; clearly, “continental agriculture” interests prevailed over “Mediterranean agriculture” ones.

The initial privileges enjoyed by grain and milk-dairy production, prevalent in Northern Europe, were followed by the extension of common financial support to the rest of livestock production, especially bovines and swine.

As a result, several areas of Germany, France, the Netherlands and Great Britain (which joined the EU in 1973) benefitted from a substantial and guaranteed financial aid covering most of their agricultural products.

A significant, though not as strong, financial aid was also gradually destined to some typically Mediterranean products, such as olive oil and wine, while vegetable and fruit production were supported more sporadically, also by means of periodical surplus destruction or stocking, often focusing on single products, such as tomatoes.
In spite of the many modifications implemented over the years, this “bias” of CAP is still felt today, as shown in table 3. This table illustrates the difference existing in 1999, just before the implementation of Agenda 2000, between the economic weight of the various items composing the gross saleable agricultural product of EU-15 and the weight of each item on the total EAGGF Guarantee expenditure (Intervention European Agricultural Guarantee and Guidance Fund); we must point out that, with respect to the initial situation, things changed radically in the sector of pork meat production.

**Table 3. Itemized percentage of subsidy for the main agricultural products in relation to Common GSP and percentage weight of the expense per product on the total amount of EAGGF Guarantee in EU-15, production year 1999.**

<table>
<thead>
<tr>
<th>Main products</th>
<th>% of GSP</th>
<th>% of EAGGF funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals and oilseeds</td>
<td>14,2</td>
<td>44,1</td>
</tr>
<tr>
<td>Olive oil</td>
<td>2,0</td>
<td>5,5</td>
</tr>
<tr>
<td>Fruit and vegetables</td>
<td>14,9</td>
<td>3,6</td>
</tr>
<tr>
<td>Grapes and wine</td>
<td>6,3</td>
<td>1,5</td>
</tr>
<tr>
<td>Tobacco</td>
<td>0,4</td>
<td>2,3</td>
</tr>
<tr>
<td>Milk and dairy* (1)</td>
<td>13,9</td>
<td>6,2</td>
</tr>
<tr>
<td>Beef</td>
<td>10,2</td>
<td>11,3</td>
</tr>
<tr>
<td>Sheep and goat meat</td>
<td>2,3</td>
<td>4,7</td>
</tr>
<tr>
<td>Pork</td>
<td>7,4</td>
<td>0,8</td>
</tr>
<tr>
<td>Eggs and poultry</td>
<td>5,3</td>
<td>0,3</td>
</tr>
</tbody>
</table>

* Only milk is listed here, since it was the only available figure from Eurostat statistics.

Table 4 (data from production year 1999) illustrates the consequences of the lingering “imbalance”, concerning the rates of EAGGF Guarantee expenditure: EAGGF Guarantee expense per nation and its percentage on the total EU expenditure, followed by EAGGF Guarantee expense per nation in relation to its GSP, and finally EAGGE Guarantee expense per active labour unit and per hectare of Used Agricultural Area (UAA) in each nation; year 1999.
Some newspaper articles describing what was going on at that time seem to indicate that in 1962 Italy, due to the absence of its negotiator\(^{40}\), amazingly lost the opportunity to demand, for Mediterranean products, a protection similar to that of continental productions, through a clear exchange agreement.

Subsequently, the conclusions of the Kennedy Round (GATT, 1964-68) further penalized Mediterranean products (especially fruit and vegetables) versus continental products, and the situation did not get re-balanced until the application of the “Mediterranean package” developed by Giovanni Marcora in 1977.

It is worth remembering that, even then, public funds were distributed to, and handled by the food processing industry (tomato, processed fruit, sugar) which had pledged to use them to adequately remunerate the farmers for their production. This was different than the policy applied to wheat, where a public entity entrusted with collecting grain from the market would pay the producers directly. Obviously, the central role of intermediation in handling the funds assigned to the processing industry, although logistically explained by the fact that processing firms were much more concentrated than farms and agricultural producers, highlighted and stressed the strategic objective of industrializing agricultural production.

Several times, in the statements following their election, various Italian governments promised to deal with CAP’s “unbalance”, but never moved beyond their good intentions. In Europe, this “unbalance” caused tension around the end of the ‘70s, but the issue of Continental vs. Mediterranean agriculture was not in the foreground, since the scenario was occupied by the intransigent position of EU newest member, the United Kingdom. The British demanded the so-called “fair financial return”\(^{41}\), since they were

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\(^{41}\) These were the times when Margaret Thatcher stormed around in Brussels saying: “I want my money back”.

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### Table 4: Comparative analysis of EAGGF Guarantee expenditure: expense per nation and its percentage on the total amount, EAGGF Guarantee expense in relation to the nation’s Gross Saleable Product (GSP) and EAGGF Guarantee expense per Active Labour Unit (ALU) and per hectare of Used Agricultural Area (UAA) in each nation; year 1999.

<table>
<thead>
<tr>
<th>Nations</th>
<th>EAGGF G. exp. (million Euros)</th>
<th>% on total EAGGF G. exp.</th>
<th>Exp./GSP (agricultural) (%)</th>
<th>Exp./ALU (000 Euros)</th>
<th>Exp./UAA (Euro/ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU direct payments</td>
<td>48.9</td>
<td>0.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Belgium</td>
<td>1.033.3</td>
<td>2.5</td>
<td>17.0</td>
<td>14.3</td>
<td>838.7</td>
</tr>
<tr>
<td>Denmark</td>
<td>1.262.5</td>
<td>3.2</td>
<td>19.4</td>
<td>16.4</td>
<td>499.3</td>
</tr>
<tr>
<td>Germany</td>
<td>5.822.9</td>
<td>14.6</td>
<td>18.1</td>
<td>8.9</td>
<td>348.7</td>
</tr>
<tr>
<td>Greece</td>
<td>2.573.0</td>
<td>6.5</td>
<td>33.0</td>
<td>4.5</td>
<td>711.0</td>
</tr>
<tr>
<td>Spain</td>
<td>5.244.1</td>
<td>13.2</td>
<td>14.6</td>
<td>3.9</td>
<td>135.5</td>
</tr>
<tr>
<td>France</td>
<td>9.462.8</td>
<td>23.7</td>
<td>20.3</td>
<td>9.3</td>
<td>318.0</td>
</tr>
<tr>
<td>Ireland</td>
<td>1.726.6</td>
<td>4.3</td>
<td>38.1</td>
<td>7.6</td>
<td>385.6</td>
</tr>
<tr>
<td>Italy</td>
<td>4.671.5</td>
<td>11.7</td>
<td>11.9</td>
<td>2.5</td>
<td>252.0</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>23.3</td>
<td>0.1</td>
<td>10.5</td>
<td>4.2</td>
<td>155.1</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1.310.3</td>
<td>3.3</td>
<td>9.1</td>
<td>6.9</td>
<td>775.1</td>
</tr>
<tr>
<td>Austria</td>
<td>844.6</td>
<td>2.1</td>
<td>33.2</td>
<td>8.7</td>
<td>351.5</td>
</tr>
<tr>
<td>Portugal</td>
<td>653.3</td>
<td>1.6</td>
<td>13.3</td>
<td>1.2</td>
<td>162.4</td>
</tr>
<tr>
<td>Finland</td>
<td>559.7</td>
<td>1.4</td>
<td>28.3</td>
<td>5.0</td>
<td>299.6</td>
</tr>
<tr>
<td>Sweden</td>
<td>734.8</td>
<td>1.8</td>
<td>18.5</td>
<td>7.2</td>
<td>203.3</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>3.934.6</td>
<td>9.9</td>
<td>18.9</td>
<td>8.8</td>
<td>218.8</td>
</tr>
<tr>
<td>Total</td>
<td>39.876.2</td>
<td>100</td>
<td>17.8</td>
<td>5.6</td>
<td>284.8</td>
</tr>
</tbody>
</table>
contributing to the common fund more money than they were receiving. Consequently, the revision of CAP which was delineated in 1980 focused more on the “British issue” than on the problem of rebalancing “continental and Mediterranean” productions. Taking things all around, in spite of the three common pre-conditions which were at the basis of CAP, namely: 1) the uniqueness of agricultural markets; 2) common preference; 3) financial solidarity, the Common Organization of the Market (CMO) representing the various agricultural sectors ended up with very diversified tools, as a result of the several possible combinations of these three elements in structuring each CMO. If we move beyond the main determining factors of the strategic (political and economic) balances, both between the members of the EU and between the EU and its international counterparts, we see that CAP’s complexity originates from the different degrees of organization, economic weight and political influence exerted by the representatives of the various productive sectors, from the different legal and administrative systems in operation in each EU nation, as well as because of the higher degree of modernization attained by “continental “ vs. “Mediterranean” agriculture. The disproportion of common funds allotted to “continental” vs. “Mediterranean” agriculture was the leitmotiv in CAP discussions in the 80’s, especially in Italy, even before the first requests for reforming it were made; in fact the distribution of funds, accompanied by high production yields (excess production of grain, milk, beef, wine and so on) had caused an explosion of operating costs and stirred international market conflicts, particularly with the US. Confrontation on the reform of CAP in the 80’s and early 90’s worried the common professional agricultural organizations, united in the Copa (Committee of Professional Agricultural Organisations in the European Union). On the one hand, they were concerned that the occasion would be used to dismantle CAP rather than reforming it, as was being loudly requested by some Northern European nations (especially Great Britain), and by agro-food business multinationals. On the other hand, the Copa itself was paralysed by a series of balance issues among the agricultural organizations of the member states, as well as among the various production sectors, thus it was incapable to face a real process of reform of CAP.

Distribution of direct subsidies within a nation: the case of Italy

In this situation, nobody adequately highlighted another characteristic of CAP, which due to its quantitatively unlimited support to specific agricultural products (first and foremost, cereals) ended up being most beneficial to large agricultural enterprises, which supposedly should have benefitted from the much prized scale economies. On the contrary, also in this case the effect was coherent with the industrialization process of agriculture. More than once, in previous years, proposals had been made to tie the intervention price of wheat to fixed production quantities, resulting from growing cereals on an extension of land which could vary within a determinate range, depending on production yields. This hypothesis had been proposed also at the time of the MacSharry reform of the CAP in 1992, when there was a shift from support through intervention price to a policy of direct subsidy to the farms, given in relation to their historical production over a three-year reference period. Again, a proposal was made to tie direct intervention to fixed productions, which corresponded to a determinate land extension cultivated with cereals; but it came and went in a short period, without much effect. Certainly, the con-
cept of a “business roof” regulating the maximum direct subsidy received by a farm had better fortune, since it was following a practice already implemented in the US; but even this proposal was not approved.

As for the issue of fund distribution among farms within a nation, the Mac Sharry reform had an undoubtedly clarifying effect; the recording of each farm with its production quantities, which was done in order to determine the direct subsidy pertaining to it, provided a “photograph” of the global situation.

In Italy, the year 2000 marked a turning point; during a round on direct subsidy modulation, a study done by INEA\textsuperscript{42} showed the state of distribution of direct help among the different classes of farms.

In 1997, farms receiving direct subsidy were a high percentage of the total, amounting to 69\textsuperscript{43}, and the total amount allotted to the examined sectors was more than 6.317 billion liras.

Data show that 84\% of the farms received less than 5 million liras each, globally amounting to less than $\frac{1}{4}$ (24.3\%) of the total financing support; on the other hand, 0.2\% of the farms, falling within the sector of 100 million liras budget, cashed 14.6\% of the subsidies (see Table 5).

<table>
<thead>
<tr>
<th>Subsidy Firms</th>
<th>Up to 5 millions</th>
<th>5 - 25 millions</th>
<th>25 - 100 millions</th>
<th>Over 100 millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>24.3</td>
<td>83.7</td>
<td>36.2</td>
<td>13.8</td>
</tr>
<tr>
<td></td>
<td>24.9</td>
<td>2.3</td>
<td>14.6</td>
<td>0.2</td>
</tr>
</tbody>
</table>

This result uprooted some convictions which had been prevalent in the agricultural world, first and foremost the most generic one that, though recognizing the existence of inequality within CAP among geographical areas and productions, implied that somehow “many” would find their convenience in it; at a time when the legitimacy itself of CAP was being called into question, defending this kind of “status quo” became more and more difficult.

The result was not even in agreement with the so called “eminent tenth” theory defended by Corrado Barberis who had studied data of the agricultural census of 1990. The scholar maintained that 10\% of Italian agricultural businesses (at the time, around 300,000 units) produced 76.2\% of the national gross saleable production: in this sense, it was not possible to assert that direct help was going to the farms comprising the “eminent tenth”. Initially, the “eminent tenth” had been interpreted as a victory of capitalist farm business (with large land extensions and hired workers) over family-based agriculture; Barberis, on the other hand, ironically noted that Carl Marx had found an odd testamentary heir in Italy, namely the Coldiretti which was standing up to the defence of family farms, since they were the leading axis of the “eminent tenth”.

Direct help was not reaching almost exclusively the “eminent tenth” farms, since within this sector some productions, like cereals and tobacco, had an excessive weight, while others were cut out, like fruit and flower production. An almost exclusive attribution of direct subsidies to the “eminent tenth” farms would have been a very questionable choice from a political and economic perspective, but at least it would have been coherent with the marketing strategy of helping those already on the market, especially since the market was becoming increasingly international. In fact, the situation was not


\textsuperscript{43} The total farm number is taken from the ISTAT sampling survey of 1997: that is 2,315,233 farms.
even that; but in spite of it all, most Organizations of the agricultural world entrenched themselves in defence of CAP, in Italy and elsewhere in Europe.

Inside the Coldiretti though, these results had their weight, since it became evident that farms with an income below 5 million liras received a subsidy which did not make much sense for many rural families; it could not be considered a “masked social subsidy”, and was just as useless if the farms were trying to compete on the market. Moreover, on the opposite end of the scale, 0.2% of the farms received 14.6% of the subsidies, which was perceived as a “masked agricultural income”. In the same way, a situation full of disproportion and incapable of adapting to new prospects, namely the one ensuing from the MacSharry reform, could have been perceived as another sort of “agricultural income”, had it not been considered a first step towards a reform process to be continued.

Thus, as a result of examining those data, the leading agricultural organization in Italy and in the EU-15, the Coldiretti, became aware of the need to deeply rethink the role, function and instruments of CAP in order to regenerate its political and socio-economic value for the present times; in fact, this was the only way to defend the good impact CAP had had on agricultural and rural world and society overall, pushing it past the industrialized agriculture era, Ford style.

Coldiretti believes that it is necessary to shift from an agricultural policy which rewarded the volume of production, to one which will revalue farming enterprises for their role in society, considering the importance of production and multi-functionality of their activities.

A new pact between agriculture and society is needed, as well as a new agricultural policy, open to the possibility of tying production to the territory and the network of farms (mostly family) to the needs of local communities, within a context of sustainable development, with the possibility of sustaining the relationship between local and global realities in a democratic manner, starting from the base.

Such a policy would insert agriculture within a project of local land development, requiring the shift of resources from the Pillar 1 to Pillar 2 of the CAP. However the discussion on new configurations and policy of Pillar 2, as well as re-dimensioning/emptying and/or transformation of the instruments of Pillar 1 is still in progress. We can only wish for this discussion to become more and more constructive, and for the people involved in reforming CAP to be able to move past the resistance of those simply defending the status quo, and start listening to those who believe in the legitimacy and usefulness of agricultural policies in the field of territorial development, both in Europe and everywhere else; in Africa, for example.
Betrayed modernization and assisted economy

Speaking about Calabria Region, we can use a definition coined by Marselli\textsuperscript{44}, in the context of a wider typology describing change modalities or the reactions to the process of modernization in the so called “fringe zones”, areas where urban and rural realities face each other directly. Marselli spoke of betrayed modernization which “occurs when values from another culture are accepted non-critically, without submitting them to critical screening” or else without relating them to a specific economical, social and cultural context. Calabria experienced this kind of transformation in many ways, and while not achieving the ideal objectives of development, it activated strategies and resistances at various levels which allowed for the manipulation of institutional and political tools of change, while at the same time ensuring the reproduction of pre-existent conditions, through a recomposition of different interests.

In the particular case of Calabrian agriculture, the impact of decades of “pro-development” policies is easily recognized; such policies were pursued first at the national, then at the regional level, at the time of a Fordist transformation of the economy which was surely at the base of the crisis of “traditional systems”\textsuperscript{45}. However, in this specific instance, that crisis was not balanced by a development of the secondary sector, nor by the growth of industrialized agriculture. The result was a progressive geographical, social and economic marginalization of the region. From an economical perspective, Calabria is still one of the most troubled Italian regions, with the highest unemployment rate in the country.

The often rugged morphology of its territory and the lack of infrastructures have certainly accentuated the process of gradual impoverishment and strangling of the rural areas, but the heaviest responsibilities are to be ascribed to the short-sightedness of politics. In fact Calabria\textsuperscript{46} experienced an acceleration of these processes as a consequence of the failure of the pluriennial top down, high capital intensive policy of development implemented by the central government in the ‘50s in an effort to stimulate industrialization in Southern Italy (the Mezzogiorno). The agricultural policy included land reforms and extraordinary interventions (Fund for the Mezzogiorno, Special Pro-Calabria Law) with the objective of radically transforming Calabrian reality, through the liquidation of latifundium system and the creation of autonomous and rational capitalistic and family farms. But the objective was not reached. Starting in the ‘50s and to the mid ‘80s, the field of agriculture in Europe underwent an intense modernization process supported by common financial subsidy policies, an “axe” which came down heavily in Calabria as well as in other regions of Southern Italy. Attempts were made to solve the “Southern question” through extraordinary interven-

\textsuperscript{44} - Marselli G., Società rurale e questione meridionale, Seminar for the PhD Course in “Science, Technology and Society”, Department of Sociology and Political Sciences, University of Calabria (not published).

\textsuperscript{45} - This is a reference to organization modalities for social reproduction, thus to production methods which resort to the use of social and natural resources and knowledge of the specific territory.

\textsuperscript{46} - In the previous period of European regional policy planning (2000-2006), Calabria, together with Basilicata, Campania, Puglia, Sardinia, Sicily and Molise were among the regions of Objective 1, namely those “with development delay”, with an internal gross product pro capita lower than 75% of the mean communal values. In the new planning (2007-2013), Calabria – again together with Campania, Puglia and Sicily – is included in the “Convergence” objective, aiming at accelerating the economic convergence of less advanced regions.
tions, a shower of funding, the creation of industrial poles and the transformation of agriculture, which was pursued in separate sectors, through specialization, technology application, rationalization, seeking productivity increase and integration on the international market. Among the results of this policy was the tendency to abandon local livestock breeds and traditional fruit and vegetable varieties. Such local varieties, when supported by specific knowledge and presented in the context of their natural and social environment, could instead be an important resource for starting innovative dynamics aiming at a sustainable local development.

In Calabria, starting in the ’70’s, the Regional government has flanked the State in bestowing public funds, without modifying its orientation, but allowing for further growth of the tertiary public sector and resulting in a heavy influence of direct negotiation between the local politicians and the population for requesting and accessing the funds. Local agriculture has become a “big business” only in these terms, namely because of clientelistic exchanges.

We can therefore identify the main consequences of what appears to be a betrayed modernization of the Calabrian reality, especially in agriculture: the first is the dominance of the subsidies component in agricultural regional policy, which actually hinders changes in the sector and which, because of the discrimination in funds allotment, invalidates relationships between public administration and the subsidies beneficiaries; but there is also the resistance of family agriculture.

Family strategies and small scale agriculture

The main characteristic of the modernization process which took place in rural areas was that agriculture did not loose the connotations of a prevalently familial activity. This was noticeable in all of Italy, but even more so in Calabria. The heavy exodus from the countryside which occurred in the years after the war did not originate a trend of land concentration. This happened because farmers, while finding new occupations or emigrating abroad or to the Northern Regions, did not sell their land, which they had acquired with sacrifices and struggles. Even areas where emigration was more intense – like Calabria – did not witness a lot of sales or concentration of property, but rather a feminization of the farms: women took over agricultural activities, replacing the men who had emigrated or found employment in non-agricultural fields. However, particularly after 1970 and the diffusion of local development, with the ensuing creation of new employment possibilities and the consequent decrease of emigration, part-time agriculture has effectively became “the structural transformation of family agriculture”. In Calabria, this change contributed to confute the conviction that agricultural part-time work was a transitory phenomenon, destined to disappear with the oncoming of industrial development.

In the course of the ’80s, the implementation of common policies determined the growth of pluriactivity enterprises as a result of price reductions. Previously, price support had contributed to lowering the value of pluriactivity within a farm – since economically small farms could still be “exclusive” thanks to the price protection they
enjoyed; price reduction, on the contrary, forced some of these exclusive farms to abandon their business, or else shift to a system of pluriactivity\textsuperscript{49}.

In the ‘90s we witnessed an increasing lack of commitment in the field of agricultural activities, partially as a consequence of price crises and the transition towards free market, but also because of the gradual diversification process in rural economy. However, pluriactivity in agricultural families has continued to prevail.

In Calabria, medium to large farms coexist with smaller ones, where manual labor is greatly under-paid. However, about one fourth of all Calabrian families gets part of its sustenance from family farming, though resorting to other means in order to get a satisfactory income. For example, farming is often more important for the financial subsidies and social benefits that come with it, than for the actual agricultural income it originates.

Examining data from the Fifth General Census of Agriculture, referred to Calabria, we notice interesting details. In 2000, in Calabria, there were 196,191 agricultural, livestock and forestry farms, for a total surface of 899,382 hectares, 556,503 of which being utilized agricultural surface (UAS). Compared to the Census of 1990, the number of farms had decreased by 15,771 units (-7.4%), while the total surface had decreased by 240,605 hectares (-21.1%), of which 106,915 hectares were UAS (-16.1%). However – and this is the interesting detail – the already prevalent number of micro-farms or farms in which the UAS was a small portion of the total surface, had increased. In fact, with the exclusion of the farms without UAS (1% of the total), there were 106,188 farms (more than 54% of the total) with less than 1 hectare of UAS, covering 7.9% of the total surface, and 8.3% of the total UAS for the region. If we consider all of the farms with less than 5 hectares, the quota rises to 90.8% of the regional total, corresponding to 37.2% of the total surface and 34.8% of the UAS. Farms with more than 20 hectares are 3,476 and, though representing only 1.8% of the total, cover 43.5% of the total surface and 42.1% of the UAS.

In 2000 the prevalence of farms directly managed by the farmers remained unvaried (96.8% of the total), while those employing only family labor increased, counterbalanced by those employing mixed labor. Family farms were 189,907, 151,795 of which employed only family labor (77.4% of the total, +2.4% with respect to 1990)\textsuperscript{50}.

Certainly, the use of family labor is much more prevalent than what appears in statistical figures.

Family production is mainly destined to local markets and self-consumption, and also used for gifts and trading. Its permanence at the fringes of industrialization processes has certainly contributed to preserve practices tied to local foodstuff and traditional ways of consumption. We still find a “local food culture” especially in more inland rural areas, for example in Aspromonte\textsuperscript{51}.

In describing the modalities of permanence and characteristics of rural families, with special reference to the Sila Greca area, Gaudio and Pieroni have used the definition of “family strategies” for highlighting the role played by the various social actors and by family liaisons, reinforced through processes of cooperation, reciprocity and risk sharing, in the preservation of agricultural peasant activity. These family strategies embrace different forms of pluriactivity (including some that are collateral to agricultural production, such as operating a grain or oil mill), non monetary exchanges of goods, food, labor, and even services and patronage obtained from the public administration.


New rural realities and informal agriculture

In Calabria, some studies have evidenced the existence of experiences and dynamics which attest to a strong wish for transformation in agriculture. These innovations, which lay the foundations for new ways of rural development\(^\text{52}\), often originate in areas with valuable natural resources, or with a rich patrimony of knowledge deriving from local tradition\(^\text{53}\).

However, an important role in promoting a qualitative change in agriculture is also played by producers who become promoters of sustainable practices of production and consumption, often through forms of association and production networks which function locally, regionally and inter-regionally. These prevalently small producers use organic farming methods and direct sales marketing for their products. They often organize Solidarity Purchase Groups (5 of these groups are active in the Region) or local farmers markets (2 official organic ones, promoted by the association Fratello Sole in Lamezia Terme and the Consorzio Mediterraneo Produttori Biologici in Crotone\(^\text{54}\), even though at first, they often operate in a climate of institutional and social isolation. These new farmers, sometimes called “bio-ethical”\(^\text{55}\) (Elia 2008) pursue high quality, organic, agriculture but also advocate a change in consumption models, looking towards sustainability, through the development of short food chains, highlighting local production and reviving social relationships. These strategies are essential to the survival as small farmers, but they are also fundamental in “trying to change people’s mentality” (Elia 2008) and rekindling a “culture of local food”, thus contrasting both the marginalization of small producers and the trend of homologation in agriculture.

Moreover, an important trait of these new dynamics is informality, aiming at establishing personal relationships based on mutual trust. In order to develop alliances with the local institutions and handling “spaces of bargaining” which support territorial development activities\(^\text{56}\); and also, in some cases, opting for the tool of self-certification of the agricultural production methods, therefore refusing externally regulated control.

