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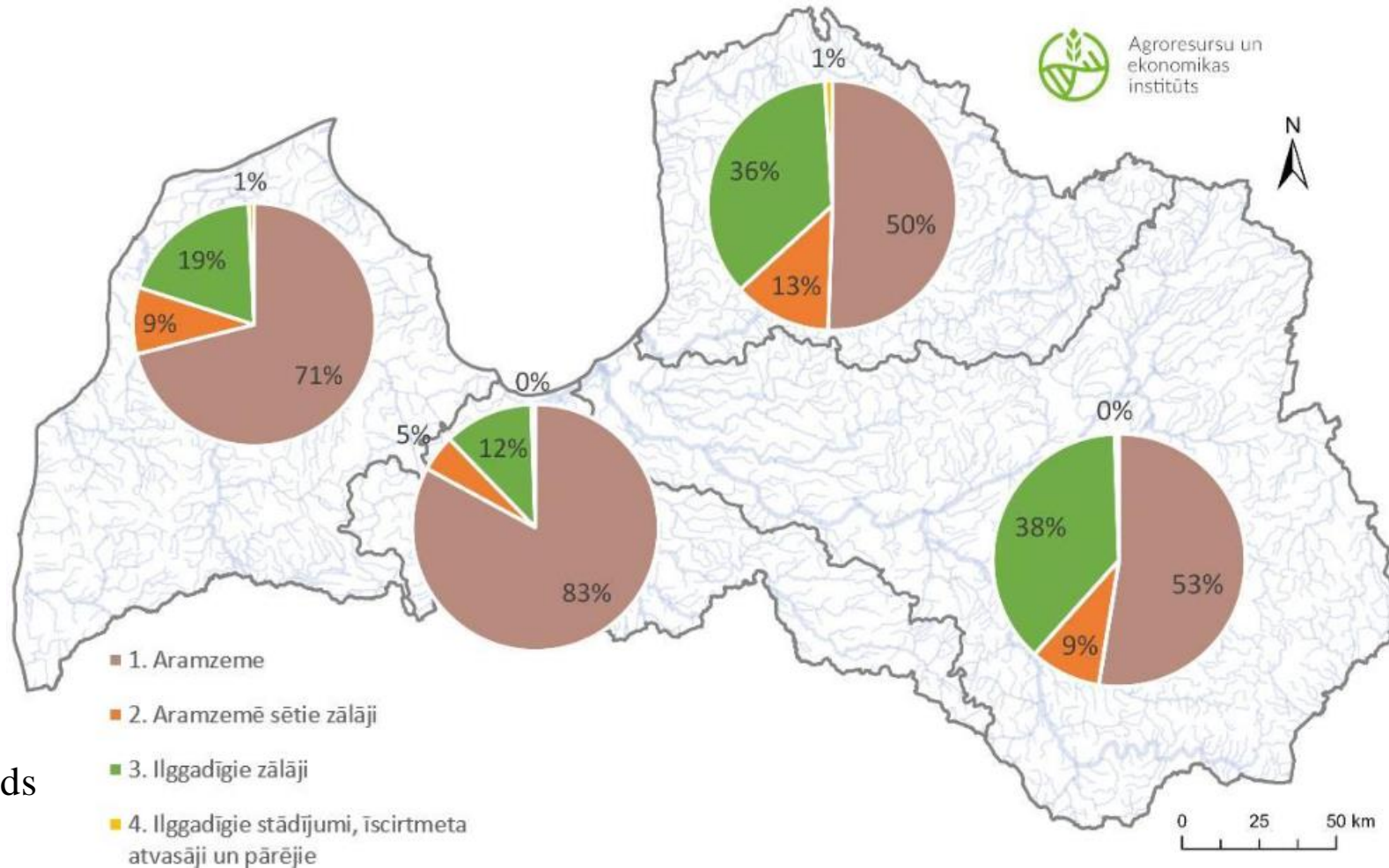


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Permanent grasslands in Latvia