Ethical agriculture

Two other examples of innovation in agriculture are worth a brief mention, since they associate a social component to qualitative, environmental, economic ones. These are not, however, simple examples of “social agriculture”, but rather experiences which were initiated in order to affirm an ethical and supportive type of agriculture and economy, in the specific socio-economic context of the Region where they are located, dominated by the ‘ndrangheta, the local organized criminality lead by gangster families (‘ndrine).

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\(^{54}\) See the data bank on organic and farmer’s market in Italy, on the website: www.mercatodelcontadino.it In fact, sporadically, organic and farmer’s markets are also organized in Diamante, Viba Valentia, Cosenza and Bratico. Often the same producers organize these markets as well.


\(^{56}\) Ventura F. and Milone P. (2005), Innovatività contadina e sviluppo rurale Un’analisi neo-istituzionale del cambiamento in agricoltura in tre regioni del Sud Italia, Angeli, Milano.
These are two cooperatives, prevalently formed by youth and women. The Valle del Bonamico Cooperative operates in “mafia land” in an area located within the Counties of San Luca, Platì, Africo and Bovalino. All of the associates involved in the initiative, which was born in the second half of the ’90s and strengthened with an Integrated Filiere Project (IFP), in 2000 and following years, are considered at risk from ‘ndrangheta because of the scarce availability of work and their family liaisons with crime. The IFP was developed upon initiative by the Bishop of Locri, Mons. Bregantini, who connected three local agricultural cooperatives, which were cultivating berries, and an association of producers from Trentino Region. The members of the cooperatives, as well as the hired manual workers, are prevalently youth and women, the sons, daughters and wives of convicted criminals. The beneficiaries of the IFP are 29 in total: 19 young men, 7 women and 3 companies. Moreover, a wide network of small supportive initiatives was created (the Bonamico Cooperative, the Puglisi youth center, the cooperatives of Consorzio GOEL, the shops of second-hand clothes in Rocella Jonica and so on); all of this contributes to shaking people’s conscience as well as creating new work opportunities.

The Valle del Marro – Libera Terra Cooperative, the first of its kind, is a cooperative formed by young and previously unemployed calabrians, who cultivate land confiscated to criminal organizations in the Counties of Gioia Tauro, Rosarno and Oppido Mamertina. In 2005, as a result of the conventions signed by the majors of the three counties, Valle del Marro was granted the right to handle and cultivate about 30 hectares of confiscated land. This experience is an attempt to offer a radical example, aiming at weakening approval of organized crime and contributing to the construction of alternative networks, based on legality, trust and cooperation.
“Food wars” is the provocative title of a book published in 2004, a treatise on the present reality of the agricultural world\textsuperscript{57}. According to its authors, presently we are living at a very crucial time: the myth of reduction-production, which had ruled agricultural thinking since the end of the war, has now fallen, and our society is facing a crossroad. On the one hand, we have the option called “paradigm of life sciences” advocating the use of bio-technologies, genetic engineering and an agro-industrial model; on the other hand, we have the agro-ecological option, which considers the cultivated field a complex system, where multiple factors are at work (agronomical, environmental, economical, social and cultural ones).

If we remember that about 50\% of the world population works in farming activities, we can understand the importance and consequences of choosing one model rather than the other.

When debating the issue, the points brought in favour of either models are often misleading. In fact, the first choice is not always synonymous with progress (identified with research and technology), while the second choice does not simply imply going back to the past, nor to a presumed naturalness\textsuperscript{58}. A more correct approach would recognize that these two theses are the result of largely different agricultural models, theoretical and scientific paradigms and economic interests as well. Bio-technologies represent a sort of new green revolution, aiming at reviving the myth of reductionism through new possibilities offered by molecular biology; on the other hand, agro-ecology strives to take advantage of our recently acquired experience in order to achieve self-sufficiency in agricultural systems, thus eliminating the need for any external input. Obviously, each model corresponds to a specific seed system and to a different way of defining the various agricultural activities.

The work done in Europe by several seed research networks fits this picture perfectly, trying to structure a new seed system with an eye to the agro-ecological transformation of our farming models. From the beginning of 2000, groups of farmers have started trying to obtain the right seeds for their non-industrial production systems, having realized that the seeds currently on the market and the agricultural research connected to them were not adequate to their needs. In fact, even today in modern Europe about 50\% of the planted seed is still produced within the farms.

Several seed networks are active in Europe, such as Rete Sementi Rurali (www.semi-rurali.net) in Italy, Reseau Semences Paysannes (www.semencespaysannes.org) in France and Red de Semillas (www.redsemillas.info) in Spain. The main tasks of these networks are to sensitize, inform and train people, with the objective of connecting all of the realities operating in the field. Obviously, this work must be rooted in the local context. Our countryside is full of small but active and lively enterprises, which need to exchange information and showcase their activities through an equal and horizontal knowledge transfer system, directly from farmer to farmer.

Thus the issue of seed choice is regaining its centrality in agriculture, mainly in order to ensure the survival of family farms. But cooperation work is not the only answer offered


\textsuperscript{58} Let not forget that agriculture is and remains a human activity, in spite of all media attempts at convincing us of the contrary, by largely abusing the meaning of the adjective “natural”! 
by this new system of interrelations which is developing throughout European countryside.

In stating our new way of considering seed, we question the current legislation system in Europe, which was conceived for a uniform agricultural model and established in order to produce distinct, uniform and stable plant varieties. We affirm that bio-diversity conservation is not done only in seed banks and research institutes, but also and perhaps mainly on the fields, with the farmers. We also recognize the existence of a complex knowledge related to seeds and agricultural practices, often forgotten by official sciences, which must be understood and promoted in order to continue preserving and developing diversity. This last point is especially important. When speaking of local varieties, we might seem to be grieving over a glorious past or reproposing an ancient model, but actually we are speaking of a different way to implement innovation in the rural world, unfolding a different future for agriculture. It is necessary to understand that the challenge of modernity involves caring for the countryside and that decentralized informal research systems are the key to revive agriculture. The only possibility we have to face future climatic changes without increasing the use of external energy in agricultural systems is to find the right seeds for specific local conditions and cultures, rather than going the opposite way with the help of chemical input.

However this is only a starting point; it is necessary to keep improving these varieties, making them more and more advantageous for farmers. It is a work to be done together with the farmers, applying a new kind of research, which is gaining more and more favour in the academic field, called “participative research”. This is the nexus between modernity and local systems, innovation which starts from the base up, the fruit of a constant interaction between researchers and farmers. Obviously, such a process is aiming, among other things, at increasing yields and making cultures more remunerative, but it requires a low external input while benefiting from ample local knowledge. Multi-cultures take the place of mono-cultures, culture rotations replace chemical fertilizing and appropriate technologies are chosen to reduce physical strain, but not completely eliminate the need for manual labour.

The existence of networks working on seeds in Europe bears witness to the crucial state of our rural areas, where local treasures are at risk of being suffocated by “globalness”; finding a compromise is not always easy.

Our challenge for the future, then, is to find a way to protect these rural realities rather than destroying them, valorising rather than homologating them, in synthesis we have to work locally and not allow our land to become “the suburbs” of a global system. This is a stimulating challenge, because it implies developing and implementing projects, not only in the so-called “developing countries”, but in the social and economic context of developed countries as well. And it all starts from seeds.
The farming cooperative “Cà Magre”

Antonio Tesini

The farming cooperative Cà Magre was created in 1988 by the four of us, all young people, fed up with our various jobs and strongly determined to implement a common agricultural project.

We started by working for another farming cooperative, in order to understand the dynamics of self-management and common work and to acquire some basic farming skills, since none of us had previous working experience in the field. After two years we felt ready to start on our own project. We located an old farm building in need of repair, in the province of Verona, put our savings together and purchased it together with four parcels of land (about 12,000 square meters).

We now had some land, but no tools, machinery or money for starting to work it or investing in our project. We chose to move gradually, with the help of other friendly organic farmers. At first, for two years we worked outside the farm, while regenerating the soil through the intensive use of green manure cultures. This was necessary because of the disastrous initial conditions of our soil, resulting from repeated tobacco cultivation which had been done on it before our purchase. Our situation was not easy, but we had very clear ideas about how our farm should be and which activities we wanted to get involved in.

Our project included:

- Direct sales of our products together with those of other organic farmers of the area, both at the farm and at farmers markets in nearby villages and towns;
- “Agriturismo” services, including B&B and restaurant activities;
- “Educational farm” activities;
- Environmental protection activities implemented on a portion of wetland area called “Palude di Pellegrina” (to be rented) and involving the development of a project aimed at creating a natural oasis.

It is worth remarking that, since the beginning of our activity, we tried to diversify our services as much as possible, including collateral activities working in synergy with each other. 20 years later our business has developed a lot, but the activities have remained the same. At present, our Cooperative includes 3 farms, all within 2 Km from each other. The agricultural plan, manual labour, tools, machinery and marketing in the farms are all in common. We cultivate about 30 hectares of land, grow organic vegetables and employ 16 workers, both associates and hired. The activity of direct sales has been the most important, and to this day it absorbs about 50% of our total production. The farm premises were restructured and are being used as an agriturismo, with B&B service. The restaurant is temporarily close, since it is being reorganized at this time. The environmental project for the “Palude di Pellegrina” is being developed, we are trying to involve environmental Associations in handling the area.

This is our story of “resistance” in a few words, presenting an agricultural model which has become very common in the last few years. Farms selling their products directly, with no transport costs, are more and more active on the territory. For a few years now we have been collaborating also with some S. P.G. (Solidary Purchase Groups or “Gruppi
di acquisto solidale”) whose associates seek local, ethical and organic products. We cannot be sure that our business will always be financially self-sustaining, but are doing our best to keep it going, simply.

“EL GIAROL” – A small agricultural experience in Verona

Stefano Freddo

My name is Stefano Freddo, I was born in 1960 and live in San Giovanni Luparoto, a small industrial-commercial centre at the outskirts of Verona. In 1986 I started working in the field of biodynamic farming, and was employed in three different farms of the Verona hinterland as a collaborator and hired worker till 2001. In 2002 I started my own farming business. I do not own land, therefore I rented a small parcel of about three hectares, along the banks of the river Adige; I grow several species of fruit and vegetables. I am a member of the social cooperative “La Primavera”, which numbers about 100 associates, all organic farmers.

In over 20 years of farming, I was able to increase my knowledge of the main biological processes in nature, as well as my practical skills on working the soil; I also had to face various issues connected to modern global economy which affect every economic enterprise, even a small business like mine.

I thought and singled out three fundamental issues, and am trying to give my modest contribution in the effort to solve them.

The earth issue
Mother Earth is the one and only home to all living beings, and it is unhealthy for portions of it to be bought or sold as merchandise. At times or recession like the one we are experiencing, capital goods are invested in real estate and land, with a resulting price increase. This situation gravely hinders those who have the wish and skills to farm the land, but do not have the means to buy it.

Together with a group of people, I am collecting funds through donations, with the objective of purchasing a farm. This farm will be owed by a Foundation and will not be bound by market values. It will be cared for by people with farming skills and the capacity to handle a farm business.

Prices and market
The split between stably increasing retail prices and tendentially decreasing or stagnating production prices keeps widening every day, with rare exceptions. This is the result of short-sighted economic policies implemented by the political world and based on competition, economic growth, financial subsidies to agricultural production.

Today, my farm does not produce “for the market” any more; I work only for real consumers, over 100 families to whom I deliver weekly a box containing fresh produce from my farm and from other members of the cooperative. These families are subscribers of my farm, and pay their subscription share at the beginning of each month. Price and produce quality are highly appreciated by our subscribers, and tend to remain stable. Both producers and consumers are thus sheltered from the chaotic fluctuations of the market.

Lately I have been trying to foster collaboration between producers, distributors and consumers, in order to better meet the needs of all parties. This is a difficult job, be-
cause it requires an attempt at understanding each other’s needs, going beyond what is right in theory and avoiding all superficial moralizing on our fellowmen. Since the very beginning of my activity, I chose not to benefit from public financial support, not even in facilitated fuel purchase. A business pledging to increase soil fertility and to satisfy the real needs of consumers can support itself independently. I believe it is necessary to generalize such a choice and have the moral strength to ask for total elimination of state support to the economy, which originates a patronage system and encourages social parasitism.

**The issue of subordinate work**

This is the hardest issue to face, and certainly cannot be solved by a single business or a small group of firms. It requires an increased common awareness on the meaning of human dignity and the most adequate means to bring it about. In my farm there are no hired workers. I believe that the effort to protect life and human dignity through the creation of work opportunities for all, only originates excess production and waste of energy and resources in the northern countries, while causing plundering and misery in the southern countries. Moreover, the current labour legislation and the complexity of fiscal regulations connected to it are handled by governments with a maze of bureaucracy; this greatly burdens production, causing price increases which damage consumers and the economy overall.

In the future, everyone’s right to life should be granted by a “citizenship income” which should be equal for all, not conditioned by differences in work activities. This way human beings, as well as the land, would not be considered “merchandise” and forced to sell themselves on the “work market”, but instead could be free to implement economic initiatives and reach agreements with their fellowmen according to their actual skills, needs and interests.

Our future generations will be able to realize all of this, but only if we open the way for them today, beginning to cultivate thoughts and feelings which dignify Humanity and originate healing social actions.
CAP IMPACT ON THE NEW MEMBER STATES: THE HUNGARIAN CASE

Géza Varga
The GAIA Foundation
Agriculture in Hungary: Past-present-future

Hungary has been an agricultural country throughout its 1100 years of history. Today the total area of the country is 9.3 Million ha., 7.7 M of which is productive land, and 5.8 M is actually cultivated. Hungary ranks 1st among the EU member states for the amount of fertile land per capita. 78% of the suitable area is arable land, 17% is pasture and 5% is used for growing vegetables, orchards and vineyards.

The experience drawn from studying the Hungarian case of agricultural structure and policy – with some reservation - can be relevant while analysing African agricultural policy. The Accession Agreement generally, and the CAP in particular, have not been conceived in the interest of the majority of the rural population in Hungary. They mainly benefit the multinationals and a few large farms and are implemented without any preliminary information, social debate or consensus within the country on the subject. The Economic Partnership Agreement with the African countries is similar to the latest Accession Agreement of the EU in the sense that it reflects the superiority and power of the EU.

In order to understand Hungarian agriculture today, we have to look back in history a bit. After the Second World War, the first democratic election was won by the Smallholder Party which received 56% of the votes and formed the government. They immediately initiated a land reform. The 56% percentage reflects that obtained in African countries today. Land owned by large- (>500ha) and the middle range (>50ha) land owners was confiscated and redistributed to landless peasants. All together 3.2 M ha of land were redistributed to 642,000 peasants. The average area of redistributed land was 2.9 ha with some differences among the regions. The new landowners had a very hard time since they had hardly any tools, draught animals or equipment to cultivate the land. In spite of this and due to their commitment to the land the total agricultural production of the country increased by 50% in three years, from 1945 to 1948. Meanwhile many other items from the confiscated estates like storage buildings, stables, machinery, farmhouses, were not being used simply because their scale was not suitable for the small scale of the new farms. Some of the new owners realized this and spontaneously started to form some cooperation groups, through which they could apply jointly to the authorities for obtaining the necessary assets which had been confiscated from the former estates. At first they cooperated only for the common use of machinery, storages, etc. but kept their independency as peasants. In some places some of them were ready to establish stronger and stronger relations with their fellows and the first formal registered cooperatives were formed on a voluntary base. In 1948, when the communist party won the election by fraud and through backing by the Soviet army, the new communist government strongly encouraged the propagation of the Soviet type kolkhoz communities. This first wave of collectivization took place in the country from 1948 to the revolution in 1956, with doubtful results. During this time many of the peasants who wanted to keep their private independency were arrested, put into concentration camps and considered enemies of the working class. After the revolution was repressed by the Soviet army, the new collaborative communist government started the “collectivization” – as the process was called – again in 1958. This was one of the darkest times in the history of Hungarian peasants. In 1962 the the communist congress proudly reported that the Soviet collectivization process had successfully been completed, and only very few or no full time private peasants were remaining. The population in the countryside could own only 0.3-0.4 ha of private land per family for their personal sustenance as family farmers. Later in the eighties the amount increased to
0.6 ha/family. In 1982 there were 1.5 M peasant families (4.5 M people) who cultivated 0.9 M ha of land. Their numbers decreased by about 1% yearly up to 1990, due to aging. All the remaining 5.3 M ha of land were owned by either the state itself or the new Soviet type cooperatives, collectively.

Thanks to the vitality and productivity of the peasant type of farming methods, in 1981 small farmers owned 14.5% of the land and produced 45% of the total national agricultural production, which in the case of many labour intensive products represents far more than just self supply.

Twenty years ago in 1989, just before the country’s political and economic transition to free market economy, around 18% of the population earned their living from agriculture; today the numbers have dropped to less than 4%. Before the transition, agriculture was the largest source of work in rural areas; the positive side of the kolkhoz cooperatives was the creation of social cohesion, self sufficiency, village improvements, environmental care and so on. Both agricultural models – the small scale subsistent/semi subsistent peasant type one on the one side and the large scale specialised, production and export oriented type on the other, were being practiced.

Soon after the transition of 1990-92, an overall land reform was carried out together with restructuring of the old cooperatives and privatizing of the state farms. In the frame of the land reform, those who had been owners and had their land confiscated before the two waves of collectivization from 1948 to 1962 received a “value paper”. The values of those papers were regressively connected to the amount of land which had been confiscated. When in possession of this value papers, one could participate in land auctions in the respective villages and thus regain the right of ownership. The other way of privatizing land was implemented for those who didn’t own any land before the collectivization, but worked as employees in the cooperatives - land was given to them in proportion to their former employment period, and to the total salary they received during that period.

In these two ways more than 95 % of the land was privatized again and the process was completed in 1993. Some of the new owners started their own agricultural enterprise, some joined a new coop, some rented their newly received land to other enterprises, and still others cultivated it in order to feed their family. Today practically all the farm land in Hungary is owned by private people. Neither legal entities nor foreigners can buy land now, due to a special agreement with the EU. This is very positive because the price of the land is very low now (average: 1 200 €/ha) and without this moratorium foreigners would buy up the land instead of the Hungarian small land holders. Unfortunately large multinational stock companies which are presently renting the land will have the priority to buy it at the end of the moratorium period.

The two different agriculture models - the small scale peasant type family farm and the large scale commodity producing one – have always been present in the Hungarian scenario. This has historical, political and geographical reasons. Probably the geographical one is the most stable. There is no doubt that some geographical regions of Hungary like the Big Plain are very well fitted for producing cash crops on a large scale, mostly different kinds of grains like wheat, corn and barley. Among the large-scale farms there are several “family farms” possessing 300 ha or 2-4 times as much, formally in the name of different family members but actually being cultivated as one single holding. This however should not be a reason for neglecting small family farms the way it is done by the policy of today. A much more balanced approach would be required.

From the nineties up to the present, Hungary has been experiencing a neoliberal policy, slightly differently emphasised by the two different political wings which have alternated in the government after the elections.
At the time of accession in 2004 Hungary had, and still has, a social/neoliberal coalition in government which was, and still is, in favour of the competitive large farms. The first pillar of the CAP clearly benefits these very large farms (>1 000 ha), even though the farmers of the new member states in the first year received only 25% (5-10% increase yearly) of direct payment, compared to the old member states farmers. A further 30%, called “top up”, can be paid from the national budget until the total will reach 100% in 2013. The Simplified Agriculture Payment System (SAPS) was chosen by the government because the country’s institutions were not prepared to apply the existing EU system in 2004. The government is planning to adopt the totally decoupled Special Payment System (SPS) in 2009, based on the direct payments actually received by the farms over the previous 3 years. This system will result in reiterating the former unfair and illegitimate system. The large farms will receive subsidies almost independently from whether, what and how they produce. The small ones will loose their chances to be included in the system forever. The 3+1 axes of the second pillar and the connected instruments would give more flexibility to encourage and support small scale family farming in the context of Rural Development. But the Hungarian government decided to use the vast majority (around 80%) of this pillar too for improving the competitiveness of agricultural holdings.

Among the various agricultural producers (1 448 962) only 203 000 were registered agricultural enterprises in Hungary in 2007 (see Table 1.), the only eligible ones for direct payments and other EU funds as we know.

The concept of “family farm”, as shown in figure 1. has to be explained because there is a special Hungarian legal definition for that. This definition is connected to a law issued by the Hungarian parliament in 2002 when the government wanted to privilege those farms which complied with the definition. According to the definition, a family farm is an agriculture unit which is not larger than 300 ha and has only 1 employee besides the direct family members. Practice proves that these units – with some excep-
tions - tend to be large family businesses, not to be mixed with the peasant type semi subsistent family farms.

Table 1. shows the different types of registered agricultural units, the eligible land used by each type and the corresponding amounts of direct payments. We see that 76.8% of the registered agricultural units – actually the peasant farms - receive only 5.3% of the direct payments, while the remaining 23.2% of the units – corresponding to the agribusiness farms - receive 94.7% of the total amount. This table does not even take into account the 512 247 non registered semi subsistent peasant farms which have no access to, nor even dream about, any support. This data is even worst than the EU 15 average.

<table>
<thead>
<tr>
<th>Type of farm units</th>
<th>No of units</th>
<th>%</th>
<th>Cultivated land in 1000 ha</th>
<th>%</th>
<th>Direct payment in 1000 €</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Partnership companies</td>
<td>8 347</td>
<td>4.1</td>
<td>2 354</td>
<td>54.1</td>
<td>587 558</td>
</tr>
<tr>
<td>2 Private enterprises</td>
<td>20 349</td>
<td>10.0</td>
<td>1 154</td>
<td>26.5</td>
<td>288 038</td>
</tr>
<tr>
<td>3 Registered family farms</td>
<td>18 300</td>
<td>9.1</td>
<td>616</td>
<td>14.1</td>
<td>153 754</td>
</tr>
<tr>
<td>4 Semi subsistence farms</td>
<td>156 004</td>
<td>76.8</td>
<td>231</td>
<td>5.3</td>
<td>57658</td>
</tr>
<tr>
<td>Total registered farm</td>
<td>203 000</td>
<td>100</td>
<td>4 355</td>
<td>100</td>
<td>1 087 008</td>
</tr>
</tbody>
</table>

* in 2008 Hungary reached the 50% EU + 30% national top up payment = 80%; in terms of EU money 100% is equivalent to 312€, to be reached in 2013

All of this puts strongly into question the legitimacy of the CAP with its direct- and other payment systems. The above facts have not even been openly analysed yet in the society, since the group of disadvantaged peasants who receive very little support have no real organization protecting their interests and they are slowly aging and dieing. Even if a more benefiting policy was implemented, there would hardly be any young people left willing to choose this form of living. It could be a disaster if, due to an energy and/or food crisis for example, people were forced to produce their own food again.

One could raise the question: why isn’t there stronger resistance in this slow decline process of the peasant farming society?

In Hungary it seems that the most vulnerable have not even the human capacity to realize and analyze the problem and organize themselves accordingly. Public surveys show that they are not active enough at the elections maybe due to their apathy, which in turns means they are not very interested in the political parties either.

The middle scale farms, number 2 and 3 in Table 1. used to organize demonstrations from time to time. The largest and most long lasting was in February 2005. About 1000 tractors drove into Budapest and occupied the square of the Parliament for more than a month, while 3000 more tractors were blocking the roads all around the country. The main reason for the demonstration was the delay of the EU payment for 2004. The farmers were in a really difficult situation because the market had been opened already in January 2004 and the compensation which could help them to be prepared was not there. Since then, most demonstrations were organized for obtaining better prices for various products. None of those demonstration was the result of a careful analysis of the CAP or the WTO agreements, or an attempt to touch the real roots of the problems, namely globalized free trade of food and agricultural products, lack of food sovereignty and so on.
Comparing the external costs of the two agricultural models

A research program and a conclusive study were conducted by an international team in which the Gaia Foundation was responsible for the Hungarian part. The subject and title of the program was: Macro economic and environmental effects of large scale conversion to Sustainable Agriculture in the Danube basin”.

It is gradually becoming evident that conventional - high input - agricultural practices in Central and East European countries (CEE) will irreversibly damage the environment, ultimately with serious economic consequences for the society. Two inventories (Haskoning 1994, Vienna Technical University at al 1997) of the pollution of the Danube River Basin indicated that High Input Agricultural (HIA) practices in the CEE countries contributed for about 50% to the non-source pollution by nitrates and phosphates. It means that high input intensive agriculture is using/polluting clean water - an external public resource - and putting the burden on the society as a whole.

In this study two “future scenarios” are envisioned (figure 2) for the country, based on average data from undifferentiated groups of organic and conventional farms. One would be the result of a ‘sustainable’ scenario in which a considerable share of total agricultural area has been converted to LISA/EA (box 1,2). The other would be the result of a “conventional” scenario in which the share of HIA has increased significantly compared to the reference year situation. The construction of both future situations relies primarily on the aggregation of farm (micro) level data to model a macro level situation. To estimate the macro-economic effects of EA and LISA, scenario studies have been carried out for conventional (HIA/LIA) and sustainable (EA/LISA) farming. In the two scenarios the percentage of EA/LISA varies from 0% to 40% of the area in the sustainable scenario, and from 40% to 0% in the conventional scenario. Also the non-optimized low input agriculture (LIA) was also included in the scenarios. The scenarios were established in accordance with conventional scenarios presented in existing national agricultural plans.