*Pēteris Lakovskis, Institute of Agricultural
Resources and Economics*

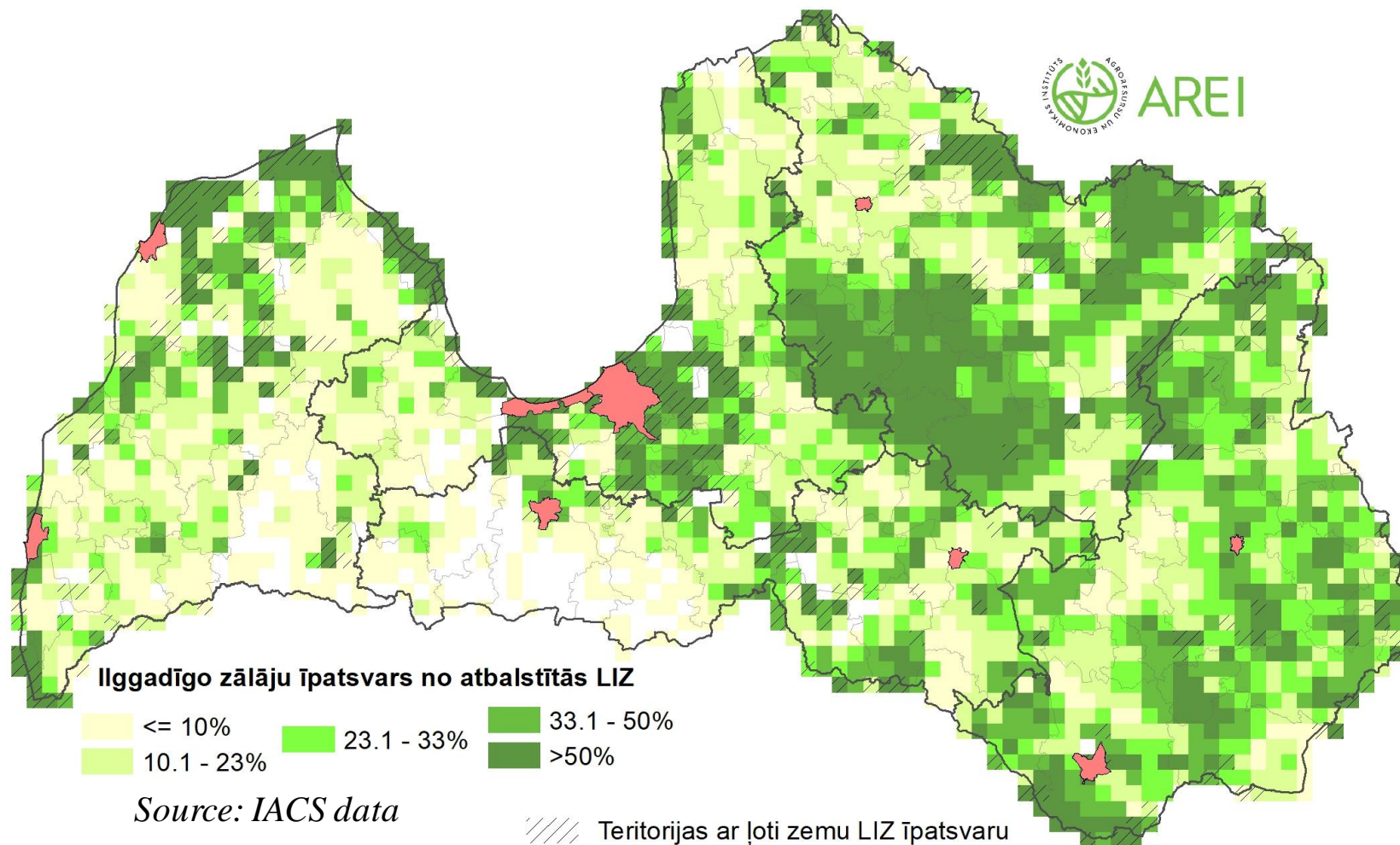
Share of permanent grasslands in farmland