**EA - ECOLOGICAL AGRICULTURE**

Agriculture in this concept is more a policy for land use in general, including agro-sylvial and aquaculture in mixed or integrated agro-ecosystems. Pest prevention and well-balanced mineral flows and sustainable resource management result in low external inputs of mineral fertiliser and non-renewable energy. This strategy includes using animals to upgrade the non-foods produced with the foods, and manuring the soils for production. Appropriate liming and rock-dust applications are accepted as amendments of soils in need of special care (as result of nutrient deficiencies). In addition to manuring and specific crop rotations, on-site N-fixation by leguminous crops, nutrient mining by deep rooting crops, improvement of availability of nutrients with mycorhizas and optimal nutrient recycling are components of the multi-purpose approach.

In 1992 the EC adopted a set of general norms for Organic Agriculture in EC-Regulation 2092/91.
The study introduces the concept of “shadow prices” for better understanding the external environmental costs of different agriculture practices, taking the general pollution reduction costs of N (2 EURO/kg N). If all other environmental costs were included as well in this assessment, the positive difference for the sustainable scenario would be much more evident. Given the importance of prices, it would be useful if prices (virtual values) were established for environmental goods also; this way environmental policy could then be better integrated within the economy. The scarcity of a clean environment could then be included in the whole scale of economic decisions just as readily as other goods and services governed by the marketplace. However, this does not necessarily mean the creation a market for the environment by means of tradable emission permits. Establishing accountable shadow prices would already represent a major step forward. A shadow price for the environment - or conversely, for environmental pollution - provides very condensed information on environmental distress, and provides it in a readily understandable form: money.

The study focused on the following economic parameters for each scenario: gross domestic product (or gross production value); production costs; production volume; labour/employment; product prices; and N leaching.

LISA – LOW INPUT SUSTAINABLE AGRICULTURE IN PREDOMINATELY MARKET-ORIENTED AGRICULTURE

Many (small) farmers in high-external-input areas, often in relatively favourable agro-ecological conditions are currently experiencing the effects of economic marginalization and ecological degradation. To optimise their situation these farmers try to reduce costs by replacing mineral fertilisers and pesticides with cheaper products such as natural pesticides and organic fertilisers. Mulches from crop residues, compost prepared from manure or recycled organic waste, green manures and biofertilisers are the alternative soil fertility management options often preferred. Traditional varieties, better adapted to local ecological conditions are sometimes re-introduced. Diversification is an equally important element in offsetting the risks associated with pest infestation and unfavourable climate and market conditions and as a strategy to secure higher income. Often a balance is sought between market and subsistence production. Processing farm products and off-farm incomes are amongst the main ways of securing additional cash.
Reference year situation

Conventional scenario

Future situation

Sustainable scenario

HIA = High Input Agriculture
LIA = Low Input Agriculture
LISA = Low Input Sustainable Agriculture
OA = Organic Agriculture

**Figure 2: The scheme of comparison of the economic and environmental effects of a “conventional” and “sustainable” scenario**
The macroeconomic consequences of the two scenarios

In the data below for the sake of better transparency only the N leakage was taken into consideration. The transition period is calculated at 5 years, which implies that the data given for the two scenarios should reflect the result of fully developed systems resulting from appropriate political decisions, which cannot be obtained without changing the CAP.

**Table 2. Comparison of the values of the two scenarios in % and in Euro**

<table>
<thead>
<tr>
<th></th>
<th>Reference year 2007</th>
<th>Conventional scenario %</th>
<th>Sustainable scenario %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross agricultural production</td>
<td>100</td>
<td>103</td>
<td>117</td>
</tr>
<tr>
<td>Net agricultural production</td>
<td>-</td>
<td>78</td>
<td>96</td>
</tr>
<tr>
<td>Total national N leakage</td>
<td>100</td>
<td>125</td>
<td>103</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Reference year 2007</th>
<th>Conventional scenario</th>
<th>Sustainable scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross agricultural production</td>
<td>6 400</td>
<td>6 615</td>
<td>7 488</td>
</tr>
<tr>
<td>Net agricultural production</td>
<td>-</td>
<td>4 994</td>
<td>6 144</td>
</tr>
</tbody>
</table>

In Table 2, the “gross agricultural production” line shows the proportions (first in %, then in €) of the achievable incomes of the respective scenarios without considering the poisoning environmental effects. The “net agricultural production” line shows the performance of the different scenarios (first in %, then in €) subtracting the virtual costs (shadow price) of cleaning up the N pollution caused by the respective scenarios. The “total national N leakage” shows the respective levels of N emission.

The “value of production” lines are even clearer in terms of money: the more national and/or common agricultural policy support the “conventional” scenario, the heavier financial and environmental burden they place on the shoulders of the next generation. The 6,1 M € net agricultural production, even when considering the sustainable scenario, is less than the gross production in the reference year (6,4 M €) which makes it clear that any human activity, even the most careful one, has a degrading effect on the environment, which has a repair cost if we want to maintain sustainability.

**Conclusion**

The gross production value is about 14% higher in the sustainable scenario. This results mainly from a 30-50% higher premium price for ecological products and from lower variable costs of EA/LISA. The net production value (environmental costs are ‘internalised’) is even more than 23% higher in the sustainable scenario. N leaching is higher in the conventional scenario but naturally the sustainable scenario is producing leakage too. Rural employment in agriculture is 8-11% higher in the sustainable scenario.
We didn’t include the external value of this in the present study. This is another variable externalia and could be the subject of another calculation in a complex research program.

It should be underlined that these project results are the first estimations of this kind, made on the basis of the limited funds available in the budget. They have an indicative value only, but their results are interesting enough for gaining further precision in gross and net production values originating from conventional and sustainable agricultural scenarios. The internalization of the real environmental costs for society are the crucial factor in decision making on the preferable scenario and the preferable strategy the EU and the member states should opt for.

The working hypothesis of the project is confirmed: Ecological and Low Input Sustainable Agriculture do substantially support National Macro-Economic Production Values, do decrease N-leaching to River Basins, do increase rural employment and increase agro-biodiversity. If environmental costs of different agricultural scenarios were internalized in national macro-economic values, sustainable scenarios score higher Net-Production Values.

These conclusions justify the recommendations in the project’s draft Strategy Papers to include Ecological and Low Input Sustainable Agriculture in the frame of “Local Economy” into the national and EU agricultural strategies and the CAP.
Agricultural Policies, Family Agriculture and Rural Development: The Need for a New CAP

Edoardo Calza Bini
Centro Internazionale Crocevia
The CAP and modernization

When the CAP was first set up, as part of the Treaty of Rome in 1957, dominant theories on development in Europe centred around industrialization and the measurement of development in terms of economic growth. In this context, towns and cities were seen as centres of growth for the economic development of outlying and rural areas, thought to be technically, economically and culturally distant from these (urban) centres of activity (Lowe, 2006). In tune with this dual interpretation of the process of development, in which the hierarchy of space was central, a doubly passive role was assigned to rural areas: they were to guarantee a sufficient amount of food at decreasing cost to the growing urban centres and also to provide, through emigration away from the countryside, a low-cost work-force to facilitate the development of industry (Sotte, 2006). In this perspective, European intervention in agriculture provided a combination of measures which aimed on the one hand to sustain production in terms of quantity, to guarantee food security in Europe, and on the other, to support farming families and reduce rural poverty, to obtain parity between agricultural wages and those of other sectors. If the first objective has been reached, thanks also to the protectionist measures typical of the CAP right up to recent times, the choice of providing support to production and centring it on standardized products for the mass market has favoured the larger farms and provided less protection to more labour-intensive production, increasing the continual social stratification in the agricultural sector. In particular, the CAP has not considered remuneration of agricultural labour and farm size as worthy parameters to calibrating the provision of aid (Sivini, 2006).

The theory of modernization has been basic to the CAP since its inception (Stresa conference (1958) and the Mansholt Plan (1968)) and the general orientation of turning agriculture into a progressively more industrialized activity continued to be a CAP objective throughout the eighties and through subsequent reforms (MacSharry reform (1992), Agenda 2000 and Fischler reform (2003). The idea was to set up a general process of modernization which would eliminate the differentials present in Europe and, in the process, all the farms which were not able to conform to this model (Cavazzani, 2006). Agriculture was pushed in the direction of a productivist model based on an increased scale, the intensification and specialization of production, the standardization of processes and products and the introduction of technology to replace labour. This entailed the progressive abandonment of what were considered backward forms of production, for example the traditional structure of multiple crops and integrated organization, which in turn caused de-structuring process at farm level of characterized by the rupture of the link between production and reproduction of production factors, these latter becoming external to the farm itself and therefore no longer under the control of the farmer but produced by the agro-industrial system. The introduction of external production factors made farmers dependent on the agro-industrial sector on the one hand, and progressively weakened the connection between farming and the local context on the other, in the sense of the ecosystem and a network of social relationships (Cavazzani, 2006). In certain cases, as for example, in the case of industrial-scale stock-breeding, the most fundamental element of production in farming, the land itself, becomes only marginally important or even irrelevant (Sotte, 2006). This process has been encouraged by the CAP: during the Dillon cycle, Europe allowed the free entry of certain animal fodder products59 from the United States. The concentration and the growing
intensification of productive processes has had serious negative effects on the environment not to mention causing health problems for both consumers and producers. Scientific research and advisory services have played a fundamental part in this process, which have been supported in order to produce and ensure the adoption of technological innovations which boost productivity through the steadily increasing application of mechanical and chemical technologies, thus making it easier to get all the different types of regional agriculture to conform to the productivist model.

The CAP’s interventions have clearly been instrumental in this regard: in particular, in line with the concept of industrialization of agriculture, its unlimited support of the prices of a few basic standardised products coupled with its lack of selectivity has favoured larger farms which are well integrated into the agro-industrial commodity chain and has provoked the emergence of surpluses which, because of export subsidies, have had tragic effects on the agriculture of non-member states and produced a progressive increase in community public spending. Measures designed to address these issues during the eighties, however, such as the various means of supply management, were introduced once again without taking product quality or environmental effects into account (Sotte, 2006). CAP reforms concentrated on decreasing levels of intervention with regard to prices and the introduction and reinforcement of direct compensatory aid which, with decoupling, guarantee maintaining the benefits established on the basis of past production.

The MacSharry reform which started off the process of decoupling of aid clarified the distribution of support (Foschini, 2008) showing how this was concentrated on 20% of farms which received around 80% of the aid. This situation has remained unchanged: it was still the case in 2003 that farms which received over 100 thousand euros a year in aid, 0.34%, absorbed 12.9% of the aid, while those receiving less than 1,250 euros a year, 54.09%, received 4.7% of it.

During negotiations on reform, governments defended the established level of funding, using the need to safeguard farmers involved in the most important commodity chains at a national level to justify support for this strategy, overlooking the fact that the majority of these received only marginal support. The real interests defended were those of a limited number of large-scale producers and enterprises operating upstream and downstream of the various production chains, thus precluding any possibility of redressing the imbalance in the distribution of aid either at a territorial level or between producers.

The CAP was originally set up around the Common Market Organisations and its interventions were defined according to of the commodity chains for whom the production was intended in mind, forcing agriculture to become a phase in the production process of agro-industrial goods. The use of industrial production factors and the abandonment of activities connected with agriculture, such as marketing and processing of products, “ has had the effect of making agricultural products assume the main role in the process of creation of value appropriated by agents which are external to agriculture” (Sivini, 2006). The organization of food commodity chains determined by the CAP has thus reduced the importance of agriculture up and downstream of the supply chains, and the

60 - Cereals, meat, milk, sugar.
61 - Quotas, set-aside, incentives for expanting or butchering/tree-felling etc.
62 - For example, in Italy, some work carried out by INEA (2000) showed how in 1997 farms receiving direct aid represented a high quota of the total, 69%. Of these, 84% of farms received less than 5 million lira of direct aid and absorbed in total less than a quarter (24.3%) of the total sum of payments; vice versa, 0.2% of farms, within the group with over 100 million per year, received 14.6% of the aid.
concentration of industrial enterprises\(^{63}\) has determined its progressive weakening in terms of market power (Sivini, 2006) and a consequential reduction of farming income\(^{64}\). The deregulation and liberalization of the market, set in motion by the most recent CAP reforms, increases the market control capacity of a limited number of agri-food multinationals operating in the European market\(^{65}\), progressively extending this phenomenon.

The continual erosion of the margin between revenue and costs\(^{66}\), leading to a decrease in farmers’ incomes, is an obvious symptom of the structural crisis of the productivist model of agriculture (Ploeg van der et al., 2004, Ploeg van der 2006a, 2006b). In Europe we are still experiencing a high incidence of farm failures if we consider that in Belgium, for example, the number of farming enterprises went from 80,974 in 1992 to 49,850 in 2006 (CSA, 2008a), while Italy has witnessed the disappearance of one fifth of all farms, numbering 260,000, between 2000 and 2005 (Onorati, 2007: ISTAT, 2006). Moreover, the continuing existence of many farms depends on the pluri-activity of the family members and on the fact that the work is carried out exclusively by family members\(^{67}\), as well as on the possibility to avoid investing and reduce crop expenses.

CAP reforms have not changed the basic paradigm of agricultural development which has remained linked to modernization but they have determined a substantial change in measures of support, starting with the MacSharry reform. These have not produced a more equitable redistribution, nor have they brought about any reorientation in the regulation of markets or an effective management of supply which might address the problems inherent in overproduction, the increasingly negative effects of the productivist model and continuing social stratification in the agricultural sector. On the contrary, they have progressively deregulated the European market and substituted export subsidies with direct payments. This strategy, in line with the Agreement on Agriculture at the WTO (made in cooperation with the United States), has been promoted in order to maintain the EU’s export quotas in the world market and to advance the interests of agribusiness TNCs which have thus been able to access raw materials at lower prices (McMichael, 2007). Direct payments per hectare allow multinational companies to include these subsidies in their price calculations, whether in the case of machinery or chemical products, or regarding the price paid to farms by processing industries (Sachs and Santarius, 2007).

\(^{63}\) Agro-industrial enterprises, moreover, have benefited directly from the support of the CAP (Scoppola, 2000; 1993; McMichael, 2007). During the 1980s 60% of the expenditure of FEOGA-Garanzia went to enterprises which were downstream of agriculture (Scoppola, 2000; quoting Guida 1989). In 1990 around 42% of the expenditure of six compartments of the FEOGA-Garanzia (Cereals, oilseeds, dairy products, olive oil, processed fruit and vegetables, sugar) was paid to multinationals. In 1995 expenditure was halved but still amounted to 20% (Scoppola 2000).

\(^{64}\) In the UK the farmgate price of potatoes in 1991 was 9p per kg and the retail price was 30p; in 2000 the farmgate price was still 9p per kg but the retail price had increased to 47p per kg; a price increase of 57%. The farmgate price for cauliflowers was 24p in both 1990 and 2000 but the retail price rose from 73p in 1990 to 98p in 2000, a price increase of 35% (UK food Group, 2008).

\(^{65}\) As early as 1990 in the cereal compartment six multinationals (Continental, Cargill, Dreyfus, Ferruzzi [Eridania-Beghin Say after 1992], Bunge y Born) held 80% of the European market, in the dairy sector Nestle alone holds 40% of the powdered milk market while BSN, Unilever and Philip Morris control 30% of the cheese market. Six companies (Nestle, BSN, Heinz, Mars, CPC) control 60% of the European market of tomato derivatives and three (Del Monte, Nestle, BSN) hold 40% of the processed fruit market. In the olive oil sector Unilever and Ferruzzi alone control 40% of the market while Ferruzzi, Tate&Lyle and Sdzucker control around half of the sugar market (Scoppola, 2000).

\(^{66}\) This state of affairs is defined by van der Ploeg in terms of a squeeze on agriculture.

\(^{67}\) “Behind this dramatic form of resistance lies the increase in the exploitation of the farmer and family’s work, and of work undertaken by others in conditions which are frankly outrageous” (Onorati, 2007)
In the context of modernization, rural resources such as the land, labour (of the farmer), the ecosystem, local knowledge and social relationships were considered obsolete and irrelevant to agricultural production (Ploeg van der et al., 2000). The main aim of the modernization project, as we have seen, was the technological leap and the creation of large-scale, highly specialized intensive farms, considered to be the only efficient model. The total homogenization of farming structures and the disappearance of all farms unable to integrate into this model were predicted. In reality, however, heterogeneity and diversity of farm types is still a characteristic of European agriculture. Resistance to change, evident in peasant and family farming practices, was considered “culturally backward” by the expert system (Cavazzani, 2006). Today, however, this “non-conforming” model of farming is the one best placed to respond to the changes in lifestyle brought about by the crisis of Fordism (Basile and Cecchi, 2001). This is due in particular to the new role which society requires farming to play in terms of the production of healthy, high quality food products, the creation of jobs (particularly in less developed areas) as well as the production of public goods like the safeguarding of biodiversity and the environment, and countryside conservation (Banks, Marsden 2000; Ploeg van der et al. 2000; Sotte, 2006; Sivini 2006). Rural areas in the post-Fordism era are characterised by economic diversity, in other words, the emergence of multiple productive activities in the industrial and service sectors which take place side by side with primary sector activities (Marsden, 1998; Basile and Cecchi, 2001; Sotte 2006; Sivini 2006). Although agriculture is no longer the dominant sector in terms of employment in rural areas, it nevertheless occupies most of the land and remains the basic element in a whole series of bottom-up rural development processes which can be found throughout Europe (see: Mulvany, 2008; Corrado, 2008; Varga 2008; also: Marsden, 2000, Ploeg van der, 2000; 2006a; Ploeg van der, Renting, 2000; Cavazzani and Moseley, 2001). These processes, defined by Marsden et al. (2000) as “agrarian based rural development” are based on the transformation of farming practices in clear opposition with the modernization process. Specific forms of organization of the productive process within farms which include the ecosystem, local knowledge and values aim to reduce dependence on agribusiness, capital and the global commodities market, and to appropriate the added-value.

Production models such as these, which evince a (re)valorisation of the value of the farmer’s labour and local knowledge, are based upon a way of organizing farming practices not only as a means to produce, but also to reproduce production factors, first among them, ecological capital, as well as increasing the autonomy of the farm, in other words creating independence from external input of an industrial nature. In order to mobilize, reproduce and improve resources on the basis of non-market circuits farmers develop new forms of cooperation, as is the case with seed networks (see Bocci, 2008). A characteristic of rural development based on the peasant and family farming model is heterogeneity, in open contrast with the specialization inherent in the modernization paradigm, as is shown by the wide assortment (variety) of different, often innovative and interconnected practices such as organic farming, or the production of quality products and regional specificities, on farm processing and sold directly to the public, all of

68 As the authors themselves emphasise “non-conforming farming is a highly complex area within which one can observe situations of emargination and isolation, and situations in which, on the contrary, invested resources are well integrated into the territory, in which implicit and explicit remuneration is available, allowing the activity to continue on a long term basis in rural areas” (Basile, Cecchi, 2001).
which can be found in different rural territories. Add to this the production of collective goods such as biodiversity, the management of the countryside and protection of the environment, and the provision of new services such as farm holidays, or the integration of new activities on the farm as in the case of social agriculture. Diversifying production at the same time as reappraising internal resources and the farmer’s labour make it possible to increase technical efficiency and create and maintain greater added value. As Sivini (2006) points out, “emancipation from those who dominate the market is strengthened in the multifunctional rural space through cooperation between producers, necessary in order to empower, qualify and stabilize the supply available from a short chain”. The creation of new relationships with consumers via the short supply chain and, in particular, with fair trade consumer groups, make it possible to eliminate intermediaries and distinguish products from the anonymous ‘commodities’ of the agro-industrial chain, allowing the farmers themselves to reappropriate value-added. As numerous authors point out, empirical evidence demonstrates how these processes can have positive effects not only on the incomes of the farmers involved but also via the knock-on effects on employment and development of an entire rural economy. These processes are based on bottom-up innovative initiatives, in other words, they are created and reproduced by endogenous subjects and by social forces active in the sector, not supported by policies and often impeded by the technological dictatorship dominant in Europe (a sets of rules, procedures, models, equipment, standards) aimed at reproducing the logic of modernization (Ploeg van der and Renting, 2000; Onorati, 1998).

Rural development is a process strongly opposed by powerful politico-economic interests. On the one hand there are the interests of agribusinesses which push for increased modernization and industrialization in agriculture (use of GMO, computer assisted technologies, new chemical and pharmaceutical products) and on the other, interests which aim to profit from interpreting the reinforcement of rural economy in terms of a continual introduction of non-agricultural activities (transformation of agricultural land into recreational space, sub-urbanisation, etc.) and the expropriation of agriculture (entailing relocation in Eastern Europe or in countries in the southern hemisphere, Ploeg van der and Renting 2004; Ploeg van der, 2006b).

The “Health Check” inadequate approach for rural development, and the need for a new CAP

It is evident that the Common Agricultural Policy and its reforms don’t provide support for the many heterogeneous rural development processes created from below. CAP reforms (such as the “Health Check”69) have modified the system of intervention without making any real impression on the underlying processes which have been set in motion, or the connected interests of the retailers and agrifood industry and of the larger agricultural enterprises. The Health Check pushes for a definitive decoupling of aid in order to “clear away obstacles which are hindering farmers’ responses to market signals” (Ficher Boel 2008). According to the European Commission, as Commissioner Ficher Boel has emphasised (2008), “Farmers whose direct payments are not tied to production are farmers who can respond quickly and accurately to what the market needs”. The actual effect of deregulation of the market and decoupling of aid is really to hand

over the power to establish prices to the few strong subjects who dominate the international market, allowing only the larger enterprises (where support is concentrated) to “compete” on the market, pursuing the continual lowering of prices by steadily increasing the intensification of production.

The increasing economic concentration of enterprises in important areas of agricultural production and the disappearance of small and medium-sized farms in disadvantaged areas are the inevitable consequences of this process.

Many Member States, however, don’t appear to be worried by these phenomena nor by the legitimacy and equity of aid, as reported by the CPE (2008), given the decision not to introduce ceilings for higher direct payments and the proposal to eliminate more minimal direct aid by increasing the minimum threshold for obtaining it.

Beyond the rhetoric which permeates the Commission’s official documents, the reality is that rural development within the CAP is limited to agro-environmental correctives and to minor support to the “second pillar” dedicated to the valorisation of common goods (conservation of soil fertility, of the countryside, of biodiversity, etc). Apart from its minimal financial provision, the second pillar was never intended as a way of adapting agricultural policies to the bottom-up development practices occurring now in rural areas but rather as a way of leading them back inside the framework of the global market defined by the CAP (Vitale 2008; Sivini 2008). The modulation proposed in the agreement on the Health Check of 2nd November 2008 therefore give no guarantee that funds transferred to the second pillar will necessarily be used effectively to support socially and economically sustainable rural development. Rural development on the model of peasant and family-based farming can guarantee the conservation and increase of the tissue of small and medium sized farms still present in Europe but requires adequate support policies, which signal a clear change in direction from the CAP and its Reforms, tied in as they are with the productivist model. This does not mean, as is often upheld, that a common agricultural policy is not necessary or that regulation should be left to the free market. On the contrary, as demonstrated yet again by the recent food crisis, market regulation is absolutely necessary and the debate should, therefore, focus on how best to orchestrate regulation, taking past successes and mistakes into account. The CAP within the logic of the productivist model is based on economies of scale, specialization and intensification; a new CAP should be founded on scope economies, diversification and de-intensification, and its measures should aim to guarantee fair remuneration for agricultural labour, and the creation of employment in rural areas.

In contesting the commission proposals of the Health Check, the food sovereignty movement reaffirms the need to regulate the market in order to guarantee stable prices to farmers which take into account the quality and costs of ecologically and socially sustainable production, including fair remuneration for the farmer’s labour.

At the present time European quality norms for consumer protection use the industrial processes of specialized commodity chains as their model, thus allowing the agri-food industry to appropriate the added value created by agriculture. These norms need to be modified to take into account non-standardized quality produced by peasant and family farming using artisanal methods.

The growth potential of multifunctional enterprises which are fundamental to the process of rural development cannot be projected onto an international level of com-

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70 The maintenance and improvement of instruments like supply management in order to avoid surplus production and customs duties against low-cost imports are considered necessary, as is the simultaneous dropping of direct and indirect subsidies to exports which continue to perpetrate the dumping of European products on the markets of non-member countries (EFSP 2007; CPE, 2008).
petitivity, but should rather be linked to their capacity to create value on local markets and to redistribute it within the territory. A new CAP should favour local and regional markets, funds like the FEOGA and structural funds should support the processing of products locally or on the farm itself, direct sales, and the necessary local infrastructure to facilitate the development of these markets.

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Agricultural policy instruments for a better regional integration in West Africa

Babacar Ndao and Moustapha Thioune
ROPPA Réseau des Organisations Paysannes et de Producteurs Agricoles de l’Afrique de l’Ouest

Original version in French
Introduction

West African agriculture is presently confronting an in-depth transformation tied to a double process of liberalization, both internal and external. Commercial multilateral negotiations with the World Trade Organization (WTO), as well as negotiations with the EU relating to the Economic Partnership Agreements (EPA) form two converging dynamics which push West African agriculture, essentially based on family holdings, to be fully subjected to the havoc of liberalization. Also, internal liberalization and the state disengagement from a series of functions that it previously had held in the agricultural sector, originated in the last few years a disorganization in family farms, before the expected reorganization of the institutional national structures becomes fully operational.

In this transition stage, the result was a short and medium-term instability, harmful to the large majority of the operators in the rural world and which prejudiced to a certain extent the appointed objectives of the peasants’ organizations, that is strengthening, defending their interests and modernizing the farms.

This structural crisis situation that the various implemented national policies were not able to fence, has originated a shared will to reform and modernize the agricultural sector. In this context, the agricultural policy of the WAEMU (UAP) and the agricultural policy of the ECOWAS were elaborated, respectively in 2001 and 2005.

Will it be possible to stimulate regional economic integration, with the perspective of creating a common market thanks to the common agricultural policy of West Africa called ECOWAP, within the ECOWAS?

Which is the role played by the common agricultural policy in the regional integration process?

ECOWAP, the common agricultural policy of the ECOWAS, was elaborated through dialogue with the different players in the rural sector and civil society. It now constitutes the legal framework of West African agricultural development to be achieved over the next years, in the direction of modernization of family farms, promotion of agricultural entrepreneurship and the set-up of a sub-regional market.

Clear and strong orientations on the main subjects, which will involve the whole rural community over a long-term period, are expressed in its implementation documents. ECOWAS is in charge of coordinating and following the implementation of ECOWAP. As an extension of NEPAD, the DPADA is implemented through the regional agricultural investment programs (RAIP) which represent its sub-regional dimension.

The issue of climate changes and that of energy sovereignty for agro fuels can no longer be ignored in the context of agricultural and commercial policies, with all inevitable concurrancies (land, water, workforce and inputs) that it is necessary to place between food and energy sovereignty. It is in this contest that the ROPPA has decided to carry out this research, on “the role of agricultural policies within regional integration and their impact on family agriculture: the case of West Africa”

The economic and political institutional context in West Africa

West Africa has entered an integration process, which brought about the definition of a common agricultural policy called ECOWAP. The question to address is: which role can be played by ECOWAP in the integration process? And secondly, how has or will this agricultural policy affect family farming in West Africa?
ECOWAS groups 15 member countries. It integrates a separate group of 8 countries belonging to the WAEMU (West African Economic and Monetary Union) which form a customs and monetary union having the CFA Franc as their common currency. The second group of the ECOWAS includes 7 countries which are not members of the WAEMU, each one utilizing its own national currency. This latter group accounts for 65% of the regional GDP and 70% of the total sub-regional production.

West Africa covers 7.8 million sq Kilometres and represents the largest organization or regional integration in Africa; its population has a high demographic growth rate and rapid urbanization tendency. With about 85 million inhabitants in 1960 and 265 millions in 2001, West Africa has reached today a population of 290 millions which will become 500 millions by 2020.

This unprecedented demographic explosion is filling up West Africa quite fast. Economic development is heartening but yet fragile. The recent development of sub-regional economies shows a promising trend. The years around 2000 coincided with a relative economic clear spell in almost all of the countries in the sub-region. These countries experienced a growth of the real GDP of 3% in 2001 and 2002. For comparison, only developing countries in Asia and countries in transition did better, experiencing a higher growth rate.

These global results are even more encouraging since they seem to originate principally from better economic policies and an improved use of capacities, and not from more advantageous terms of trade. The ensuing development is evidenced by progress achieved in three domains: macro-economic reforms, strengthening of the institutions and solving certain regional conflicts (data from the secretarial reports of the ECOWAS, 2002).

However, in spite of these advantages, economic crisis is manifested presently in this part of the continent by the slow growth of agriculture, the decline of industrial production, poor export performances (a 50% decrease since 1970), debt accumulation, the degradation of social indicators, of institutions and of the environment. Several countries of the ECOWAS are LDC\(^{71}\) (12). In 2002, public debt accumulated by the ECOWAS countries amounted to 67.6 billion dollars, equivalent to 81% of the GDP of the region.

The factors involved in the economic development of the sub-region can be analyzed under different aspects:

- At the political level, territorial fragmentation, added to the weakness of economies, is at the origin of people segregation due to the establishing of borders and custom barriers which limits product and good trading.
- Monetary fragmentation with the presence, in the West African sub-region, of new different currencies.
- Commercial fragmentation which appears due to the disparity of foreign tariffs, except in the WAEMU which has its own customs Union (in force since January 2000), hindering free circulation of local products, without duties or quantity restrictions.

All of these factors burden the economic and institutional environment and weaken the quality of human resources available for country development. Rural development is a paradigm in Africa. It is often addressed and discussed in social and economic policies for several reasons: countries get most of their wealth from agricultural and rural activities; by far the largest majority of the population lives in the countryside.

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\(^{71}\) LDC = Least Developed Countries
Since agriculture is the main activity in rural settings, it has always been considered pivotng axis of rural development. For this reason agricultural policies are more and more, but wrongly so, assimilated to policies of rural development.

Rural development policies have developed in different ways. At first there was the dismantling of rural development programs. With the pretext that their cost was too high, integrated rural development programs (which included actions aiming at increasing agricultural productivity, managing forests, facilitating people access to instruction, information, inputs and equipment) under the jurisdiction of rural development departments, were dismantled in the course of setting up alignment policies.

Public aid to development has decreased sharply. Between 1960 and 1994 the ODA was 6.8 billions, corresponding to 31$ per person. Starting in 2002, the ODA dropped to 16$ per person. This is a 50% decrease of its value per capita, far away from the 60$ per capita which had been envisioned in order to make the millennium objectives realizable.

As regards Agriculture financing, commercial bank contribution is very scarce. The sector is characterized by the almost total disappearance of development banks. Where they still exist, they are often only nominal. In reality they work with the same logic of commercial banks and are sensitive to the activities of the rural sector.

In spite of being a key sector in the economy, West African agriculture has taken head-on the consequences of national and international economic policy reforms (adjustment, liberalisation, globalisation, free competition and so on). These political changes are accompanied by deep transformations, namely: the reassessment of the role, place and importance of agricultural family holdings in the creation of national wealth in the past, present and future; production instability due to climate challenges (droughts) and parasite invasions (locusts); difficult access to innovations, technologies and finances; unfair competition from foreign products, caused by the weakness of the commercial policies of the sub-region.

However, agriculture is in full transformation. In spite of these serious constraints, African agriculture globally progressed over the last years, sometimes attaining remarkable performances. Agricultural added value rose from 15.2 billion dollars in 1970 to 31.8 billions in 2002, with an annual growth of 3.1%, which is higher than the region’s demographic growth of 3%. Even though the predominant form of agriculture remains based on a large number of family farms, the West African agricultural sector has undergone profound mutations in the course of the last 20 years.

Often there was a large increase in production volumes, generally higher that the growth rate of the region’s population. The production volume of almost all operations (except for cattle stocks) more than doubled between 1980 and 2000. However, this progress was not attained in all of the areas and countries experiencing conflicts. For many years now, these production systems have undergone profound changes, especially regarding market integration. Colonial agricultural policies flouted all past experiences in West Africa, and simply imposed agricultural policies based on the production of crops needed by the market (peanuts for oil, coffee, cocoa, cotton...). But family farms stood firm and continued, among a great many difficulties, to follow their prime mission, which is to satisfy the needs of peasant families. It is therefore becoming more and more necessary to develop complementary measures, which so far, have been completely neglected.

West Africa has little weight on international trading of goods and services, and its position has regressed in the course of the last 20 years. In relative terms, its worldwide exports dropped from 1.3% to less than 0.5%, while at the same time the imports value also dropped by 19% because of the degradation of the economic situation (devalua-
tion of CFA Franc, increase of the exchange rate in relation to the dollar, increase of the price of commodities) affecting the purchase power of the region.

Trading of agricultural products between West Africa and the EU has a long history. The EU is the main region with which West Africa (WA) trades. WA also carries out 40% of its trading with the ACP9 countries. 43% of the agro-foodstuff imports of WA come from the EU10, and 68% of the agro-foodstuff exports from WA have the EU as their destination. West African trade in the agro-foodstuff domain is heavily dependent on the EU. Intra regional trading is very poorly managed. Several million tons of agricultural products and millions of stock heads cross the borders daily without any statistical data to take a census of their actual amounts. This is an important market place where locally produced cereals, leaf vegetables and fruits are traded that is not sold in any other part of the world. Moreover, it is in continuous growth. The import/export African Bank estimated an increase of the rate of intra-African trading in relation to the total from 9.1% in 2002 to 9.3% in 2003.

The West African agricultural sector has assets which are not yet sufficiently exploited, particularly the great diversity of its environments, a potential source of product diversification which would lead to profiting at best from the comparative regional advantages, and also favour the emergence of a regional market based on ecological complementarities.

Land is not exploited very much. Actually, of the about 10 million ha of irrigable land in the region, so far only less than 10% of its potential has been exploited. Therefore, only one million ha of land are irrigated, often for the production of rice or legumes. In thirty years, the irrigated surface has increases by 50%. All of the results obtained in West Africa, in particularly hostile contexts, are due to family holdings, which show that West Africa is certainly capable of feeding itself.

The institutional context has developed greatly towards a better integration. At the political and strategic levels, major dynamics were implemented in the course of the last 5 years in West Africa. Among other things, this resulted in highly diversified initiatives in the field of integration.

We often make a distinction between integration through policies, the so called «regionalism», which is based on formalized agreements of economic cooperation, and integration through the market, the so called «regionalization», which results from regional growth dynamics, the set-up of an international production network and of a corresponding Foreign Direct Investment flow (FDI).

Even though we must recognize that the imposition of a multilateral discipline could narrow the margin of political action of developing countries, some of them could find in regional economic cooperation the means to face the challenges of globalization more easily.

From this point of view, regional institutions can fill the gaps present in worldwide structures of economic governance, mainly in the field of agriculture. The form taken by this cooperation will depend not only on historical, geographical and political data pertaining to the concerned region, but also on the relative weight given to marked power and State interventions, the choice of which can impact economic policy at the national and worldwide level.

This research will give evidence to the fact that integration in West Africa cannot restrict itself to trade liberalization, but instead must develop public policies which reinforce the growth potential and structural evolution of its countries. In any case, the final scope of integration should be the creation of an economic and political regional space which is managed by the concerned countries.
In the context of support to national development strategies, growth potential reinforcement and structural evolution, that agricultural policies have an important role to play. Since agricultural policies call into play many other elements of sector policies, they accelerate and consolidate such integration with a competent management of assets and constraints.

The Economic Community of West African States (ECOWAS) has the mission of “promoting economic integration in all the fields of economic activity”, among which agriculture, with the objective of creating a monetary and economic union. In turn, this monetary and economic union originates a free trade area (with free product circulation within the zone), a customs union (common tariffs for trades with commercial partners external to ECOWAS) and the harmonization of economic policies, in particular agricultural ones.

The first step towards the creation of an economic and monetary union is the set-up of a free trade area between the countries of the sub-region. Also, a layout for trade liberalization within the community was adopted at the beginning of 1980, globally including crop products, traditional handicrafts and industrial products.

ECOWAS has given itself several objectives, including cooperation promotion and development in the economic, social and cultural fields, monitoring of the people’s living standards in the member countries and the preservation of economic stability, without forgetting the elimination of customs duties and other obstacles to trading and the creation of a common market with its common currency.

Some progress is noted

In spite of ECOWAS’ recent creation, sizeable improvements were noted; in fact, several positive results were obtained through the integration process under way within the region. An evaluation conducted at the end of 2002 showed that crop products and traditional handicrafts were circulating freely, with a few exceptions, within the member States. On the other hand, the liberalization layout for industrial products is yet far from being implemented, especially due to origin rules connected to local transformation. Therefore, due to the difficulties relating to the implementation of the free trade area (FTA), the deadline for the implementation of the second step, the Customs Union, was moved forward to June 2009.

Major general improvements were obtained, notably a good number of positive results brought about by the integration process under way within the region.

- Important acquisitions regarding free circulation of people and actions for conflict resolution.
- Definition and elaboration of major macro-economic and sectoral policies.
- Implementation of important programs and realization of some structuring infrastructures: communication and energy and so on.
- Specifically concerning WAEMU, other than the use of a common currency and language, the union has succeeded in setting up reforms in both the macro-economic and sector domains, which are its most important achievements: multilateral control mechanisms, Common External Tariffs (CET), regional stock exchange, common agricultural policy, industrial policy.

Yet the stake of a CET definition is really tied to its articulation within the ECOWAP. On the other hand, the WTO rules and the EPA negotiations leave a certain action margin for a CET renegotiation. An increase of customs duties in the context of the CET would
be advisable in as much as the duties levied by the other countries of the region are lower than those consolidated by these countries towards the WTO. Assets and constraints in regional integration are therefore to be acknowledged. As for the assets, they are of a historical (there is a strong tradition of regional integration since west Africa was a land of powerful empires: Mali, Songhai, Ghana; intense commercial flow: caravanner trading) as well as an economic nature (major economic potentialities, a large regional market with over 400 million consumers by 2020, allowing the attainment of economies of scale with a low unit production cost).

The main constraints ensue from the persistence of multiple fragmentations: monetary (9 currencies), commercial; a major spread in the protection level between the WAEMU block and the other countries; a large market segmentation: the exploitation of agro-ecological complementarities and opportunisms; being one of the most open regions in the world: low protection level at the borders).

Present limits of the integration process are:
- A scarce market integration: intra-community trading in slight increase, but still quite low.
- The persistence of numerous impediments to merchandise circulation;
- A weak political will on the part of the rulers in the region: lack of implementation of instruments and rules necessary to realize regional integration;
- Scarce contribution on the part of the players, from production to elaboration of regional policies;
- Inadequateness of some policies with the aspirations of the people in the region (this is the case of CET within the WAEMU).

Tariff barriers and quantitative constraints are formidable obstacles but they do not cause impossibility to trade, while absence of good regional infrastructures might. Therefore, instead of addressing regional cooperation dealing only with the juridical aspects of commercial policies, attention should also be given to these other aspects of economic intra-regional relations, before trying to extend trading liberalization further.

Analysis of the common agricultural policy of the ECOWAS

As mentioned above, in 2004 the ECOWAS set out the elaboration of a common agricultural policy, called ECOWAP. In the first part of this chapter we will try to give a diagnosis of it, defining the stakes of the agricultural sector, the field covered by ECOWAP, its objectives and major pillars. In the second part we will analyze ECOWAP from the point of view of the synergy among all of the elements forming an agricultural policy. The pertinence of ECOWAP will be analyzed in its several aspects: the elaboration process, the vision, the sphere of activity, the challenges, which should be addressed by ECOWAP and the contents.

The pertinence of the process is proven and due to the fact that it was the fruit of participation of many local, national, and regional players, each of whom gave his contribution. In this context, nowadays several groups (O.N.G., syndicates, network) play a major role in the elaboration and follow-up of national agricultural policies (R.O.P.P.A., R.E.C.A.O., CILSS and others). Once the policy formulation objectives are clear, the way to achieve them must be spelled out, specifying a series of concrete actions to be carried out. To this effect, some conditions must be put in place in order to achieve the desired results. A necessary – but not sufficient – condition is that all of the stakeholders
in development adhere to it. They must therefore reach a consensus, at least on the objectives and on the way to realize them.

Consensus is all the more necessary in a market economy where major economic decisions impacting development are in the hands of private economic agents. This is why the consensual scenario of the ECOWAS around the same vision, and the three challenges to be addressed by ECOWAP are pertinent, but focus will have to be placed on producers more and more.

In this particular case, we estimate that the intervention domains of ECOWAP may be pertinent, if they are implemented. These intervention domains go in the direction of what is envisioned by the peasants’ organizations of the sub-region, namely:

- Setting-up a common market for agricultural products
- Protection of this market
- Regional integration and setting-up of the pertaining sector policies
- A single currency used in the whole sub-region

Therefore, in the agricultural field, several policy instruments are utilized in order to implement a development strategy for the sector.

We have classified these instruments into three large and independent groups: policy instruments affecting the market; policy instruments affecting the resources; policy instruments affecting the institutions.

Concerning the State of implementation of the action plan ECOWAP-PDDAA, the actions currently under way are essentially leading up to the implementation of the ECOWAP/PDDAA action plan, including the definition and set-up of investment programs at the national level. In light of the undertaken actions, it is evident that, when conceiving an agricultural policy, a series of measures or political instruments must be used. Actually, agricultural policy instruments call into play many instruments from other sector policies, since the concept of policy includes the following:

- Actions undertaken by a state or sub-region and impacting the working rules of the national, sub-regional (macro-economic policies) or sector economy (sector policies), aimed at influencing the behaviour of economic agents operating in the area, and creating favourable conditions for development
- Base principles ruling the modalities of direct state intervention in the sector.

Within this context, we will pose the 6 following questions, in order to evaluate to which extent ECOWAP is moving in the direction of family farming promotion.

1. Does ECOWAP favour family agricultural structures or else agro-industrial enterprise?
2. Does ECOWAP hinder or foster rural exodus?
3. Does ECOWAP envision diversification and/or complementarity strategies at the National or regional level?
4. Does ECOWAP privilege a supply chain approach or a production unit approach when supporting production structures?
5. Does ECOWAP privilege an economic chain approach to agricultural development, or does it give priority to land management and regional solidarity?

The pertinence of ECOWAP was therefore analyzed in all of its aspects: the elaboration process, the vision, the sphere of activity, the challenges, which should be addressed by ECOWAP and the contents. As a result of this analysis we can assert that, overall, it is pertinent.

However, we must take into account the impact of liberalization on agriculture in general and on family farming in particular. Since 20 years, the production units – family
farms have undergone profound changes mainly concerning market access. Farms located in arid or semi-arid agro-ecological areas generally employ operation systems based on risk minimizing. The improvement of people’s living conditions passes through revenue source diversification in agriculture.

In more water-rich areas, transformations are largely tied to resource availability (land, credit...) and to the existence of carrier markets. The areas situated south of the Sahelian countries and north of the coastal countries betted heavily on cotton and now are trapped by a very strong dependency on a market depressed by subsidies of developed and developing countries.

Most family farms are nowadays firmly connected to the market. The majority of cereal producers of the Sahelian countries for example, sell their products upon harvest, even though they are in deficit. They often resort to the market in order to ensure food security to the family.

This creates a real handicap in conducting agricultural policies which, in an effort to foster regional production, rely on protection policies that raise internal prices. Moreover, some processes like the EPA can greatly affect the timid results of integration, since their negative impact is enormous. They affect production, food self-sufficiency, the social environment, public income, productivity, agricultural policies and access to EU markets. West Africa is no more in charge of its food supply, and the exports of sub-Saharan Africa are decreasing drastically.

Faced with a great deal of obstacles (ecological conditions, international trading, sociocultural development, structural adjustments, devaluation and so on), family farms have developed a resistance to innovations. This is true also of peasants’ Organizations, which however have developed their capabilities and have become real speakers in front of the Public Powers and development partners.

With the interesting prospect of small farmers acquiring a voice both in agricultural policies and international negotiations, the diagnosis of family farms brings to the surface three traits which characterize the peasant situation: (1) more uncertainty and poverty; (2) a new form of dependence, to the detriment of traditional solidarity; (3) a new social stratification of the rural environment, at the expense of inter-familial relationships.

These challenges push farmers to take initiatives aimed at improving their organizations and playing a more active role in civil society, while also to developing strategies for acquiring a voice towards Public Powers and development partners. In the end, their dynamism gets stronger and stronger.

Another aspect tied to land property in relationship with small peasants must be considered. The introduction of new technologies can entail a transformation of the farm dimensions and production systems. These transformations have important implications in terms of policy, since they call into question domains which pertain to land property such as property rights, research, land registry, all the way up to the agrarian reform when, for example, in a given country there still persists a major private income situation. Within the same region, very different types of farming may cohabit, having production modes as different as itinerant versus sedentary agriculture, or the use of common land as in livestock grazing.

Firstly, the constant growth of the population (about 2.8% per year) has brought about an increase of land demand, which in some cases originated migrations, in turn causing increased land pressure and often resulting in conflicts. On the other hand, such pressure brought about a decrease of cultivated surface per capita.

Secondly, land rarefaction has increased the vulnerability of the poorest family farms, as well as that of some players to whom access to the land became more difficult. The consequences of this situation are sometimes dramatic and have forced several farm-
ing families with a little more resources, to a progressive de-capitalization and to find employment in other activities or as paid labourers. Such a phenomenon is quite common in areas close to towns which have a high agricultural potential.

Thirdly, an inexorable process of urbanization is taking place, and it expected that in 2020 over 60% of the population of the West African region will live in towns. Other challenges are of a technological, organizational and system reproduction nature. Some concern commercial integration. All of these challenges will have to be addressed and met, since the sovereignty of a population passes through the mastery of its food supply and healthcare.

This is why the implementation of an agricultural policy promoting family farming in Africa is urgent. Family farms produce the majority of our food, most of our commodities, and they are the basis of our culture. They originate the bulk of our trading. The stake to face is their modernization. The prerequisites of an agricultural policy favourable to family holdings are complex, spanning from economical viability to the problems and issues relating to food crops and land cultures.

Today, Africa is more dependant of food aid than it was 35 years ago; its needs amount to 2,400 million dollars. Is this sustainable? Paradoxically, for its main supply chains (rice, tomatoes, oil) the region has the potential for attaining self-sufficiency.

In 2015, specialists estimate that Africa will have an additional 45 million poor people compared to 1999. This worrisome situation has mobilized the international community around MDG which has, among its objectives, the reduction of poverty by half by the year 2015. In this context of high precariousness affecting rural populations the most, the modernization of family farming constitutes an important stake. Fifty years of International Cooperation have not been enough to solve the problem.

Some ways to come out of it

There are ways to come out of it, notably through implementation of the appropriate complementary measures; in fact the economic viability of family farming does no longer need to be demonstrated, in spite of its many constraints, it is the prerequisite of an agricultural policy favourable to family farming. In fact, notwithstanding a very pessimistic overall picture of African agriculture, it should be remarked that in general, some food crops have registered a considerable increase over the last 40 years. However, performances have been very variable in the different countries. These differences had a negative influence on the choices made in the policies adopted during that period.

What can be done to move forward? The market is not always capable of taking into account the right value of the resources employed in production, transformation and consumption activities (default of the market). This is especially true concerning natural resources and the environment, the economic value of which is often under-estimated. The main objective of market policies is to create conditions optimizing efficiency in the allocation of the country resources, while the development objectives of a country might have several dimensions other than a merely economic one, notably social, political, strategic, environmental ones.

The concept of durable development, for example, suggests that development policies should aim for a balance among three different functions/objectives, often in conflict with each other:

- Economic efficiency
The function of complementary measures is, on the one hand, to «help» price and market policies and make them work better, and on the other hand to create a favourable environment for attaining objectives which are not directly economical, but all the same important such as food safety and self-sufficiency. A panoply of complementary measures is available to the Governments to ensure attaining the above mentioned objectives.

Three principal dimensions at the basis of agricultural and rural development systems can be spelled out:

- Development factors;
- Production operations;
- Objectives/functions of the agricultural systems.

We can assume that the agricultural sector operates within an environment influenced also by other economic sectors, with which agriculture maintains more or less intense relationships. Therefore all interventions by the government, independently of the sector (agricultural or not) or level (local, district, national) at which they are implemented, will have repercussions on agricultural and rural development.

Thus regional agricultural policy should play a driving role in the context of integration. Actually, even though less noticeable among the expenses, we should not overlook all of the elements of unification of the common market in Europe, which are present in the agricultural field as well as in other sectors.

The accompanying measures for family farms can be grouped into three levels: (1) accompanying measures for production, with an entrance door represented by family farming; (2) accompanying measures for productivity and competitiveness; (3) accompanying measures to make adjustments towards trading.

(1) **Accompanying measures for production.** Concerning accompanying measures, the area of production can be divided into three domains: production bases; production; support. The bases of production must be safeguarded. These include three elements, namely land, water and energy (human, animal, from plant materials, fossil fuels). In order for production to originate both quantity and quality, durably and at market prices, support through training, consultancy, information and communication is indispensable.

(2) **Accompanying measures for productivity and competitiveness.** These measures impact both internal resources – increasing productivity, and external ones – improving competitiveness. Their influence is felt almost everywhere, thus they are essential policy tools to consider.

(3) **Accompanying measures to make adjustments towards trading.** The possible domains covered by these measures are: controlled origin, certification, Marketing, market surveys, communication, support of PO and/or of cooperatives/observatories/Farmers’ associations and so on.

With what resources will it be possible to attain modernization? It is necessary to first mobilize national and regional resources of various kinds; human (prospective analysis), scientific, technical and technological, financial, because it is a question of the life and activities of 60% of the population; these activities produce 33% of the regional GDP and 15% of export earnings; it is also a question of feeding the region and of handling natural resources and the balance between towns and countryside; in order to be in conformity with the ECOWAS

The necessary funds for the development of agriculture in Africa reside in the MAPUTO commitments (2003) for the implementation of ECOWAP.