Arable land
Sown grasslands
Permanent grasslands
Other

Share of permanent grasslands in farmland

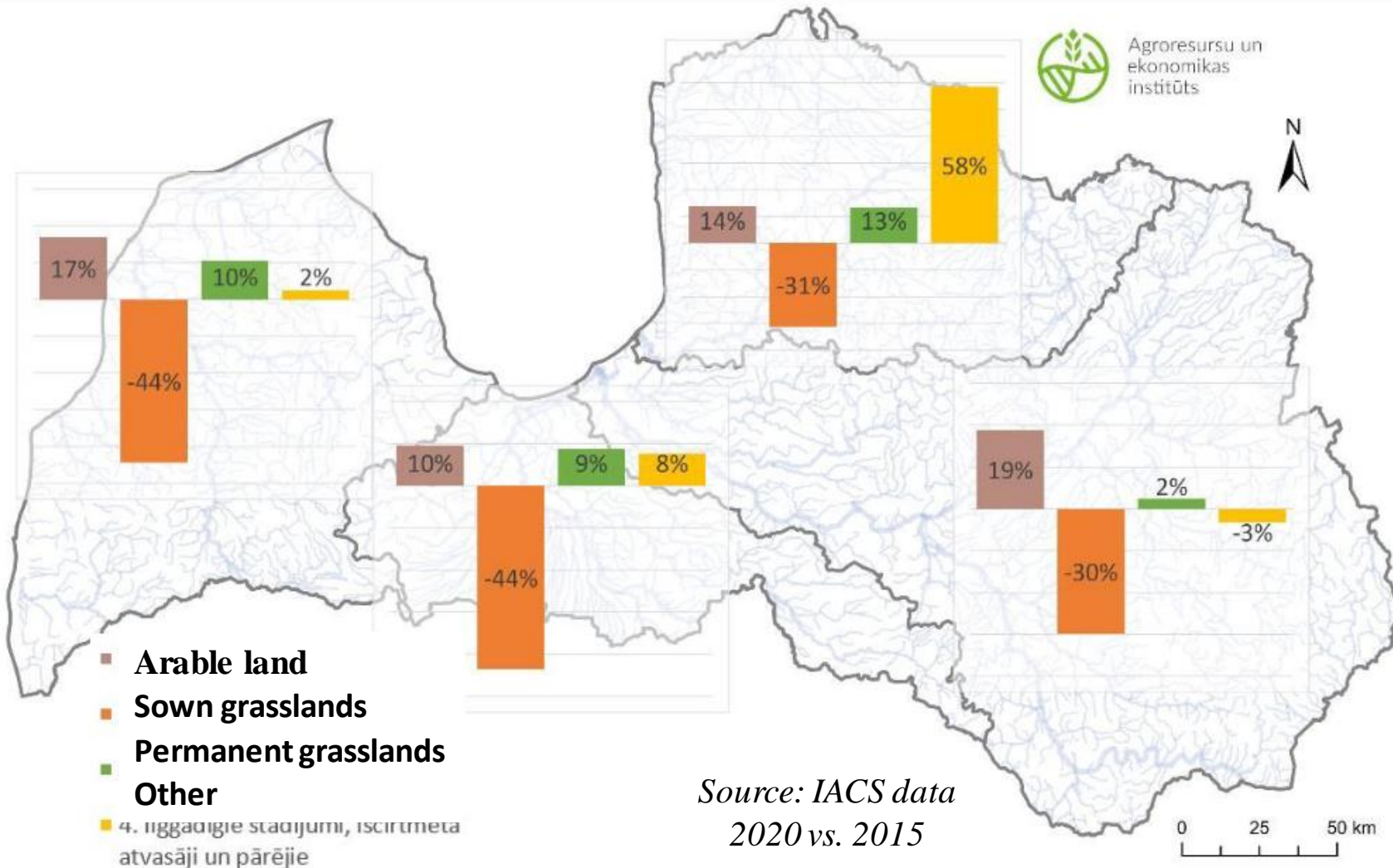
Uneven spatial distribution of PG; thus the fulfillment of the PG share in Latvia provides Vidzeme and Latgale regions.