There are two possible routes to follow:
(1) To have a new instrument, easy to implement and suited for agriculture, and to agree on financing
- State (national or regional fund for agricultural and rural development, banks like the solidarity bank, DFC of the POs, guarantees and so on).
- ECOWAS (Regional Fund for Agricultural Development to merge with the Regional Fund for Agricultural Development of the ECOWAS)

(2) To revise the 10th FED on production sectors. Priority should be given to agriculture in order for our region to feed itself suitably and to safeguard the life of the majority of its population.

An institutional basis capable of cooperating all of the concerned players (PO, Cooperatives, Farmers’ associations and so on) is necessary. Steering could be entrusted to the High Council of Agricultural (WAEMU, ECOWAS, Parliament members, Economic Operators) after national round table discussions (PRIA) for ECOWAP under the aegis of ECOWAS.

**How to focus the implementation of the ECOWAP so that agriculture can play its role in integration**

West Africa has embarked upon an integration process which has pushed it to conceive a common agricultural policy, the ECOWAP. But this agricultural policy will really play its role in the sense of integration only if it is implemented by taking into account the current problematic issues, namely food and energy sovereignty, climate changes, bio-energies, in a world which has experienced a serious food crisis.

We must recognize that the main causes of the present crisis lay in the way agriculture is managed around the world. In this field, we must revise the mandate of the Committee for world safety at the FAO level, and give it a different statute. Moreover and consequentially, we must stimulate all of the elements of commercial (common export tariffs, certificates of origin, communitarian preference, adhesion of the ECOWAS to the OMC as a member and so on) and financial (unified currency zone with a common currency) policy of the region. All of the above factors have to be taken into serious account, when dealing with food and financial crises as well as with climate change problems in our West Africa sub-region.

The implementation of a better integration will focus firstly on biodiversity, land management, energy exploitation and water. In fact, the acceleration of growth and expansion results in increased energy needs by countries. Thus the availability of energy flanked by suitable infrastructures is a preliminary condition for economic development in general, and agriculture development with production diversification in particular. But energy is a sector which absorbs a lot of capital and often requires large investments, which developing countries can hardly finance. Privatization is not always compatible with a country’s long-term strategic objectives.

This research has shown that West Africa needs, among other things, a good integration in the domain of water and infrastructures, and also enormous work concerning institutional policies: the reform of legislation framework and of organizations, instruction, training, communication, creation of producers associations, popularization, decentralization, participation, good ruling practices... These are all intervention domains for the public sector which could contribute to the development of favourable conditions for increasing peasants’ knowledge.
If subject only to the rules of market and competitiveness, family farming can no longer do what was expected of it. Therefore it is important to make the rules of international trading compatible with national preferences, in the respect of political projects and of the history of each nation.

In the field of energy sovereignty, how to address the issue of bio-fuels in view of the competition concerning water and land? Should we, in order to safeguard family farming while modernizing it, privilege the production of food crops not destined to markets outside of Africa? These have been increasing at a slightly higher rate than demographic growth rate, but have not yet succeeded in eliminating food insecurity, also because of unfair competition on domestic markets by farmers from industrialized countries.

Finally, this Research has tried to prove that, more than other forms of production, family agriculture could be the carrier of a durable development, pushing the country forward, since peasant and family agriculture modernize quite well if the resulting price rates are favourable to them. We should add that farmers, who are subject to risks of all sorts, cannot sustain themselves nor develop if they are not protected from natural, economic and especially weather/climatic instabilities. Besides the necessary funds used to compensate the so-called “weak” countries, it is important to develop other resources allowing adaptation to future changes (for example, the phenomenon of ecological immigration).

**Perspectives**

In West Africa, the work to be done is huge, and the State can intervene at two levels concerning institutional policies: reforming the legislation framework and reforming the organizations.

- Strengthening of the Customs Union achieved by making decisions and implementing measures for a smooth operation of the free trading area. This means eliminating all hindrances to development and intra-community trading;
- Creation of a common market and set-up of a CET by June 2009;
- Elaboration of sector policies (competition, investment);
- Implementation of already existing sector policies, notably the ECOWAP;
- Creation of a Monetary Union before 2012.

In a world of increasing returns, external economies and variable transaction costs, proximity still brings some advantages to real economy. Instruction, training, communication, creating producers associations, popularization, decentralization, participation, good ruling practices... These are all intervention domains for the public sector, which could contribute to the development of favourable conditions for increasing peasants’ knowledge.

If following only the rules of market and competitiveness, family farming cannot achieve what it is expected to. Therefore it is important to make the rules of international trading compatible with national preferences, in the respect of political projects and of the history of each nation. Finally it should be said that, more than other forms of production, family agriculture could be the carrier of a durable development, helping the progress of the country, since peasant and family agriculture can modernize quite well if the resulting price rates are favourable, and farmers, who are subject to risks of all sorts, cannot sustain themselves nor develop if they are not protected from natural and economic instabilities.
Conclusions

Therefore, several proposals were put forward by this Research, regarding the creation of common markets among agricultures with similar productivity levels and a well mastered protection when faced with sham on the international market, in order to obtain fair prices allowing the majority of agricultural producers to live off their work and invest. Negotiation for each single product is necessary, as well as inter-regional agreements defining quantities and prices and creating equalization funds, solidarity through taxing farmers who benefit excessively from the new rules (income taxes on large income, property taxes for farming in very advantaged areas). Therefore, this issue must be addressed with an in-depth study.

This reflection on the agricultural policy of ECOWAS is also based on the assumption that the Producers’ Organizations (PO) will remain involved by supporting the regional integration policies of the ECOWAS, helping family farms and their organizations, together with all other actors, to reconstruct agricultural and rural economies. Peasants’ Organizations therefore need to obtain a sub-regional protected space and remunerative prices.

The development of peasant agriculture passes through the strengthening of peasants’ and agricultural producers’ organizations of the sub region which represent one of their main elements of dynamism of a better regional integration. The movement started by the peasants and agricultural producers in West Africa must meet with similar realities operating in other regions of the world.

Strengthening cooperation among producers’ organizations around the world is imperative if we want them to progress all together and build the conditions for developing a new agriculture, using the powerful tool of family agriculture in West Africa as the running engine to achieve a better Regional integration.

To this effect, the common agricultural policy in West Africa must foster strengthening of family farming, supported by a sub-regional integration policy at the service of the West African populations.

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Priorities and measures for the implementation of a common agricultural policy in Central Africa

Dr. Abouame Salé and M. Mbahe Rigobert Elarion

PROPAC Plateforme Sous-Régionale des Organisations Paysannes d’Afrique Centrale

Original version in French
Introduction

An eloquent picture of rural peasant agriculture is that of an African woman, bent under the sun, a child on her back, hoeing a dry field to plant cassava or sorghum, on which the survival of the family depends. Yet others have found different ways to escape poverty. We find small farmers who have become members of associations selling vegetables to exporters and supermarkets, truck farm labourers at work to supply modern food markets, sellers of processed food products. Indeed, when appropriate policies are implemented and followed, and sizeable investments are made at the local, national and regional levels, peasant agriculture may give to poor country people new means to escape poverty. Do national policies facilitate agriculture’s takeoff to fight misery and struggle against poverty? The following analyses will allow us to situate family agriculture in relation to strategies, programs and projects as well as to its access to local, national and sub-regional markets.

Diagnosis of politics and strategies in connection with family farms

Presentation of the area

Population

From an agricultural point of view, the area of intervention of the PROPAC, constituted by the countries of the CAEMC and the DRC, has a population estimated today at more than 120 million souls, unevenly distributed over the countries and various ecological zones. The DRC with its 54,417 million inhabitants and Equatorial Guinea with its 507 inhabitants in 2004 constitute the extremes. In the same period, the agricultural population of the sub-region was estimated at 55 million people.

The land

Farmland, constantly increasing, covers an area of 20,425 million hectares (3.88 %) of the 526,18 million hectares of land of the sub-region. But land under cultivation represents 22 % of farmland and hardly 1 % of the total area of the sub-region. The pastoral area, estimated in 2000 at 81 894 000 ha represents 15,5 % of the land of the sub-region.

As for fishing and fish farming, the sub-region includes 73,090 sqKm of flat land and 1,815 km of coasts, presenting a large production potential of up to 1,245,000 tons of fish.

The production

The main agricultural productions (agro-pastoral and fishing) of the sub-region are roots and tubers (cassava, sweet potatoes, potatoes, yams, macabo, taro), grains (sorghum, corn, rice, millet), banana (plantain and sweet banana), oleaginous plants (groundnut, cotton), vegetable and fruit cultivations, meat, milk and fish. Quantities vary from 2822,7 million tons for grains to 535 million tons for meat. As for fishing, more than 600 freshwater and sea species are present in the sub-region but their exploitation remains
very scarce (out of a potential 1,240,000 tons, only 500,000 tons of fish and other aquatic species are produced).

**The weight of the agricultural sector on the economy**

Globally, the sub-region may be perceived as an (oil) industrial area with an industrial GDP of 44,3 against 25,2 for agriculture. In the so-called oil countries like Gabon, Guinea and Congo, the farming sector is reduced to its simplest expression (3,5 to 7,0 % of the GDP).

**Food needs of the population**

With the exception of Gabon, all the other countries suffer from a relatively high average food deficit per person. These countries are consequently forced to resort to imports in order to reduce their deficit (rice, wheat, flour, meat and oil). The population’s consumption of starch, protein and fat always remains below 3,000 Kcal pp/day. The situation of generalized undernourishment experienced in the sub-region (more than 57 %) can be better appreciated when it is compared with the world average (14 %), or that of other regions of the world like western Africa (less than 15 %) and far better well-off industrial countries (less than 2,5 %).

**Constraints on the development of agriculture, breeding and fishing**

- Under-exploitation of the agricultural potential of the sub-region;
- Soil degradation and fertility loss due to cultivation techniques using scarce fertilizers;
- Weakness of public and private investment;
- Institutional weakness;
- Insufficient productivity of traditional small farms;
- Lacking development of rural infrastructures/equipment and production;
- Poor mechanization;
- Lack of mastery of water resources;
- Insufficient and inadequate financing;
- Lack of market organization and scarcity of intra-communal exchanges;
- Weakness data collection, evaluation and statistical elaboration systems;
- Armed conflicts and the other social problems (ghost towns, kidnapping, road bandits);
- Poor health conditions of the agricultural populations;
- Inadequate handling of major plagues and scourges;
- Rural exodus and the urbanization.

**Policies and strategies in agriculture, breeding and fishing**

**Main axes of the common agricultural strategy**

The common agricultural strategy of the CAEMC is a frame of coherence which defines the priorities to take into account in the elaboration and the implementation of future programs and projects. It includes 11 main axes, presented and described below.
Reform of the macro-economic framework of the member countries

The Structural Adjustment Programs (SAP) negotiated with the international financial institutions had a major impact on public support policies for the farming and rural sector. Considerable efforts will still be needed to create a sufficiently favourable macroeconomic framework. The devaluation of the FCFA in January 1994 allowed a competitiveness improvement of the economies and farm products, but the currency remains unstable and could revalue quickly against rival economies in Africa and Asia. The dialogue between the various actors of rural development will have to be enhanced, particularly defining and protecting their rights and obligations, specifying land laws for agricultural activities, implementing a more credible judicial system and a more incentive fiscal system.

Taxation on imported agricultural products was also raised (20 % tax for rice and meat, 30 % for wheat flour) to encourage local productions. A part of the ensuing income will help financing the activities of the CAEMC specialized organs, and the implementing of special food safety programs. This fiscal and customs tax reform with its competition control, the adoption of codes and standards, guarantee transaction transparency while reducing their costs. The updating of the phyto-sanitary regulations (sanitary standards) will have to take into account the requirements of the export markets.

Besides, the financial system in place is proving to be inadequate to the current environment and unable to support agricultural projects. The growth return will necessarily result in an investment increase in basic infrastructures in rural areas (domains of transport, water and electricity supply, health and education).

Enhancement of the institutional framework

There is the need to strengthen the operation of the CAEMC structures, namely the Standing Committee for Agriculture, the Conference of the Ministers of Agriculture and Breeding which split up in 1990 with the creation of the Conference of the Ministers of Breeding, following the implementation of the CEBEVIRHA.

At the research level, two Regional Poles of Applied Research for agricultural development could be constituted following the example of the Regional Pole of Applied Research for the development of the Savannas of Central Africa (PRASAC - PRARSCA) which covers the Sudan-Sahelian area. These poles have to give their effective contribution to the activities of the international networks, firstly those of the West and Central African Council for Agricultural Research and Development (CORAF-WECARD). Also, the Consultative Group on International Agricultural Research (GCRAI), managed by the World Bank, with its network of 16 Centres and international Institutes constitutes a reference. Some African countries (Egypt, Ivory Coast, Kenya) are already members. Other CAEMC member countries should join and gain access to the deposits of knowledge and to the databases of this network.

As for popularizing activities, it is necessary to set up dialogue structures between the researchers, the popularizing staff and the farmers. The Chambers of Agriculture should play an important role in this context. It is also necessary to facilitate the dialogue between the peasant organizations and the political decision-makers so as to allow the former to assert positions which reflect the consensus of their members, and have them taken into account by the Governments.

Coordination and harmonization of the agricultural policies of the CAEMC countries

In the framework of the realization of the UEAC / CAEMC objectives relating to sectoral policies, the Union has to exploit to the full the economy complementarities of member
countries in a perspective of economic integration. These also have to take into account the variety of the sub-regional agricultural potentialities, their major weight in international negotiations and the need for managing regional common goods. In the perspective of a successful regional integration, the agricultural, forest and fishing potentials constitute the regional public common goods. Obstacles to the free circulation of goods and people still hinder an optimal use of the regional public goods; whence the importance of a supranational authority such as the CAEMC to define production standards and common rules.

Support to the agricultural and agri-food sectors

- Improvement in the collection and diffusion of agricultural statistics. Due to the absence or scarceness of agricultural statistics within the CAEMC, it is impossible to provide an exact quantitative definition of the food safety issue in the member countries. This also limits the definition and the evaluation of programs and projects, as well as the possibilities of exchanges and action planning at a regional level. To solve this problem, it is necessary to implement a specialized institution like the “Permanent System for the Collection and Diffusion of Agricultural Statistics” (SPCDSAC - PSCDAS), equipped with a network of correspondents and working in close cooperation with the international institutions. The main objective of SPCDSAC would be to supply the various national and international institutions concerned with the agricultural development of the CAEMC countries with real and reliable data, allowing them to better handle the agro-food problems of the sub-region.
- Improvement of the conditions favourable to agricultural production. The resolution of the food equation in the CAEMC countries passes through a long-lasting increase of the plant, pastoral and fishing production. Priority must then be granted to structural elements like access to education, new techniques, support services and the improvement of rural infrastructures. It is also necessary to improve the productive environment.
- Agricultural production diversification and promotion of rural development. There are ways of diversifying the productions in order to reduce dependency on one or two export products, felt every time the flow and/or the production volumes of these products drop. Alternative products could be dry season vegetables, spices, Arabic gum, flowers, tropical fruits, etc.. It is also necessary to increase processing and marketing of the existing products. This transformation will aim at reducing post-harvest losses and at facilitating the preservation and marketing of the products.
- Improvement of support services for agricultural production.

Supplying the urban markets

The absence of outlets constitutes an element of deterrence against the use of more effective techniques and can affect the responsiveness of farmers, breeders and fishermen to popularizing and crop diversification efforts. It is thus necessary to reduce hindrances to farm product marketing and to make the supply systems of urban markets more effective, while also revitalizing exchange flows.

Popularizing of agricultural techniques

The current crop yields obtained by farmers are sometimes less than a third of those obtained by researchers in a controlled environment. It is then time to bring the farmers to use tested improved genetic materials and to adopt more efficient cultivation
systems, whence the essential role of information. The resumption of cooperation with the Technical Centre for Agricultural Cooperation (CTA) and the participation of all should contribute to it.

**Institutional financing of the agricultural programs**

States must not only create a more favourable macroeconomic framework, but also increase investment in the rural and agricultural sectors. Regrettably, the failure of a good many of these projects threw the BDEAC into a crisis, out of which it has difficulty in getting out. Financing of the farming sector requires a recovery of the financial sector in the member States, with innovative ideas to address the needs of small and medium size farms.

**Enhancing the breeding sector**

Breeding is an important sub-sector for the CAEMC countries, but the demand by the sub-region for livestock increases faster than the production, whence the need for considerable imports. This sector has remained traditional and the constraints are numerous. The CAEMC countries must set up competent veterinarian services to improve animal health, protect public health and gain access to international markets.

**Enhancing the fishing sector**

The fish production of the CAEMC is for the greater part small-scale (around 217,000 tons in 1997 of which more than 56 % stemming from continental fishing). Industrial fishing is still relatively limited. The annual exploitable potential of the exclusive economic zones of four coastal countries of the CAEMC is estimated at 400,000 tons of fish, whereas the production was around 119,000 tons in 1997. As for fish-farming production, it is very modest.

Imports of the CAEMC reach at present 48 million US dollars/year. Frozen and canned fish, plus a considerable part of salted-dried fish sold on the CAEMC market comes from imports. Exports on the international market (European Union) concern essentially whole shrimps, cured and frozen offshore. The main challenges to face are faulty production and marketing systems, lack of human resources, the exhaustion of some fish stocks, insufficient private investment, the absence of research and popularizing, the inadequacy of the sectoral policies.

Strategic actions should focus on elaborating policies and sustainable development plans for fishing, stimulating private investment, boosting of fish farming, promoting research and popularizing/supervision, harmonizing the national fishing legislations, implementing community follow-up, control and surveillance systems for fishing, promoting intra-community and world-wide exchanges and implementing integrating production projects.

**Support to agricultural research and guaranteed diffusion of the results**

It is advisable to work on the sub-regional and regional scale in a spirit of cooperation and partnership. Researchers must operate in networks where knowledge circulates effectively for the benefit of all. Our research priorities must concern the plant, animal and fish species consumed by our populations. We must find a dependable financing mechanism for agricultural research. Initiatives such as the “Community Fund for the
Development and the Intensification of the Scientific and Technical Cooperation of the CAEMC Member States” created in 1986 are to be revived. It would be good to fix clear objectives.

**Enhancing the dialogue between the actors**

The preparation and adoption of an agricultural policy or any rural development documents must be realized in agreement with all the representatives of the actors of rural environment. The importance of dialogue between the actors was recalled with strength during the meeting of the Ministers of the African Union in charge of agriculture, who approved the action plan of the NEPAD, making it a necessary condition for the realization of their objectives.

**Ensuring the participation of all the actors**

- Ensuring the participation of the private sector and promoting entrepreneurship. The private sector has an important role to play in the distribution of inputs, fertilizers in particular, in conditions of efficiency, equity and without pollution. The participation of the private sector will depend, however, on the presence of a favourable environment, on the entrepreneurship of this sector and on its ability to access financing mechanisms.
- Ensuring women’s participation to the agricultural development. Women play an essential role in rural development, both at the level of production and at those of marketing, processing and nutrition. But, as their access to credit is more difficult, many of them end up in town looking for a paid job, whence a considerable increase in the number of households managed by women. The CAEMC has to make sure that women play a leading role in the national popularization system.
- Enhancing and supporting producer organizations. The structuring of civilian organizations needs strengthening in the CAEMC countries. A common agricultural strategy will thus have to include subsidies for creating a producer organization, as well as structuring the representations of the other actors of the rural environment, so that they become active and responsible interlocutors for the elaboration and implementation of agricultural and rural policies.
- Enhancing producers’ skills for a better participation to the development programs of their region. Due to the opening of the economies of the CAEMC countries on the world markets and to production chain liberalization, farmers are facing the markets’ hazards directly, regarding both supplies and product marketing. Organization, management and vocational training programs for the producers are thus required.

**Informing and communicating to improve competitiveness**

In the present situation, relevant and necessary information for developing economic integration is lacking. The CAEMC must establish an intra-regional information system to increase the knowledge, skill and management levels of the economic operators working in the rural world.

**Promoting regional exchanges**

Exchanges between member states are very weak (lower than 5 %) and the European Union remains the main commercial partner. Intra-community trade of the CAEMC represented only 225 million dollars in the year 2000, namely 15 % of the total exchanges. Currently, the prominent intra-community flows take place especially between Cameroon, Chad, CAR, Equatorial Guinea. This trade is mostly practiced in an informal way and almost exclusively through the border markets. The CAEMC will have to take into account geographical complementarities, identify the various groups of actors, their in-
terest and their strategies on very precise issues, comprehend the obstacles and the advantages of the integration process, facilitate the circulation of information, start a process of experience exchange and also establish a process of promotion of poles of excellence within the framework of a sub-regional cooperation.

**Preparing and leading international commercial negotiations on agriculture in the sub-region**

The CAEMC will have to implement all the necessary mechanisms in order to take advantage of the next cycles of negotiations at the WTO, with the European Union (REPA) or with other commercial partners (AGOA). In order to do so, the negotiators should not negotiate without knowing exactly the consequences of their compromises on the shape and content of the national policies for agriculture, rural development and food safety, and finally for the well-being of the populations.

**Constituting strategic sub-regional food reserves**

To fight food and agricultural crises in the CAEMC area, it is important to set up a purchase mechanism for the production surpluses produced by farmers, keeping the food reserves in strategic places within the CAEMC, in order to intervene quickly and effectively in case of disasters. These reserves could also serve as means of regulation for the markets of some foodstuffs of the Central Africa sub-region.

**Strategy implementation framework**

A declension of these strategies into priority programs was made, with international technical and financial partners, in Chad and in other countries of the sub-region. This declension appears altogether as follows.

**Local development program**

- Local development. Transferring the power of local development planning to the beneficiaries, structuring infrastructures, preserving the productive potential, joint management of the rural space and so on. Enhancing local abilities; Supporting decentralization processes
- Sectorial abilities enhancement program. Support allowing the State to perform its kingly functions. Human resources development; Setting up of dialogue/meeting organizations (State + PO at least).

**Production support program**

Development of family farms (improvement of competitiveness and productivity, enhancement of organizational and technical abilities, mechanization); development of production chains; Development of the agro-industries; Organization of the market

**Support to professional organizations and to the private sector**

Support of PO self-promotion (structuring, representation, expression of needs, positioning within the ruling and dialogue authorities, labour union aspects...); support for the realization of productive investments

**Support for actions in the rural sector**

Support for the development of private activities meeting the needs of the producers: management centres, provision of various services, advice, training, etc. Specific support for activities pertaining to public services (research, popularization and training).
Support for action in the micro-finance sector
- Support for the development and enhancement of micro-finance institutions;
- Support for the constitution of a permanent service structure for the benefit of MF institutions;
- Support to private-public partnerships.

Follow up sector program
Elaboration of a middle-term expenditure framework (CDMT – MTEF) by activity sub-sector (agriculture, breeding and fishing, environment, forest and fauna), elaboration of an investment plan, of an action plan or a strategy implementation framework. Interventions directed towards family farms which represent over 80% of farm holdings in the sub-region.

Constraints on family farms:
- Reduced size (less than a hectare);
- Still very rudimentary equipment (hoe machete, daba etc.);
- Ageing of the orchards, particularly concerning cocoa trees and coffee trees (more than 35 year old on average);
- Poor mastery of the technical and economic management of the production system by the producers;
- Poor use of inputs, and insufficient use of high of quality plant, animal and fishing material;
- Poor harvest handling (processing, storage); a major part of it is destined to self consumption, and marketing is hindered by the lack of infrastructures and the isolation of numerous rural areas;
- Failing to access local and international markets;
- Others

Policies and strategies in connection with family farms: case studies in family farms in Cameroon

In these last few years, the development policies and strategies for vegetable and animal productions of the sub-region countries have aimed firstly at the doubling of farm production, in family farms in particular, by 2015 according to the MDG (production increase from 2 to 3,5 % between 2000 and 2005, then at higher rates from 6 to 7 % a year before 2015), resulting in:
- A producer income increase by about 4,5 %;
- Insured food safety for the households, with the objective of an energy consumption of more than 3000 Kcal / person / day, vs. less than 2200 kcal / person / day in 2003;
- A notable increase in the volume of exchanges in sub-regional markets for subsistence crops (corn, cassava, palm oil, hammers plantain) and on the international market for traditional income products (cocoa, coffee, natural rubber, cotton, banana, tea, pineapple etc.).
- Mastering the imports of consumer goods by improving farm productivity and developing substitute products.
- Major orientations for the development of family farms are given by the Governments following the example of Cameroon, an illustration of which is given through some case studies hereafter.
The situation of the Cameroonian general cotton production chain
The Cameroonian cotton production chain is organized around the SODECOTON (Semi-public company aiming at the development of cotton in Cameroon), and the cotton producers grouped together within the OPCC-GIE (Professional Organization of the Cotton Producers of Cameroon). It ensures the functions of: training and agricultural advice; support for the professional organization of cotton producers; logistic support for agricultural input provisions on credit for the growth season (seeds, fertilizers, pesticides, agricultural equipment); crop collection at a guaranteed price, fixed at the beginning of the growth season; industrial processing of the cotton seed (ginning of the fibre and grinding of seeds).

The cotton producers are, in their great majority, organized within joint interest groupings (GIC - JIG) or associations, which are members of the Professional Organization of the Cotton Producers of Cameroon (OPCC-GIE). During the period 2001-2006, more than 320,000 cotton farmers were accounted for, cultivating more than 200,000 ha of cotton, with an average return of 1,2 tons of cotton-seed / ha, which is one of the highest of Africa. The farms are family-run, 98 % of which rarely exceeding one hectare. Cotton farmers live in a farm environment which combines cotton with the culture of cereals, small-scale breeding, fishing, small-scale trading.

On the national level, the cotton production chain contributes for 50 - 75 billions CFA F / year in the export earnings of Cameroon, occupying the 5th place after oil, wood, cocoa and aluminium. It contributes for 0,5 - 0,9 % to the national gross domestic product, and directly or indirectly impacts on the improvement of the standard of living of more than 2,5 million inhabitants, essentially rural.

Popularization
SODECOTON has a permanent consultation structure, organized in five hierarchical and geographical levels. After the sponsors stopped financing support measures for the groupings, the end of the DPGT project, a mixed structure OPPC-GIE / SODECOTON in support of the professionalization of cotton producer groupings was created. As for the fight against soil degradation in the cotton production area, a Soil Preservation Project (SPP) was set up with financing from AFD and SODECOTON. Task distribution has been implemented between the PO and SODECOTON. The field operators (area chiefs) of SODECOTON handle agricultural consulting activities on credit and marketing, and the PO with the support of the DPGT project (Peasant Development and Land Management), sector leaders, are more specifically in charge of the support to cotton producer groupings in the field of general business operation (support for legalization, training of the people in charge).

This system, based on the distribution of responsibilities, allowed SODECOTON to achieve very commendable results, regrettably called into question by the cotton crisis which has hit the sector since 2004.

Cotton crisis 2004-2007
Like all the cotton sectors of the CFA area, the Cameroonian cotton sector has been hit, since 4 years, by a serious crisis caused by exogenous factors. This crisis has originated a series of difficulties (setback of cotton seed purchasing price to the producers and increase of inputs price, reduction of fertilizer contributions, collapse of margins and returns, insolvency of the planters, hardening of credit access conditions and so on).
This situation resulted in the reduction by a third of the number of cotton farmers, cultivated lands and returns (203,000 producers, 137,000 ha and 830 kg/ha in 2007 instead of 1,4t in 1990), in a massive diversion of cotton inputs acquired on credit, towards cultures considered as more profitable (cereals, truck farming) and in a production collapse by more than 50% (114,000 t expected in 2007/08).

SODECOTON, like the cotton companies of the Sudano-Sahelian area, is in danger because of essentially exogenous constraints. It will not be possible for SODECON to overcome the present crisis without a more considerable support from the State, notably providing ways and means for the producers to access low-cost mineral fertilization. SODECOTON must act on three levers to remedy the situation:

- Win back the confidence of cotton producers with a reorganization of the management of their groupings (management transparency, internal democracy, controls and auditing) and with the transfer of responsibilities, previously assigned to the supervision device of SODECOTON (establishment of campaign plans, input orders, control of stocks and credit), to the OPCC-GIE and the groupings of producers;
- Reduce input costs and raise soil fertility with the development of new techniques of soil conservation and preservation, introducing organic fertilization and cultures under vegetal cover;
- Revise the system of popularization.

**CASE STUDY OF A SUPPORT PROGRAM TO FAMILY FARMS: THE PNVRA IN CAMEROON**

**Introduction**

The government of Cameroun, together with its technical and financial partners, set up an endorsement project for the National Program of Popularization and Agricultural Research (NPPAR), covering the period from 01/1999 to 12/2002.

This project includes six components, namely agricultural popularization, agricultural research, training and development of human resources, support to peasant organizations in connection with the other partners, follow-up evaluation and research, and a pilot implementation of participatory (shared, with people’s involvement) village development (INPP).

**Objectives**

The program’s objectives are: to increase agricultural productivity and farmers’ income by improving the availability of agricultural popularization services, by improving agricultural research activities and by progressively streamlining the use of public resources allocated for agricultural services.

**Recipients**

Base producer organizations (ICGs, producer groups); professional producer associations (Economic interest groups, ICG unions or federations).

**Area of application**

Applied on the whole National territory, in 10 provinces, 58 counties and pointedly in over 15,000 villages (on a total of 18,000 villages existing in the country).

**Intervention domains**

Improving the global vision of producers’ development; enhancing potential and production of agricultural holdings; protectively managing natural resources and preserving the environment, while at the same time improving the use of inputs and agricultural
equipment; developing contractual agriculture and improving people’s skills and capabilities.

**Approaches/intervention methodology**
- Assisting the targeted populations in defining their own development priorities; in carrying out a participated, strategic and operational planning of their primary objective, in implementing the subsequent actions and follow-up activities;
- Assessing-capitalizing these actions in the annual figures;
- Endorsement of technical, organizational and management know-how domains;
- Assistance in writing and submitting grant proposals for the acquisition of infrastructures and equipment, aimed at implementing production projects;
- Streamlining contractual relationships between economic operators and their target (agricultural product buyers, input or credit providers, service providers and so on)
- Connections with agricultural research institutes
- Contracting popularization services to other partners.

**Partners**
- Agricultural development research institutions;
- Rural development NGOs;
- Micro-financing Institutions;
- Other entities, active in rural settings
- All of the project and the MINADER and MINEPIA programs benefitting from HIPG funds or other fund sources.

**International strategy**
- Yearly organization, with the participation of all partners, between October and November, of a wide-spread agricultural campaign preparation, through a process including:
  - Diagnostic balance-sheet from the previous year;
  - Assisting production organization in formulating their production project;
  - Operational planning through bottom-up overview, planning and budgeting workshops, from village level up to national level.
  - Taking into consideration the cost of the agreed upon activities on the budget of each partner;
  - Implementation of the agreed upon activities and ultimately, internal follow-up and evaluation, through periodical meetings and continuous supervision and technical assistance.

**Implementation and achieved results-itemized by component**

**Agricultural popularization.** This component aims at enhancing an economically effective agricultural consultancy service for farmers, stock raisers and fishermen, in order to: (1) transferring improved, ecologically viable technologies, favouring woman farmers and people with limited resources; (2) making improved seeds and reproductor stock available; and (3) stimulating increasing media usage. All of these actions rely on diagnosing the operators’ problems in collaboration with them, providing technical consultancy services and purchasing materials. Among the achieved results:
- 196 technologies developed through research and passed on to the popularizing staff;
- Enhancement of organization and management skills of 13,877 POs and of their micro-projects:
- Creation of 952 infrastructure and equipment management committees; for infrastructures and equipment;
- Training of 288 village field managers;
- Training of 879 multipliers of seed and livestock in 16 areas of popularization, with ensuing availability of seed for peanuts, potatoes, yam, cowpea, cassava, plantain bananas,
- Participation of the producers to diagnosis and activity planning through Village Meetings;
- Set-up of 2,622 Village Popularization Activities Follow-up Committees (COSAV) and of 322 Zone Popularization Activities Follow-up Committees (COSAVZ). Three (3) of these committees were chosen as pilot entities and given the responsibility of selecting and managing (evaluation and premium payment) the popularization staff in their areas.
- Producers contribution from 20% to 50% in the context of the assistance operation providing infrastructures/production equipment;
- Set-up of 953 infrastructure/equipment management Committees aimed at ensuring the durability of the acquisitions.
- Participatory Approach at the Village Level (APNV – PAVL). This operation was carried out in two Counties (Noun and Mayo-Louti) and involved 320 villages, versus the 75-100 as initially envisioned. 184 educators were trained, 167 from sector administrations, 7 from decentralized territorial groups and 10 from NGOs and civilians. Development plans were developed in these villages. Numerous achievements were obtained, starting from the mobilizing of local resources for the implementation of these development plans: 40% of the realizations deal with fitting out/improving drinking water intake; 25% aim at restructuring/building school infrastructures and related equipment; 10% concern restructuring/building sanitary infrastructures, related equipment and first aid materials; 10% concern water-way crossings and 15% concern other realizations (road stabilizing, slum improvements..).
- HIV/AIDS Prevention Measures in rural areas. Implementation was done through:
  - Participatory Approach at the Village Level (PAVL - APNV) which brought about the creation of about 300 village committees of communal fight against HIV/AIDS; these committees handled the implementation of 300 action plans;
  - Training of 15,648 Pair Educators and members of Local Committees of Fight against AIDS on “communication techniques for prompting behaviour changes”. This should bring all communities to join the fight or take hold of the measures indicated in the execution plans.
  - Training of 2,500 executives and agents of the PNVRA network;
  - Raising awareness and educating 1,000,000 agricultural workers, accounting for over 80% of all farming families.
- Research /Popularizing interface.
  - A discontinuous base diagnosis was carried out in 2002;
  - 196 techno-economic forms on various subjects were produced and distributed to educators/producers at the conclusion of the training sessions. These forms, consolidated by agro-ecological zone, cover the domains of livestock, fish and plant production;
  - 43 new technologies were developed.
- Research Funds on a Competitive Base. Out of 300 gross producer problems submitted to the Board of Management of the Research Funds on a Competitive Base
(RFCB – FRBC), 29 research themes were selected as candidates, 129 interest
demonstrations were recorded and 20 research projects were maintained, with 14
financed contracts for an amount of 289,103,470 F CFA. The middle-term results
from six (06) of such projects are available.

- Training and development of Human Resources.
  - Set-up of 79 APP - potato (13 APP), corn (11 APP), milk (12 APP), onion (01 APP),
cassava (12 APP), aviculture (02 APP), fish-farming (03 APP), plantain (25),
grouping a total of 23,123 producers belonging to 1,605 base producer organi-
izations. 61 of these APPs benefited from management and negotiation training;
  - Set-up of 12 federations, 04 for corn, 01 for potatoes, 01 for fish-farming, 02 for
milk, 02 for cassava, 01 for plantains, 01 for onions;
  - 474 production contracts were signed between producer organizations and local
economic operators (input providers, micro financing institutions and agricul-
tural product purchasers), allowing 7,286 producers to carry out transactions
with economic operators, purchasing mineral and organic fertilizers, pesticides
and so on.
  - 3 contracts with agro-industrial holdings were negotiated.

**Case study of a chain development program: The PDFP in Cameroon**

**Objectives**
The objectives assigned to this program are: Monitoring African swine fever; Reviving
swine chain production in Cameroon; Promoting food safety.

More specifically, it is a question of :
- Providing swine-raisers with piglets of an improved breed
- Increasing yields by introducing more appropriate production methods
- Promoting public health by fighting against clandestine swine slaughtering
- Decreasing losses due to mortality ensuing pig farm illnesses
- Organizing the swine production chain and promoting professional chain groupings.
- Implementing the diagnosis and monitoring tools against African swine fever (ASF)
  which were set up by the State in cooperation with the FAO.

**Target populations**
- Organized and structured swine raisers ;
- Swine raisers who abandoned their activity as a consequence of an ASF outbreak ;
- Other chain operators;
- Butchers and cooks ;
- Exporters and transporters;
- Processing industry operators;
- Provender producers;
- Private veterinary doctors and others.

**Expected results**
- In the field of production system updating
  - Set-up of 100 breeding swine farms, with an annual production of 80,000 piglets ;
  - 2,500 indoors pig farms, equipped with foot baths;
  - 1,200 swine production micro-projects benefiting small producers;
- Assistance and counselling to 3,700 swine raisers in business;
- Raising of 80,000 pigs, (average weight 150 Kg, alive) with a carcass yield of 100 Kg pork meat per animal, totalling an increase of 9,600 tons of pork meat per year;
- An increase of 1.3 Kg meat equivalent consumed per person per year.

• In the field of institutional endorsement to the raising groups in swine production chain:
  - The National Federation of Swine-raisers of Cameroon was strengthened, with the creation of all of its regional branches and the implementation of its activities;
  - 630 producer groups organized for sanitary protection over the whole national territory;
  - The slaughterers were organized in socio-professional groups, setting up their regional representations;
  - The cooks were organized in socio-professional groups, setting up their regional representations;
  - The transporters were organized in socio-professional groups, setting up their regional representations;
  - The traders were organized in socio-professional groups, setting up their regional representations.

• In the field of training, information and education
  - 450 people trained in mastering production and marketing techniques;
  - 100 technicians trained in reproduction techniques and put at the disposal of piglet multiplication farms;
  - 1,200 operators trained in the field of swine fattening, all over the national territory;
  - 3,700 raisers flanked by the popularization services associated with the Program;
  - Over 8,000 chain operators informed and educated.

• In the field of stock sanitary protection
  - Reduction of ASF sero-prevalence to 4% of the national livestock;
  - Relative reduction of mortality due to swine illnesses;
  - Improvement of swine farming yield by over 50%);
  - Voluntary joining the fight against the main swine epizootic diseases on the part of the raisers.
  - A mortality reduction of over 50% will lead to a production increase of at least 10,000 tons of pork meat per year.

Family farms and their relationship with the market

Peasant agriculture in relation to the market

In most African Countries, the rapid increase of income disparities (rural vs. Urban) favours the persistence of an extreme rural poverty and is one of the main causes of social and political tensions. In order to solve this problem, it will be necessary to help the transition leading to an agriculture with a high added value, thus opening up better outlets in sub-regional markets. The World Bank (Agriculture at the Service of Devel-
opment, 2008) reiterated that the most effective tools at the disposal of agriculture development are: (1) reforming trade, price and subsidy policies; (2) bringing agriculture to local, national sub-regional and international markets; (3) supporting the competitiveness of small producers through institutional innovations; (4) innovating through science and technologies, and (5) increasing the ecological soundness of agricultural systems.

**Walkthrough of family farming (FF) products in the relation to the market**

It is absolutely necessary to promote agriculture in order to meet the millennium development objective, which consists in reducing by 50% the percentage of population living in poverty and suffering from chronic hunger, by 2015. To this effect we must first consider the evolutions of the farming population, the weight of FF with respect to the total agricultural production and the degree of presence of FF products on the local, national and sub-regional markets.

Observation shows that the active agricultural population does not grow in rhythm with the evolution of populations in the various countries. When we consider (we know) the percentage of the rural population in the various countries and the average contribution of farming to the GDP – 25.2% in CAEMC areas – the inappropriateness of support measures to the eliminate poverty still persists, originating the social disorders experienced in sub-saharan Africa, particularly in the CAEMC sub-region.

In the effort of building a better future, measures addressing population growth and development must be envisaged, with the objective of keeping a balance between these populations and consumption goods, and providing support to FF which occupy 50.83% of the total population in the CAEMC countries (World Bank, 2004; FAO, 2007). An organization of the markets is necessary as well, since there are highly productive areas which are landlocked and far away from large consumption centres.

Support projects to some agricultural production chains must be set-up, benefiting from different financing sources and backing up FFs in terms of aid to production and improving growth vision. Some of these project concern: Corn, Roots and tubers, Potatoes, Oil palm, Swine (case of Cameroon).

**Family farming products and transactions in rural and urban markets**

Rural and urban markets are for the most part well-stocked with FF products. In Cameroon, a market specialization by type or group of products is going to be progressively set-up. Thus we find main markets offering fresh foodstuff in large cities, potato markets in Adamaoua, chili and tomato markets in Foumbot (west Cameroon), poultry markets, livestock markets...

A survey carried out in the Dang rural market, province of Adamaoua, (Akoroda and Mbahe, 1989) has shown that products from family farms, including stock, represent about 65% of the total foodstuff offered in the market. This presence rate of local fresh products with respect to processed products is more or less the same in most rural markets. In these markets, family farm production is showcased by the producers themselves and the transactions take place in the early hours after the market opening.

The first level purchasers may resell their purchases on the spot to other purchasers coming from farther away, or else transport them to large consumption urban centres at a higher profit margin. The second level purchasers also direct their purchases towards the same large urban centres. At the end of the tether, the buyers living in large...
urban conglomerations are at best third level purchasers. All things considered, only a minimal profit gets to the mothers working under the inclement weather in their farm, and this small profit evidently cannot meet her basic needs.

**Family farming products and border market transactions**

When we compare the agricultural GDP of Cameroun (43.8%), of the CAR (54.1%), of Chad (37.6%), of Congo (5.4%), of Gabon (3.5%), of Equatorial Guinea (7%) and of RDC (5%), we can better explain the results of surveys carries out at the border markets of the CAEMC countries. Observations carried on in the border markets of Kyossi (Equatorial guinea border) and Abang Minko (Gabon border), of Kensu (RCA border) and Mouloundou (Congo border) evidenced some results which relate to the agricultural GDP of the various countries.

It would seem that all of the fresh production from Cameroun is vacated towards these four bordering countries... We finally understand the stake of FFS and the menace which looms on Cameroun and the sub-region, when we compare the exchange flow, demographic growth, rural exodus and the percentage of active population in agriculture and stock-raising.

Pour le In the individual case of the Abang Miko market, food items exported to Gabon and found in the month of August 2008 were plantains (about 50%), cassava and its sub-products (30%), truck farming crops (chilli, tomato, 10%), and other vegetables (fruits, vegetables, yam... 10%). For the whole duration of the market, an average of 30 trucks carrying 15 tons of foodstuff moves towards Gabon. In light of this we can better explain, for example, the reason of the scarceness and high prices of plantain which we observe on local markets in Cameroun.

Exporters also criss-cross local markets. In the case of easier accessibility, they purchase products on the field, often purchasing the entire production. Coming from Gabon, Cameroun receives fresh fish (mackerel, sea bass...), dried fish, and kerosene. The flow of intra CAEMC agricultural exchanges worsens the difficulty encountered by our countries to ensure the survival of their population. Actually, very low or inexistent flow is noted among some countries of the sub-region (Chad-Guinea, RCA-Guinea, Congo-Chad and so on), worsening the load of agricultural exchanges for other countries like Cameroun. Ways of rebalancing this situation must be envisaged in a near future.

**Exchange fluctuation factors**

Exchange variations within the countries and the sub-region, related to the applied prices, depend on growth seasons, climate fluctuations and various barriers hindering the circulation of goods and people. From this premise we can draw a series of strong points, weak points and lessons to be learned.

As for the strong points, family farms provide the provisioning base for local and international markets of the individual countries and the CAEMC sub-region. They offer the basis of food supply and are the main source of income for small agricultural producers in the sub-region. FF products bring better profits to the trading intermediaries than to the producers themselves.

As for the weak points, CRF producers lack an organization for achieving market openings and growth counterbalancing the efforts and problems they have to face. The benefits generated by the CRFs do not profit base producers because the market is not organized. Production from CRF is very unevenly distributed in the countries of CAEMC and RDC. In the CAEMC region there is a strong food insecurity, emerging when we examine the weight of exports.
As for the lessons to be learned, the population growth rate will make it impossible for the FF to continue nourishing it, therefore long-lasting food crises are to be expected in the sub-region. A simultaneous and harmonious growth of the FF in the sub-region, backed by a better organization of the distribution circuits must be encouraged through the policies implemented by the various countries of the CAEMC. Support to CRF is necessary in order to stimulate development and a harmonious growth. Special FF support programs must be set up in the sub-region. A common strategy and support policy to FF must not remain on paper, but instead should be systematically implemented in the CAEMC countries.

**Comparative analysis in relation to strategies and policies of other regions (Europe, West Africa...)**

**The example of the common agricultural policy of the EU**

The Common Agricultural Policy (CAP) was carried out by the European Union in the agricultural domain, with the objective of ensuring price stability on the markets, a minimum income to the farmers, and improving agricultural production conditions by acting on the production structures. How did the EU reach its objectives?

The main stages concerned: a guaranteed price policy (1957-1984), a quantity limitation policy (1984), a policy of agricultural subsidy re-allocating (1992) and Agenda 2000-2006. The leading concept of this reform is essentially a reduction of guaranteed prices (notably for beef, milk and cereals) flanked by partial compensations, with direct aid replacing price support mechanisms.

**The example of the new partnership for Africa’s development (NEPAD)**

NEPAD is intended to check the marginalization of Africa by integrating it in the globalization process. This continent, which hosts 13% of the world population, is present on international trading only for 1.7%. Aiming to create durable development conditions, NEPAD envisioned a global approach and focused on 10 priority themes, assigning the action sectors, singularly, to each one of the 5 founding countries. These themes are: good public government; fair handling of private economy; infrastructures; education; health; new information and communication technologies (ICT); agriculture; environment-energy; access to the markets of developed countries.

This initiative was considered the last chance for Africa to jump onto the development train. However many doubts remain, regarding the capability of African governors to respect and enforce the principles of good government in the political, economic and social domains, even more so because the application of these criterions implies an optional monitoring mechanism implemented by peers.

**The vision of the PROPAC**

The PROPAC is the Sub-Regional Platform of Agricultural Professional Organizations of Central Africa. Its key issue is to permanently improve the economic and social conditions of first level agricultural holdings. Its objectives are studying and improving the life conditions of small producers through mastery of production techniques, advice in structuring FFs, economic management and access to local, urban and sub-regional...
markets. Its actions focus on assisting FFs in the fields of growth and development, taking their stakes into consideration, stimulating organizational skills improvement, sustaining production and market access.

Long term actions: Re-building strategy coherence at the regional level and restructuring the institutional structure; Sustaining family agriculture and promoting small and medium size agricultural holdings; Redefining/refocusing the State, liberalizing economy, promoting the private sector and stimulating the sense of responsibility of Agricultural Producer Organizations (APOs), Providing food safety and self-sufficiency (thanks to FFs) to the people in CAEMC countries; Increasing FF revenues; Contributing to economic growth, especially in the sectors of employment and exports; Improving access conditions to local, urban and sub-regional markets; Ensuring a more sustainable handling and use of natural resources; Seeking appropriate financing mechanisms for CRFs.

**The vision of the CAEMC**

In order to eliminate the constraints of the agricultural sector of the CAEMC, the States agreed to seek: Improving the producers’ life conditions by means of increasing their income; Increasing agricultural productivity in a context of fast urbanization and depopulation of rural areas; Developing infrastructures for market access; Increasing the national budget portions to be allocated for agricultural sectors by the CAEMC countries, and negotiating national and international commercial agreements to stimulate the agricultural and rural sectors.

Commercial agreements must be set up and negotiated in the interest of FFs and the population in general, with the objective of supporting the growth of the base agricultural sector and the farms’ modernizing efforts. To this effect it is necessary to implement several agreements, namely the WTO, the new Cotonou agreement, regional integration and the creation of a common agricultural market. All in all, these objectives are based reforming the macro-economic framing, strengthening the institutions, planning activities which must give priority to production increase, agricultural research and the conquest of markets.

**Comparison with strategies and policies carried out by other sub-regions: capitalizing experiences**

**Synergy /complementarity**

Transversal observation shows the existence of a good number of positive factors for achieving a sizeable agricultural production. Human and land resources are available in almost all of the regions. Other factors, such as financial support, vary from region to region, but remain available nevertheless. The experiences resulting from applying policies and strategies in various countries and sub-regions, through measures of aid to agricultural production, converge towards a certain number of common points:

- The emergence of a strong agriculture, capable of facing the challenges of population growth and covering the basic needs of the population, as well as producing export goods;
- Support provided to producers and producer organizations, placed at various levels along the production structure;
- Competitive production, guaranteed prices to producers and market access
Contradictions

On the other hand, strategies and approach methods are often contradictory in the State vision vs. that of the regional and sub-regional organizations. In Europe, less than 10% of the country’s population satisfies the agricultural needs of the area and produces surplus foodstuff, which can get stocked for times of food shortage. The contrary is true in Africa and its sub-regions, where about 80% of the population works primarily in agriculture, and barely makes a living from it. Thus these areas remain in a permanent state of food insecurity and social turmoil.

Moreover, even within the sub-regions the States do not give enough attention to agriculture, in spite of their food needs and shocks. All things considered, in the context of the CAEMC it is important to consolidate a global vision aiming at improving productivity, profitability and viability of small agriculture provided by the FFs which are the main way to eliminate poverty offered by agriculture at the service of development. To this effect, it is necessary to improve price incentives and increase the quality and volume of public investment, to improve market operations, to widen access to financing services and reduce the level of exposure to non-ensured risks, to improve the performance of producer organizations, to promote innovation through science and technologies and to make agriculture more sustainable, making it a source of environmental services.

Suggestions and recommendations

For the present, the fight against the regional food crisis which destabilizes the States was the subject of a Summit held in Kinshassa in 2008. In the context of this study, PROPAC assimilates some of the recommendations issued at the Kinshassa Summit. The States have taken some emergency measures, among which: (1) salary increase; (2) lightening, reduction or suspension of import taxes on agricultural products; (3) public subsidies to exports; (4) suppression of import taxes on some products; (5) creation and increase of strategic food stocks; (6) improved access to agro-pastoral and fish inputs, and to small production equipment; (7) set-up and implementation of financing mechanisms for agriculture; (8) set-up of credit lines at a very low interest rate; (9) set-up of an information/communication system, within the countries and among them; (10) effective creation of a free trade zone and application of a layout relating to free circulation of people, goods and services. These measures must be flanked by appropriate policies, thus:

We must feed our population in a context of recurrent political trouble, rapid demographic growth and urbanization. At the Kinshasa Summit, the States agreed upon: (1) Speeding up the process which will lead to adopting and implementing a Common Agricultural Policy; (2) Revising the agricultural strategy – CAEMC in order to take the above policy into account; (3) Effective abidance, on the part of the States, to the spirit and the letter of Declaration of Maputo, the Declaration of Abuja (2006), the Ministerial Declaration issued at the first annual reunion of the ECA and the African Union, in April 2008; (4) Creating a Fund for strengthening the capacities of peasant organizations, and integrating a financing line for peasant organizations and agricultural producers in the accounting itemization of the national and sub-regional organization budgets; (5) Pursuing improvement in research and assistance services to peasants, and stimulating cooperation, regional and continental dynamics already in place, such as PRSAC, IRAZ of the CEPGL and CORAF; (6) Setting up permanent assistance instruments of measure elaboration, implementation follow-up and assessment, involving all of the
actors; (7) Strengthening of the capability of PO/APP/Federations/Unions to handle infrastructures and equipment without external aid; (8) Reinforcing the self-promotion skills of the Pos (creation and handling, on the part of the POs, of a Fund for the development of activities generating income).

It is also necessary to set up structuring transversal and sub-regional assistance and support programs to production, based on a study of the real needs of Family Farms.

It is necessary to facilitate exchanges at the sub-regional and international level, promoting the emergence of competitive production chains with:

A global development vision for the sub-region must be envisioned and resolutely enforced, with the elaboration of a common agricultural policy and strategy, with free exchange of goods and services.

Sustainable management and highlighting of the natural resources must be sought, improving the effectiveness of public intervention by the States, ensuring the circulation of consumption goods and services, promoting solidarity in the sub-region and in Europe.

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THE ROLE OF NATIONAL AGRICULTURAL POLICIES IN THE REGIONAL INTEGRATION PROCESS IN EAST AFRICA.
UGANDA; TANZANIA & RWANDA

Joséphine Mkunda
EAFF Eastern Africa Farmers Federation
Background information

The Eastern Africa Farmers Federation (EAFF) is the Regional Farmers Organization representing Apex farmer organizations within Eastern Africa region and is therefore their umbrella body. We have in our membership National farmers’ organizations in Kenya, Uganda, Tanzania, DRCongo and Rwanda. We have also recruited Burundi and a commodity association in Ethiopia, this year we will be profiling farmer organizations in Sudan as well as others in Ethiopia with the view of increasing membership.

About 80 percent of the population of the EAC Partner States live in the rural areas and depend on agriculture for their livelihood. The majority of them are poor, making poverty predominantly a rural phenomenon. Since agriculture employs over 75 percent of the rural population, development of the agriculture sector presents a great opportunity for poverty reduction in a sustainable manner. The Partner States have undergone institutional changes that have necessitated implementation of macroeconomic reforms and structural adjustment programs (EAC ARD- Strategy 2005-2030).

With the development of our strategic plan (2008-2011), one of the main areas of emphasis was on EAFF being pro-active in policy formulation; tracking and being seen to influence policy areas as well as implementation in the region, by analyzing the role of Agricultural policies in the regional integration processes, and their impact on smallholder farming families. And the other important area that is instrumental to Agriculture development in Africa is in the Comprehensive African Agriculture Development Program (CAADP) which has been ratified by our governments and ear marked as the vessel for economic growth.

Despite the importance of agriculture in the Partner States, poverty levels are still high particularly in the rural areas due to poor performance of the sector. Poverty is multifaceted and is manifested where households lack basic needs such as health, education, housing, food security and income generating opportunities. In essence, subsistence farmers and pastoralists are the most vulnerable and account for over 50 percent of the total poor. Moreover, food insecurity is experienced in various parts of the Partner States even though some producers have surplus produce going to waste due to lack of market. Trade restrictions and lack of market information aggravates food insecurity. Improvement in agriculture is therefore a basic pre-condition for reduction of food insecurity and rural poverty in the region.

The objectives of this study were:

1. To explore the economic, political-institutional context inside which the attempts process of regional integration is carried out and if there is any negotiation process for the formulation of common (agricultural) policies
2. To explore the role of the different actors, with particular attention to farmer organizations, (FOs) in economic and agricultural policy formulation and implementation.

The methodology of the study employed different policy analysis methods with the aim of understanding the agricultural policy process and actors, agriculture policy context and agriculture policy measure and the impact of the policy to smallholder farmers as well as the regional integration process. These were Analysis of documents and oral interviews.
Economic, Political institutions and Regional Integration Process

East African Community Background

The East African Community is the regional intergovernmental organization of the Republics of Kenya, Uganda and Tanzania, and currently Rwanda and Burundi has been admitted with its Headquarters located in Arusha, Tanzania. The East African Heads of State signed the Treaty for the Establishment of the East African Community in Arusha on 30th November 1999. The five East African countries cover an area of 1.8 million square kilometres and have a population of 115 million. The main organs of the EAC are the Summit of Heads of State and or Government; Council of Ministers; Coordination Committee; Sectoral Committees; East African Court of Justice, East African Legislative Assembly; and the Secretariat.

Liberalization and Policy Reforms

The three Partner States have undergone institutional changes that have necessitated implementation of macroeconomic reforms and structural adjustment programmes. In the context of structural adjustment programmes for the agricultural sector, the Partner States have largely liberalized the agricultural and food sectors. Positive aspects of these programmes include the opening up of the sector for private investment in production and processing, inputs supply, agricultural marketing and enhanced community participation.

Policy Instruments used at the EAC level

- Sanitary and Phytosanitary (SPS) instrument.

The Role of Different Actors in Agricultural Policy Formulation and Implementation

Agricultural Policy Formulation in Uganda

Sustainable agriculture requires conducive environment as well as land and agriculture policies in place. Among the key factors necessary for sustainable agricultural development in Uganda is a conducive and sustainable environment. The Ministry Agriculture, Animal Industry and Fisheries (MAAIF) has been the government institution with the mandate to formulate agricultural and agro-related policies, but in the face of privatization and liberalization, MAAIF now needs smart partnership with other stakeholders in the tasks of policy formulation, implementation and evaluation (APONU,
2003), thus the need for the private sector organizations to come together and sup-plement the ministry efforts in undertaking the tasks for the benefit of stakeholders. The Agricultural Policy Network Uganda is seen to engage stakeholders in the process of agricultural policies through awareness creation and mobilization and to foster private-public sectors partnerships in the formulation of demand-driven policies to ensure long-term effective agricultural development in Uganda, leading to sustainable food and nutritional security as well as poverty reduction.

According to MAAIF (2000) the priority areas for Government action are derived from the perspectives of farmers as generated from the existing studies especially the Uganda Participatory Poverty assessment Project (UPPAP) and from consultations which included the central government, local governments, research institutions and universities, donor community, private sector and the civil society which was represented by the NGO Forum, Uganda Debt Network, The Uganda Professional Women in Agriculture and Environment and the Food Rights Alliance.

**Policy Formulation Process in Tanzania**

Tanzania has gone through change to allow for civil society participation in all aspects, including policy formulation, implementation, monitoring and evaluation. Major changes began in mid-1990s when the civil society was for the first time recognized as the major stakeholder in policy process in Tanzania. Beginning in the mid-1990s, civil society has been identified as an active and pivotal stakeholder in the formulation, implementation, monitoring and evaluation of the performance/progress of major policy frameworks and process, including the National Vision 2025, the National Poverty Eradication Strategy (NPES), the Poverty Reduction Strategy (PES), the Tanzania Assistance Strategy (TAS), the Public Expenditure Reviews (PER), the Private Sector Initiative under the Public Sector Reform Programme, as well as the Local Government Reform Programme.

Since then, various mechanisms and processes have been institutionalized at the village, ward, municipal, district, regional and national levels to provide room for civil society (farmer organizations) access and participation in policy process in Tanzania. Civil society and Farmers organizations can access district and municipal levels policy formulation processes through the Council and other informal channels. The council, which is a body of elected representatives, makes by-laws on the basis of submissions/proposals made by its statutory committees. Demand for council by-laws are initiated as proposals from respective statutory committees who may formulate proposals based on demands from affected or interested individuals or groups. Civil society and farmer organizations may also use informal channels such as influential political, traditional and religious leaders to channel their demands for by-laws to the statutory committees. Once the statutory committee has considered and approved the proposal, it is submitted to full council for endorsement. The process for endorsement of proposed by-laws by full council at district and municipal levels, allows for public hearing whereby individuals or groups of interested stakeholders are invited to present their case in favour or against the proposed by-law.

Civil society and farmer organizations access to policy formulation at the regional level is through the Regional Consultative Council (RCC). This is a statutory policy advisory body responsible for reviewing regional development budget and progress made in implementation of government policies at the regional level. Statutory members of the RCC comprise the Regional Commissioner who is its chair; the Regional Administrative...
Secretary as its secretary; all elected members of parliament in the region; chair or mayor of district and municipal council respectively; and all district commissioners in the region.

Participation FOs and other CSOs at national level policy formulation in Tanzania

Involvement of MVIWATA in Policy Dialogue

MVIWATA is an acronym of Mtandao wa Vikundi vya Wakulima Tanzania – Network of Farmers’ Groups in Tanzania founded in 1993 initially by 22 innovative farmers from Morogoro, Iringa, Tanga, Mbeya and Dodoma Regions (out of 25 regions in Tanzania) who wanted to have a farmer-farmer exchange forum. MVIWATA has empowered small-scale farmers through their effective representation and participation in planning and decision-making processes in the district agricultural development plans (DADPs), through establishment of farmers’ networks at district, ward and village levels, which can engage in dialogue with local government and private service providers. This was achieved through the project entitled “Enhanced participation of farmer organizations in the planning of the Agricultural Sector Development Programme (ASDP) in Tanzania”, MVIWATA participates in policy decision organs at different levels. For example, at national level, MVIWATA is a member of steering committees of Agricultural Marketing Support Development Programme (AMSDP), Participatory Agricultural Development and Empowerment Programme (PADEP), Agricultural Sector Development Programme (ASDP), and Agricultural Trust Fund (ATF). Also participate in Public Expenditure Review meetings. At middle level (Regions and Districts), MVIWATA is invited to participate in Regional Development Committees (RDC) and Ward Development Committees (WDC) in some Regions. MVIWATA has established an elaborate network locally and internationally. It has actively participated in various policy debates, some of which include: Agricultural marketing policy, review of the Poverty Reduction Strategy Paper, Rural Development Strategy Paper, Co-operative Development Policy, and legislation. On international front, MVIWATA’s participation was on debates on food security, fair trade under WTO arrangements, and debt crisis. On agricultural marketing, MVIWATA focuses on availability of markets, market information and fair prices.

Involvement of UNFFE in policy dialogue

Uganda National Farmer Federation (UNFFE) was founded in 1992 by farmers throughout Uganda in response to need of better services for and exchanges between the farming communities that comprises over 80% of Uganda’s population. At the same it was to serve as an organized channel through which government or any other interested agency could extend services to farmers. The overriding objective was to mobilize the farming community into one independent umbrella organization. UNFFE is highly recognised by the Government of Uganda as the umbrella organisation that represents the interests of all farmers in Uganda. This is of course, not withstanding the fact that all farmer organisations in the country are members of UNFFE. However, because, the GoU consults UNFFE on many key policies issues and also involves it in policy formulation and implementation. On its own accord, UNFFE also tries very
much to influence policy, particularly where farmers stand to gain or are being affected negatively. Through the Private Sector Foundation Uganda, UNFFE participates in influencing policies that affect agribusiness and agriculture sector. The PSFU is the umbrella body of the private sector organisations and business corporate in Uganda. Its key role of providing advocacy that promotes business growth.

In respect to policy implementation, UNFFE has not been very directly involved in the implementation, particularly of the agricultural policies. In some aspects, the UNFFE District Based farmers associations (DFAs) have been involved in the programmes such as the National Agricultural Advisory Services (NAADS). Farmer organizations are organized under UNFFE covering 56 districts of Uganda. Through its work to influence policy, UNFFE have been able to participation in the design of the PMA and most importantly the NAADs programme, removal of VAT on agricultural machines and withholding tax from seeds imports and irrigation equipment, partial lifting of the ban on importation of bull semen as well as inclusion of UNFFE and its members on the membership of the NAADS National Farmers Forum. In additional the federation participated in the formulation of the Biotechnology and Bio safety policy, also is a key stakeholder in the National Agricultural Research Systems Governing Council and lobbied the inclusion of the mechanisation as vital component of the PMA.

UNFFE participated in the Task Force and was very actively involved in the formulation of the National Agricultural Advisory Services (NAADS) policy. Many of UNFFEs’ ideas were incorporated into the NAADS document. The NAADS is working on the principles of being demand driven and aiming for cost recovery. The only difference is that with UNFFE, individual farmers do the cost recovery while with NAADS; farmers will cost recovery as a group, sub-country and district.

**Key challenges in Economic and agricultural policies formulation process**

These include Consultation, Communication and Dissemination; monitoring and evaluation; access to knowledge and information; implementation of policy in the broad development agenda. Monitoring and evaluation is one of the critical elements in economic and agricultural policies and this has been demonstrated in the national and regional policy processes.

**The Impact of National Economic and Agriculture Policies on Smallholder Farmers**

**Performance of Agriculture in three EAC Countries**

The sector performance and contribution to GDP has generally been declining. In Kenya, for example, the sub-sector’s growth has been declining from an annual average rate of 4.6% in the 1965-73 periods to less than 1% in the 1990s compared to the overall economic growth rates of 6.6% and 2.5% over the same period respectively. The growth dropped further to negative 2.4% in the year 2000. In Uganda, growth rate of the agricultural sector averaged positive 10% in the 1960s but dropped to negative 2% in the
70s before recovering to register an average of positive 6.6% growth in the 1990s. In Tanzania, the sector growth averaged 4% in the 1970s, declined to 1.01% in the 1980s, but improved to 3.4% in the 1990s. The growth increased to 4.1% in 1999 but dropped to 3.4% in the year 2000. The growth rates in 2001 were 1.2%, 5.5% and 6.6% for Kenya, Tanzania and Uganda respectively. Recent trends show a positive growth in all Partner States. Forestry, wildlife, fisheries and mining registered appreciable growth rates in the Partner States, however their direct contribution to the overall GDP remains relatively small. In terms of GDP for the year 2000, in Kenya agriculture contributed 24.5%, in Uganda 42% and 50% in Tanzania. Agriculture also contributes to foreign exchange earnings, employment and provides raw materials for agro-based industries.

**Contribution to Agriculture Sector to Economic Growth – Uganda**

Overall, the economy recorded higher economic growth during the financial year 2007/08. This was achieved because of continued macro economic stability and recovery in the food crop sub sector due to adequate and timely rains. Uganda’s total exports increased during the first half of the financial year due to improved receipts from cotton, fish, tea, maize and flowers. During the financial year 2007/08, the economy registered a growth rate of 8.9% compared to 7.4% that was registered in 2006/07.

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**Table 1: GDP contribution by Sector, 1999/00-2006/2007**

**Source:** Ministry of Finance Planning and Economic Development

**Agricultural Trade Performance in Tanzania**

Like most other Sub-Saharan African (SSA) economies, the Tanzanian economy is characterized by a large traditional rural sector and a small modern urban sector and depends heavily on agriculture. The performance of the overall Tanzanian economy has been driven by the performance of the agriculture sector, due to its large share in the economy. Agriculture in Tanzania employs the majority of the poor, and has strong consumption linkages with other sectors. In 2004, the sector contributed approximately 51 percent of foreign exchange, 75 percent of total employment and 47 percent of the Gross Domestic Product (GDP). Smallholder farming dominates agricultural production, and a large proportion is for subsistence. Exports rely on a few cash crops, notably coffee, cotton and cashew nuts, but in the recent years tourism and mining have become the largest earner of foreign exchange.
Agricultural Trade Performance of traditional crops

Tanzania is still heavily dependent on traditional export crops, with cashew nut, coffee, cotton, sisal, tea, and tobacco currently accounting for 21% percent of Tanzania’s total agricultural exports. Available data shows that as many as 6 million people out of a workforce of approximately 15 million people depend on the four leading cash crops namely cashew nuts, coffee, tea and cotton.

Due to downward trends in world prices, increased production of traditional export crops has not translated into much growth in farm incomes. But there is a shift variation in the export basket whereby 1998 60.5% of exports were traditional crops and by 2003 the ratio of traditional exports declined to 21.4% due to increase in exports of gold and fish products. There is also tremendous potential in the livestock sector which maintained steady growth at 5% and fishing sector grew by 6.9% in 2004. In 2004 horticulture and floriculture exports totaled $ 14.3m and accounted for 1% of Tanzania’s total exports.

Overview of the Impact of Agricultural and Economic Policies to Small Scale Farmers

The importance of small farmers’ participation throughout the policy cycle i.e. not only formulation but also implementation. This is because, even if policies are formulated participatorily and small farmers’ interests are reflected in the policy statements, during implementation policies can be distorted and implemented in such a way to reflect the interests of power holders. The policy formulation process in Tanzania and Uganda has impact on the small holder farmers as most of the processes are done in an ad hoc manner. And this has been reflected in the performance of the agriculture sector of the two countries. Despite the extensive adjustment process within the agriculture sector the crop production during the 1990s has been disappointing. According to Tanzania data, production of four principal food crops (maize, paddy, wheat and cassava) grew by an average of 2.2%/year from 1990/91 to 1997/98. FAO data for the same crops for an overlapping period (1989/90-1997/98) show a negative average growth of the 0.4%/year. Due to downward trends in world prices, increased production of traditional export crops (cashew nut, coffee, cotton, sisal, tea, and tobacco) has not translated into much growth in farm incomes. But there is a shift variation in the export basket whereby 1998 60.5% of exports were traditional crops and by 2003 the ratio of traditional exports declined to 21.4% due to increase in exports of gold and fish products. There is also tremendous potential in the livestock sector which maintained steady growth at 5% and fishing sector grew by 6.9% in 2004. In 2004 horticulture and floriculture exports totaled $ 14.3m and accounted for 1% of Tanzania’s total exports.

On the other hand, production of Uganda’s nine main food crops (Bananas, cassava, sweet potatoes, Irish potatoes, maize, finger millet, wheat, pulses and oil seeds) grew by an average of only 1%/year over the period between 1990/91 to 1997/98. The production of certain key food crops like cassava actually fell considerably. FAO (1997) data for the same period give an almost identical food-crop average growth rate between 1989/91-97 of 1.1%. The contribution of Traditional Exports (TEs) (i.e. Coffee, Tea, Cotton and Tobacco) to the overall exports value has tremendously declined over the period under review. During 2002 the share stood at 39.1 percent, and there after plunged to about 33 percent in the year 2005. Although there have been slight in-
creases in volumes exported for Tea, Tobacco and Cotton, the decline in World market prices of these crops have earned less foreign exchange than expected.  
The above performance of agriculture sector in Tanzania and Uganda reflects in one point the impact of the current agriculture policies.

Regional Integration Interventions to Strengthen Farmers Organizations and Develop Local Markets

East African Customs Union (EAC CU)

The Custom Union Protocol was signed in March 2004 and came into effect on January 1, 2005. Its objectives were to enhance cross border and foreign investment in the community, promote economic development and diversification in industrialization in the community and further liberalize intra-regional trade in goods on the basis of mutually beneficial trade arrangements among the partner states. According to EAC (2004:20), the Custom Union protocol requires that Kenya eliminate its tariffs on imports originating in Tanzania and Uganda respectively with immediate effect on day one of the Protocol implementation. However, charges of gradually declining taxes remain for 859 products originating from Kenya and exported to Tanzania and 426 products originating from Kenya and exported to Uganda, based on the asymmetry principle. These taxes started to gradually decline from 5% in 2005 and will reach 0% in 2010. Apart from the elimination of tariffs and non-tariff barriers among partner states, the Custom Union Protocol establishes three bands of Common External Tariff on imports originating from third countries. Stahl (2005:7) lists the three Common External Tariff bands as: “0% on raw materials imports; 10% on intermediate products; and 25% on finished products.” The agreed CET aims at protecting and promoting growth for local industries, including agriculture. There is also a provision for sensitive goods where special tariffs will be implemented. This is a list of products on which additional policy measures have been applied. These goods have been treated as such because they are manufactured within the community and these industries need protection. Tariffs for sensitive goods are higher than CET. An example of sensitive goods is sugar. Although the customs union is coordinated by the Customs and Trade Directorate at the EAC Secretariat, the implementation of the EAC Custom Union is managed by revenue authorities of the partner states. Under Customs Union arrangements, goods produced within the EAC move across the border of partner states without taxation provided they qualify under rules of origin. The implementation of the Custom Union Protocol has resulted in increased intra-trade among partner states, increased competition that has increased consumer’s choice, reduction of costs, and attraction of foreign direct investments.

The importance of EAC CU to farmers and Farmers organizations

It increases the market for agricultural products. EAC CU created a single market of over 120 million people as well as fosters development in the sector as promotes cross-border as well as foreign investments. EAC CU protects the sector by reducing unfair com-
petition and dumping from foreign countries. It gives farmers more power to bargain for better prices for their commodities in the world market, as regional farmers under customs union will have one voice.

**Challenges of EAC CU to farmers**

Limited information of the EAC Customs Union and it is expected that there will be short term losses as intra-region competition will increase. However, in the long run this will increase efficiency and growth in the sector. In order to further reduce short term losses the following need to be addressed:

- Non Tariff Barriers (NTBs): they come in many different forms. For example, lack of common standards within the region; roadblocks and bureaucratic checks at border points etc. NTBs restrict the flow of trade.
- Dual membership in regional trading blocs, as this would affect the implementation of the EAC CU.
- Limited understanding of the EAC CU by stakeholders, for example farmers

**Comprehensive African Agriculture Development Programme (CAADP)**

**Background**

The Comprehensive Africa Agriculture Development Programme (CAADP) document was prepared by FAO in co-operation with the NEPAD Steering Committee and during the 4th summit of heads of states of the ACP countries in Maputo (2004), Governments committed themselves to developing Agriculture by endorsing the CAADP framework, (the Maputo Declaration) and by committing themselves in terms of allocating 10% of their budget to Agriculture development, as it was recognized as being important to spurring economic growth, poverty eradication and hunger elimination. This document offered a broad frame of priorities from which more precise strategies and programs could be derived for operationalization. The key areas were summarized into 4 pillars these being:

1. Extending the area under sustainable land management and reliable water control systems
2. Improving rural infrastructure and trade-related capacities for market access.
3. Increasing food supply and reducing hunger.
4. Agricultural research, technology dissemination and adoption

The ultimate goal of the CAADP process in Rwanda is to answer that call for the agricultural sector, by:

- Helping define a coherent long term framework to guide the planning and implementation of current and future EDPRS/PSTA programmes under the Vision 2020 agenda;
- Identifying strategic options and sources of poverty reducing growth for the agricultural sector between now and 2020;
Developing existing and new strategy analysis, and knowledge support systems, to facilitate peer review, dialogue, and evidence based planning and implementation of agricultural sector policies and strategies.

Furthermore it is intended that the national compact provides a basis and inputs into the formulation of a supporting regional compact.

Under the EDPRS process, and in line with the PSTA, Government of Rwanda has defined the following four major programmes for the period 2007-2011, which together represent Rwanda’s priorities across the four CAADP Pillars.

1. Intensification and Development of Sustainable Production Systems
2. Support to Professionalisation of Producers
3. Promotion of Commodity Chains and Development of Agribusiness
4. Institutional Development

The first and third programmes of the PSTA/SPAT fall entirely under Pillars One and Two of CAADP, respectively, and the second and fourth programme of the PSTA/SPAT under Pillar Four, while elements of Pillar Three are contained in the first programme of the PSTA/SPAT.

**Findings on the Rwanda CAADP Compact implementation process**

The goal of the CAADP process in Rwanda is to support the development of a comprehensive rural development component under the Economic development and poverty reduction strategy (EDPRS) and Strategic Plan for Agricultural Transformation (which is aligned with the CAADP objectives and principles that Rwanda and other African countries have collectively defined as part of the broader NEPAD agenda. It has been carried out in full compliance with the basic principle guiding the country-level implementation process which is to build upon and add value to ongoing country efforts. In particular, its content, timing and output have been fully aligned with the EDPRS process.

It has consisted of the following three specific tasks:

- A stocktaking and review of existing strategies, plans and resources allocation in the agricultural and rural sectors;
- An analysis of the role of agriculture in growth and poverty reduction in Rwanda and the alignment of long-term agricultural development efforts with the CAADP framework;
- The formulation of policy and investment strategy options for sustained agricultural growth, poverty reduction and food and nutrition security in Rwanda.

**Rwanda CAADP Compact Bottlenecks**

All the partners of the compact did not fund as promised. Some have funded feasibility studies although the priorities had been presented to them. Others have returned to their previous and traditional domains of interventions. This situation has already hindered the implantation of some of the priorities that had been selected. Today’s national budget rate allocated to agriculture has no longer reached the 10% as agreed in NEPAD/CAADP. According to Mr Epimaque, this rate could not be reached because “agriculture is a very complex domain which includes many sub sectors”.

The SPAT Pillar II mentions the empowerment of producers and farmers organisations. A part from UCOORIRWA and APAPERW which are carrying out some activities men-
tioned in the strategic plan implementing project, others are still waiting the feedback from the Ministry of Agriculture.

There is also lack of capacities for farmers to monitor the process. This concern is mostly of the framers’ organisations secretariats. Producers are not able to get information about whatever is being done in the agricultural domain, may be because they are not interested or because their secretariat does not provide with the information. But mostly, farmers do not have the culture of getting information. Their capacities to influence policy is another bottleneck.

The mentioned services providers of the projects are ignored in favour of the existing government agencies that are serving the projects in various activities.

**Conclusion**

Farmer organizations are not yet strong enough to effectively influence policy formulation and implementations in Tanzania, Rwanda and Uganda. This is probably because of most of farmers organizations do not use evidence based approached to the policy making process as a result the Governments may choose to ignore them during policy formulation. The process of policy formulation and implementation as well as review is influenced by number of factors that are National or international in nature and the lack or low involvement of farmers in this process has seen Agriculture development lag.

**Bibliography**


CONCLUSION
FOR A CULTURAL AND
CULTURAL REVOLUTION

Riccardo Bocci
Campaign EuropAfrica

Leaving the fate of soil and people to the market would be tantamount to annihilating them
Polanyi (1957)

Original version in Italian
Eliminating hunger by simply ignoring the experts! was the provocative title of a New York Times article of December 2nd 2007, describing the success of agriculture in Malawi. Actually, just two years after the food crisis of 2005, Malawi became a food exporter and was able to export part of its surplus to neighbouring countries, namely Lesotho and Swaziland. In October 2008 Malawi’s president, Bingu wa Mutharika, received a prize for implementing the best policy guaranteeing food security, bestowed by the Food Agriculture and Natural Resources Policy Analysis Network (FARPAN), because he demonstrated that “the Southern African Development Community (SADC) countries have the capability of producing sufficient food for their needs”, as stated by the president of FARPAN, Lindiwe Sibanda, at the time of presenting the prize.

But what did this small country of Southern Africa do to obtain such amazing results? What miraculous technologies did it implement in order to improve its agricultural production? The answer is almost disappointing, because it points to the fact that no new inventions or amazing technologies are needed to eliminate hunger from the world, just some healthy pragmatism and common sense. In fact Malawi, going against most expert advice (from organisms such as the World Bank, the World Trade Organization and the International Monetary Fund), rebuilt its national agricultural policy by creating and implementing a wide-spectrum public investment plan supporting the crucial sectors of agricultural development: fertilizers, seed production, agricultural research, credit giving and rural education. The novel factor was the decision, on the part of the government, to tenaciously pursue public intervention in agriculture, something which the experts often consider unacceptable. Malawi set an example to be followed: in 2-3 years, by following an adequate public policy, it was able to significantly improve its national agricultural production. However, the system shows some draw-backs and needs to be improved; for example, no revision of the agricultural model was envisioned in Malawi to support a socially and ecologically sustainable system, resulting in collateral side-effects caused by subsidizing chemical fertilizers and improved seeds. Nevertheless, a key element clearly emerged from the Malawi experience: public policies in agriculture can be successfully reformulated on the basis of national/regional needs, and remain a powerful tool in supporting the primary sector. As Lang et al. (2008) puts it “food policy is made, not given. It is a social construct, not ordained by a pre-programmed, perpetual or externally affirmed human order”. Therefore, its elimination or redefinition must be the result of negotiation among several different actors, taking into consideration their various interests and relative strength relations.

This publication, in line with the EuropAfrica project, is based on the following consideration: it is essential to understand the importance of adequate agricultural policies, implemented at the local, national, regional or sub-regional level, as indispensable tools to promote, protect and sustain diversified agricultural systems which are socially and ecologically sustainable. The above consideration is of great importance, particularly when we consider the on-going tendency to let the market deal with agricultural issues, and the ever increasing weight of international organizations in this field, to the detriment of national sovereignty. In Europe, for example, we are witnessing a progressive

change of sensitivity on the part of the Agriculture Commissioners, regarding the Communal Agricultural Policy. The Commissioner presently in charge, Mr. Fischer Boel, speaks mainly focusing on the international market and competition, in an almost completely neo-liberal scenario. Themes such as multi-functionality and internal market protection, which were often present in the rhetoric of the previous Commissioner, Mr. Fischler – have almost disappeared from Mr. Boel’s speeches, or else they remain only as an ideological relict from a romantic past. The success of agriculture is assessed by looking at the market, especially at the ill-famed “consumers’ needs”: the criterion invoked for success is “high quality”, a term which is not clearly defined and therefore lacks significance, and is often used only to justify and legitimize neo-liberal ideology (Erjavec et al., 2009).

The various case studies presented in this publication form a base from where to start in the effort of reconstructing agricultural policies. Indeed, only a true and solid reality check can help us to define the new objectives for agricultural policies, which in turn will determine who eats what, where and in what ways. We must admit that the experiences already implemented in several countries are often much more advanced than any theory, and by analyzing them we can highlight the innovations ensuing from interactions among the several different actors and factors interacting at a local level (social, environmental, economic, cultural...). This is the so called “art de la localité” which gets reinvented each time according to local specificities. In facing the current crisis of agriculture, these subjects implement resistance practices – not just subsistence on survival practices – that can form the base from which to build future actions. When we read what is happening in various countries, from Northern and Southern Europe to Western and Eastern Africa, we get a picture stressing the possible action lines along which to articulate agricultural policies; this can become a political project, starting from now.

The case studies presented in these pages focus mainly on: recognizing again the dignity of agricultural work; supporting agricultural models able to guarantee generational, environmental and social sustainability; ensuring a suitable remuneration for products and labour and giving central importance to national and regional markets. All together, these issues form an interesting political agenda, counteracting the current lines of thought, which reclaims the crucial role of public policies in agriculture, while at the same time calling on the need for a radical revision of their objectives, finalities and implementation modalities.

In order to meet this challenge, however, we need to redefine the categories and concepts around which policies are built; indeed, the ones we have today are often devoid of significance, or else they provide only a partial representation of reality. Otherwise, we risk making the same old mistake: leaving into oblivion some of the social practices, particularly those weakened by the current neo-liberal policies. For example, it makes no sense to legitimate, through agricultural policies, only large farm businesses, while several other figures – farmers, full-time or part-time agricultural workers or peasants – are in the picture as well, and contribute to the development of rural agro-systems. Also, it is detrimental to consider agricultural work as a sign-mark of backwardness in a country. In this particular case, as Colin Tudge writes: “we need again to see farming as a major employer [...]. Yet modern policies are designed expressly to cut farm labour to the bone and then cut it again” (2004). The second scope of this publication is this: to set the foundations from which to start changing the current methodological model, by interfacing theory with practice. Indeed, after having determined that a new approach
is necessary to finally overcome the concept of modernization\textsuperscript{74} as a theoretical and practical reference model for agricultural policies, the issue becomes just how to construct this new approach, by coupling theory with practice in a reciprocal and fruitful exchange.

Some useful concepts emerged at the International Congress which was held in Rome, in October 2008, closing the first year of the EuropAfrica project. The following points were highlighted.

If we place the interest of society and its citizens at the core of agricultural policies, the arena where the future of agriculture is played is no more a battlefield of the northern countries of the world versus the southern ones. On the contrary, the core of the issue becomes the existence of different agricultural models facing each other on the global market, with family or peasant agriculture and capitalistic farming business at opposite ends. In this perspective, it is possible to establish alliances in different countries and regions, among people who share the same agricultural models and difficulties in their daily activities. But who are these people? Are they peasants, agricultural workers, farming entrepreneurs? What bonds them together and what do they share? In order to answer these questions, it is necessary to delineate some boundaries: “peasants should be defined according to what they are, not as a negation of what they definitely are not. Likewise, characterizing the peasant as not yet possessing the traits of an entrepreneur or as disappearing category is clearly deficient”\textsuperscript{75} (Van der Ploeg, 2008).

This food crisis was born from the current agricultural policies and market deregulation, imposed on us by the dominant economic thought. In this framework, new forms of agriculture are emerging as a response to the crisis, as highlighted by the presented case studies. These new experiences aim at acquiring fresh niches of autonomy, within a context which is characterized by dependence and marginalizing. A novel methodological approach will have to study and understand how this autonomy is attained, how relations emerge between endogenous and exogenous resources of a farm; all of this knowledge must then be applied to the remodelling of agricultural policies.

Agricultural policies must meet their challenge in the field of regional integration, rather than struggling with international competition. Protecting one’s agriculture – a concept banned from the speech of any politician or expert – is the password, with a special attention to attaining coherence among local, national and regional levels. As underlined in the closing document of the October Congress, “Africa, as well as Europe, needs to protect its agriculture. The reference markets for the farmers are the local and regional ones, not the global market. Regional integration, in its correct significance, can be useful in addressing the issues of production and marketing in family agriculture”\textsuperscript{76}.

Specialization and the comparative advantages which the economists are so keen on did not solve the problems of agriculture in the southern countries of the world, notwithstanding the many years of therapeutic perseverance, and attaining food sovereignty is

\textsuperscript{74} - In order to understand the implications of such a process, let’s read the words of an agricultural economist, Giordano Sivini (2006), who writes referring to sub-saharian Africa: “Modernization implies abandoning knowledge that the people have acquired over time, and adopting production practices borrowed from outside. In this passage, objectives change. Subsistence agricultural systems aim at guaranteeing results, by differentiating terrains, cultures and risks. Market systems instead focus on marketable cultures; they tend to impose mono-cultures and maximize quantities to be sold; they imply costs, non-existent in self-subsistence systems, for production factors and equipment; they teach the possibility to increase soil productivity, even though its exploitation, under pressure from the market, in the end gets out of control, leading to the soil’s incapacity to produce further results. [...] It is implicit, in modernization processes, that the people forget historical practices and adapt to other ones, perfected elsewhere”.

\textsuperscript{75} - Van der Ploeg (2008) writes: “peasants, wherever located, relate to nature in ways that sharply differ from the relations entailed in other modes of farming; likewise, they shape and reshape the process of agricultural production into realities that contrast significantly with those created by entrepreneurs and capitalist farmers; and finally, they mould and develop their resources, both the natural and the social, in distinctive ways”.

not an abstract concept any more; it is becoming a real policy, pursued and implemented by peasant organizations throughout the world. “The principle of food sovereignty emphasizes the right and responsibility of single states to implement agricultural policies, as deemed necessary, placing the right to food of its citizens above all externally imposed political directives, as is the case with structural adjustments” (Congress conclusions).

The last aspect dealt with by the essays of this publication is that of governance. If agricultural policies cease to be sectorial and become central to a whole new series of objectives, from the environment to public health, the right to food, the preservation of the territory (Lang, 2004), deciding what, how and when we eat is a choice that must involve the whole society and can no more be delegated to technicians or farmers syndicates.

The hard part is understanding how to define policies and how to mediate among the various actors at play. Also in this case, food sovereignty comes into play, implying a revision of the current system of food democracy; it is gradually becoming more and more important, and it will be the challenge which agro-food governance will have to face in the third millennium. From the international to the local level, small farmers organizations and the civil society as a whole must conquer new spaces in defining agro-food policies, and this implies a novel capacity to listen on the part of the governments.

In conclusion, we can affirm that the world of family agriculture should launch a challenge to humanity. The disappearance of farmers, the destruction of rural culture and of farm landscape, its most visible fruit, have been systematically perpetrated by the current agricultural policies in the name of modernization; these negative facts do not affect just a few people at the fringes of modernity, they concern everybody, our society at large. But how are we to address the issue, starting from a totalizing modernity that tends to uniform all territories and cultures? How are we to create a democratic space in which to discuss and define the right food choices to make for the future?

Undoubtedly the various essays presented in this publication provide interesting thought lines and analyses, of crucial importance to comprehend the vastness of the challenge we are facing.

However we have to recover the full meaning of the term “agriculture” by bringing it back to the very essence of our culture, in the sense exemplified by Hannah Arendt: “the word Culture derives from the Latin term colere – to cultivate, to plant, to take care of, to maintain and to preserve – and relates to commerce of man with nature, in the sense of cultivating and handling nature with the scope of making it fit for man”.

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EuropAfrica Campaign

EuropAfrica is a campaign to raise information, awareness and lobby on shared issues, among its partners, concerning how to promote small-scale family farming and local agro-food systems that bring consumers and producers closer together, prioritizing local and regional markets and harmonization processes that benefit all citizens. The campaign supports the realization of food sovereignty, i.e. the right for people and communities to define their own food and agricultural policies, whether in Africa or Europe, to strengthen regional markets, promoting integration and harmonization processes that benefit all citizens.

Presently, the Campaign is conducted by means of a EU co-financed Project - Agro-food policies and regional integration: for a practice of solidarity between Europe and Africa. The project is mainly aimed at assessing the level of regional integration attained by the main African regions and Europe, from the point of view of food sovereignty. This core theme was subdivided into three domains, around which work was organized during the three years of the project: (1) the role of agriculture and agro-food policies in regional integration; (2) supply management and other tools necessary for the protection of the regional area going through regional integration; (3) the sustainable development of rural areas; access and control of resources by local populations, models of production.

This publication represents the final product ensuing from work of reflection, debate and research around the first domain, which was actuated by the Centro Internazionale Crocevia and Terra Nuova.

The partners of the Campaign which work since 2005 in partnership with African Platforms of Farmers’ Organisations, agricultural organisations and European civil society are:

**In Italy:** Terra Nuova; Centro Internazionale Crocevia (CiC); Comunità Impegno Servizio Volontario (CISV); Cooperazione Sviluppo Paesi Emergenti (COSPE); Associazione Universitaria Cooperazione Sviluppo (AUCS); Coordinamento Iniziative Popolari Solidarietà Internazionale (CIPSI); Coldiretti; Associazione Rurale Italiana (ARI); Associazione Italiana Agricoltura Biologica (AIAB).

**In Belgium:** Collectif Stratégies Alimentaires (CSA).

**In Great Britain:** UK Food Group.

**In Hungary:** GAIA Foundation.

**In Africa:** ROPPA (Network of Farmers’ and Agricultural Producers’ Organisations of West Africa); EAFF (East Africa Farmers Federation); PROPAC (Sub Regional Platform of Farmers Organisation in Central Africa).

In Italy this project is part of a programme run by ItaliAfrica, a network of agricultural and Italian civil society organisations which, besides the organisations named before, includes the following ones: ACRA; Campagna per la Riforma della Banca Mondiale (CRBM); FAIR; LVIA; M.A.I.S.; RE.TE; Roma Tre - Master in Human Development and Food Security; Università della Calabria.

For more information on the project and EuropAfrica Campaign, visit the website: www.europafrica.info
ORGANISATIONS AND INSTITUTIONS WHICH HAVE CONTRIBUTED TO THE PUBLICATION

ARI - Associazione Rurale Italiana (Rural Italian Association) - www.assorurale.it/
The Rural Italian Association has the finality of gathering into an organized and representative common body, groups and individuals committed to family agriculture models which:
- are compatible with food sovereignty, intended as the right and duty of all populations to produce and consume their own food,
- ensure the vitality of the countryside through the presence of numerous farmers,
- provide healthy, diversified and accessible food for everybody,
- respect nature in its various forms (plants, animals, the environment).
The Rural Italian Association is in favour of agricultural policies which support and encourage a fair and unanimous development, in harmony with all of the various rural realities in Italy.

CIC - Centro Internazionale Crocevia (Crocevia International Center) - www.croceviaterra.it
Crocevia originated in 1958 as a Non-Profit Center for International Sharing and Cooperation, and in 1962 it was granted Corporation status. Its 50 years of activity span over three main areas of intervention: instruction, communication and agriculture, in the fields of development training and International cooperation. It operates both in Italy and abroad with projects in the Middle East, Asia, Africa and Latin America. Its sources of financing come from the Ministry of Foreign Affairs, the European Union, UN Agencies, Local boards, Foundations and private citizens.

Coldiretti - www.coldiretti.it
Coldiretti, numbering a million and a half associates, is the leading Farmers’ Association on a National and European level. It is deeply rooted in the territory, with 19 regional Federations, 97 provincial and inter-provincial Federations, over 724 district offices and 5,668 local offices. It employs over 20,000 territorial managers, and is the reference point for the vast majority of Italian agricultural businesses. Its presence is enhanced by an ever increasing representativeness. Coldiretti is a powerful social entity, representing agricultural businesses and highlighting agriculture as an economic, human and environmental resource, with the objective of ensuring growth and revenues to agricultural businesses while attaining full integration of agriculture with the economic, environmental and social interests of the Nation.

CSA - Collectif Stratégies Alimentaires (Food Strategy Group)- www.csa-be.org
CSA was founded in 1984 by several Belgian non-profit development agencies. It promotes durable agriculture and food safety by means of strengthening farmers organizations and highlighting food sovereignty in different areas of the world. Its actions aim at reorienting agricultural and commercial policies in this direction and strengthening farmers associations, which are considered the motor for durable agriculture, attained through the sustainability of family agriculture. CSA promotes the achievement of solidarity among those active in agriculture and food processing, particularly among small farmers in Northern and Southern countries. Since 2010, CSA is a member of Agricord, a network of agricultural agencies in charge of the global program “farmers fighting poverty”, which is being implemented by its various members.
EAFF - Eastern Africa Farmers Federation www.eaffu.org
Eastern Africa Farmers Federation is a non-political, non-profit and a democratic apex organization of all Farmers of Eastern Africa. Its role is to voice legitimate concerns and interests of farmers of the region with the aim of enhancing regional cohesiveness and social-economic status of the farmers. The Federation, apart from voicing views and demands of the farmers on crosscutting issues will also endeavour to promote regional integration of the farmers through trade and good neighbourliness.

FAO - Food and Agriculture Organization - www.fao.org
In accordance with its mandate, FAO developed over time a variety of policy assistance functions including collecting, analyzing and disseminating information on country, regional and global developments in agriculture and providing policy advice that supports the formulation, implementation, monitoring and evaluation of strategies for sustainable agriculture, rural development and food security.

GAIA Foundation - http://www.gaialapitvany.hu/
The Gaia Foundation for Ecology and Rural Development was founded in 1990 by the Association for Human Values. The founder’s aim was to develop and implement a sustainable settlement model (ecovillage). Aim of the Foundation is to ensure an appropriate financial basis for the support of public-spirited activities and ventures of common interest aimed at creating a new style living and working community model. In order to bring the above aims to fruition, the Foundation assigns itself the following tasks to perform:
- To support the creation of a settlement to be built with ecological awareness, as well as the organization of the village community
- To further the development of the region where the community lives, in line with the basic principles
- To start research in theoretical and practical fields of ecology, natural way of living and natural therapeutic methods
- To promote the preparation and spread of training courses and training methods, in line with the above principles
- To organize educational programmers to spread information on the matter in the form of lectures, courses and exhibitions
- To keep in touch with other organizations and institutions which conduct similar activities, both in Hungary and abroad.

PROPAC – Plateforme Sous Régionale des Organisations Agricoles de l’Afrique Centrale (Regional Platform of Farmers’ Organizations in Central Africa) - www.propac-op.org
PROPAC together the national Farmers’ Organisations of 10 nations of the Central African sub-region. Its aim is to allow small producers and farmers to be more involved in decision making in the field of agricultural and rural development in Central Africa, in order to ensure a durable improvement of their condition and life quality in rural areas. PROPAC’s commitments to small agricultural producers are: to improve and better legitimate the management of producers’ organizations; to make peasants’ organizations more professional; to develop alliances around their priorities and objectives; to develop improvement programs for food safety and sovereignty; to facilitate and secure their access to natural resources and production factors in order to improve their revenues and create stable employment in rural areas.
Rete Semi Rurali (Rural Seed Network) - http://www.semirurali.net/
The Rural Seed Network was founded in November 2007 to remind everybody that agricultural bio-diversity needs to be preserved and improved all over the world, especially by farmers themselves. The Network, grouping together 11 associations, supports, facilitates and promotes contact, dialogue, information exchanges and various initiatives among all who believe in bio-diversity and in the value of peasant agriculture, while opposing anything generating loss of bio-diversity as well as “chemical” agriculture, based on intensive monoculture and/or genetically modified culture practices.

ROPPA - Réseau des Organisations Paysannes et de Producteurs de l’Afrique de l’Ouest (Network of Peasant and Producers’ Organizations of Western Africa) - www.roppa.info
Its main specific activity is to coordinate and represent national associations of farmers and agricultural producers in the West African region. Formally, ROPPA was founded in July 2000. It works to promote and defend the values of a durable and profitable family agriculture, for the benefit of family farms and agricultural producers. It also ensures the presence of farmers and producers associations at the sub-regional, regional and international level. ROPPA is present in Benin, Burkina Faso, the Ivory Coast, Guinea, Ghana, Guinea-Bissau, Gambia, Mali, Niger, Senegal, Sierra Leone and Togo.

Terra Nuova – Centro per il Volontariato onlus - www.terranuova.org
Terra Nuova is a regional non-government development organization born in 1969 and based in Rome. It designs, supports and implements development co-operation projects in Africa and Latin America. It also promotes awareness-raising programmes aiming at informing and sensitizing the European civil society in relation to development issues affecting the South of the world. Since 2005 Terra Nuova is the leading organisation of two projects co-financed by European Union ED/2003/065-031 and ED/2007/136-171 and is the focal point of the EuropAfrica Campaign.

UKFG - The UK Food Group - www.ukfg.org.uk
The UK Food Group is the principal civil society network in the UK on global food and farming issues and is the UK focal point for many European and International networks. It represents BOND (British Overseas NGOs in Development) on these issues. Members of the UK Food Group include both large and smaller NGOs that work on development and environment issues related to food and farming, as well as farmer-centred NGOs. The UK Food Group organises the annual World Food Day event on 16 October in the UK.

Università della Calabria - Dipartimento di Sociologia e Scienze Politiche (Department of Sociology and Political Sciences of the University of Calabria) - http://www.unical.it/portale/
The Department of Sociology and Political Sciences of the University of Calabria houses the Rural Development Study and Research Center, promoted by a group of teachers and researchers involved in activities of analysis and support to innovation processes in the rural world. These important themes are also addressed in the Doctorate Course “A. Gunder Frank” in Knowledge and Innovation in Development, and in the curriculum for the Degree in Economic and Social Studies for Cooperation and Development.”
### Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ABU (LU)</td>
<td>Adult Bovine Unit (Livestock Unit)</td>
</tr>
<tr>
<td>ASEAN</td>
<td>Association of South-East Asian Nations</td>
</tr>
<tr>
<td>CAEMC</td>
<td>Economic and Monetary Community of Central Africa</td>
</tr>
<tr>
<td>CAP</td>
<td>Common Agricultural Policy</td>
</tr>
<tr>
<td>CAR</td>
<td>Central African Republic</td>
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<tr>
<td>CEN-SAD</td>
<td>Community of Sadelo-Saharan States</td>
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<tr>
<td>CET</td>
<td>Common External Tariff</td>
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<tr>
<td>CMA</td>
<td>Common Monetary Area</td>
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<tr>
<td>CMO</td>
<td>Common Market Organization</td>
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<tr>
<td>COMESA</td>
<td>Common Market of East and Southern Africa</td>
</tr>
<tr>
<td>CS</td>
<td>Cereal Substitutes</td>
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<tr>
<td>DC</td>
<td>Developing Countries</td>
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<tr>
<td>DRC</td>
<td>Democratic Republic of Congo</td>
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<tr>
<td>DPADA</td>
<td>Detailed Program for Agricultural Development in Africa</td>
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<tr>
<td>ECA</td>
<td>The United Nations Economic Commission for Africa</td>
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<tr>
<td>EAC</td>
<td>East African Community</td>
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<tr>
<td>ECOWAP</td>
<td>Agricultural Policy of the Economic Community of West African States</td>
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<tr>
<td>ECOWAS</td>
<td>Economic Community of West African States</td>
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<tr>
<td>EPA</td>
<td>Economic Partnership Agreements</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>GATT</td>
<td>General Agreement on Tariffs and Trade</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>ha</td>
<td>hectare</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>IOC</td>
<td>Indian Ocean Commission</td>
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<tr>
<td>LAC</td>
<td>Least Advanced Countries</td>
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<td>LDC</td>
<td>Least Developed Countries</td>
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<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MGQ</td>
<td>Maximum Guaranteed Quantities</td>
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<tr>
<td>NEPAD</td>
<td>New Partnership for African Development</td>
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<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
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<tr>
<td>PO</td>
<td>Peasants Organizations</td>
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<tr>
<td>SAARC</td>
<td>South Asian Association for Regional Cooperation</td>
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<tr>
<td>SACU</td>
<td>South African Customs Union</td>
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<tr>
<td>SADC</td>
<td>South African Development Community</td>
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<tr>
<td>SPS</td>
<td>Single Payment Scheme</td>
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<tr>
<td>UAA</td>
<td>Usable Agricultural Area</td>
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<tr>
<td>UAP</td>
<td>Union Agricultural Policy</td>
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<tr>
<td>UMA</td>
<td>Maghreb Arab Union</td>
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<tr>
<td>WAEMU</td>
<td>West Africa Economic and Monetary Union</td>
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<td>WAMZ</td>
<td>West African Monetary Zone</td>
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<tr>
<td>WB</td>
<td>World Bank</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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Secretariat of EuropAfrica Campaign
Terra Nuova Onlus
Via Gran Bretagna, 18 - 00196 Rome, Italy
Tel. +39 06 8070847
boccaleoni@terranuova.org
www.europafrica.info

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