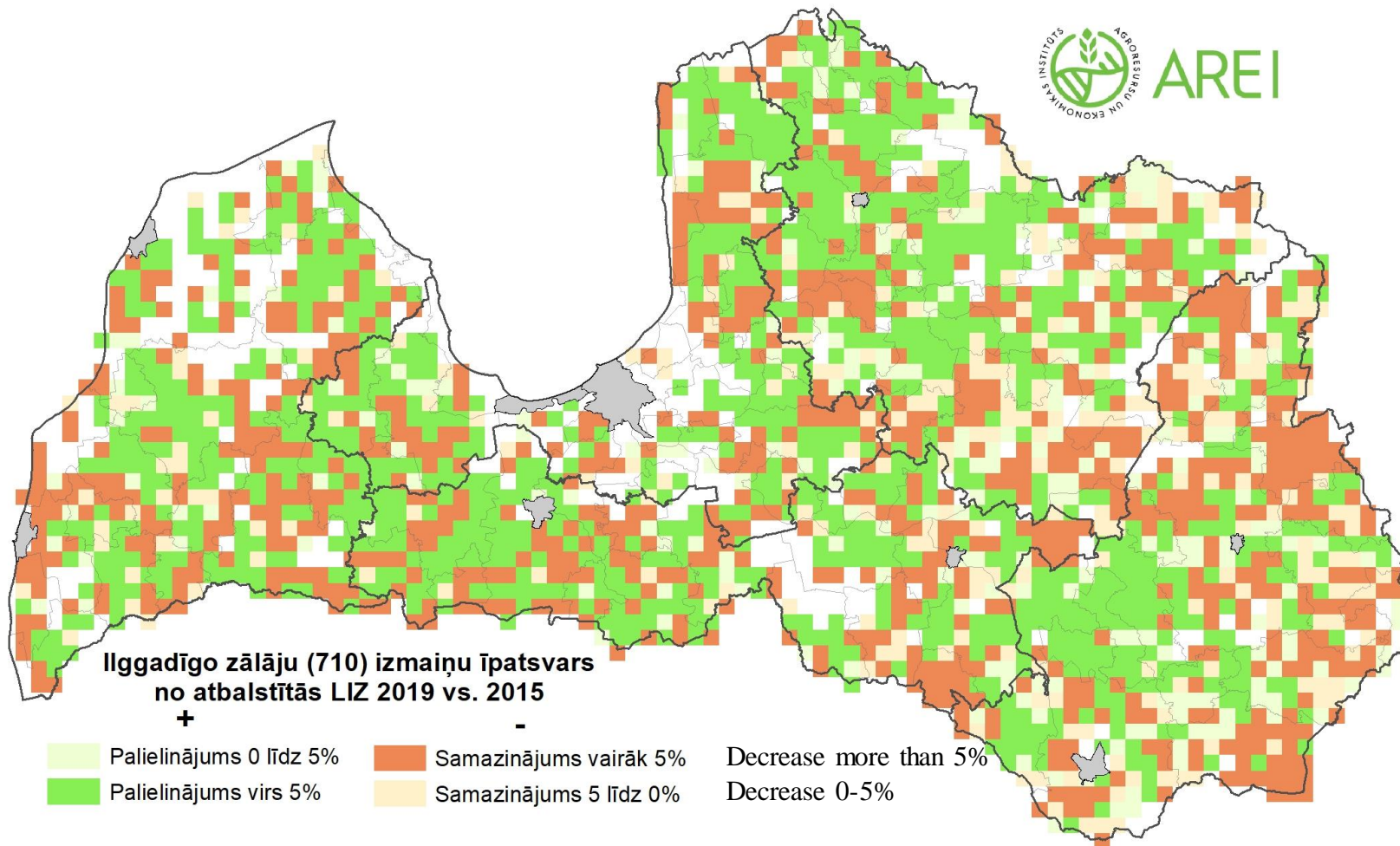
Changes % in farmland structure



PG areas increase in areas of sown grassland and on restored agricultural land



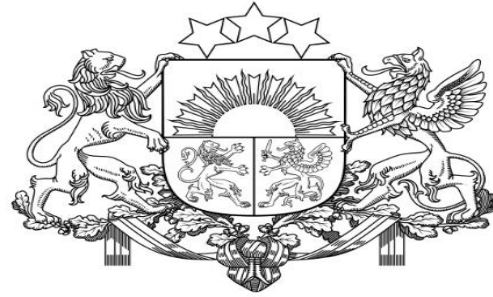
Spatial changes in permanent grasslands





Conclusions

- ❑ The proportion of total PG has been practically stable with a slight drop in some years.
- ❑ The succession of PG is semi-continuous in the same areas – 71% for 5 year period (2015-2019); 84% for 4 years; 99% for 3-year period
- ❑ Typical succession: abandoned farmland - permanent grassland - fallow-land - arable land
- ❑ Changes in definition of permanent grassland in 2017 – increase of PG in member states
- ❑ What is the level of accounting needed to meet biodiversity targets - national, regional or farm level...?



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Farming support for grasslands under CAP in Latvia

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Rural development

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Direct payments

25.01.2024



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General framework for area payments

Conditionality (GAEC+SMR)

Direct payments
only to active farmers

mandatory

voluntary

Other DP

Rural development

6 environmental, climate-related
and other management
commitments

BISS

CRISS

young farmers

6 eco-schemes

CISS

or

Small Farmer Scheme

and/or



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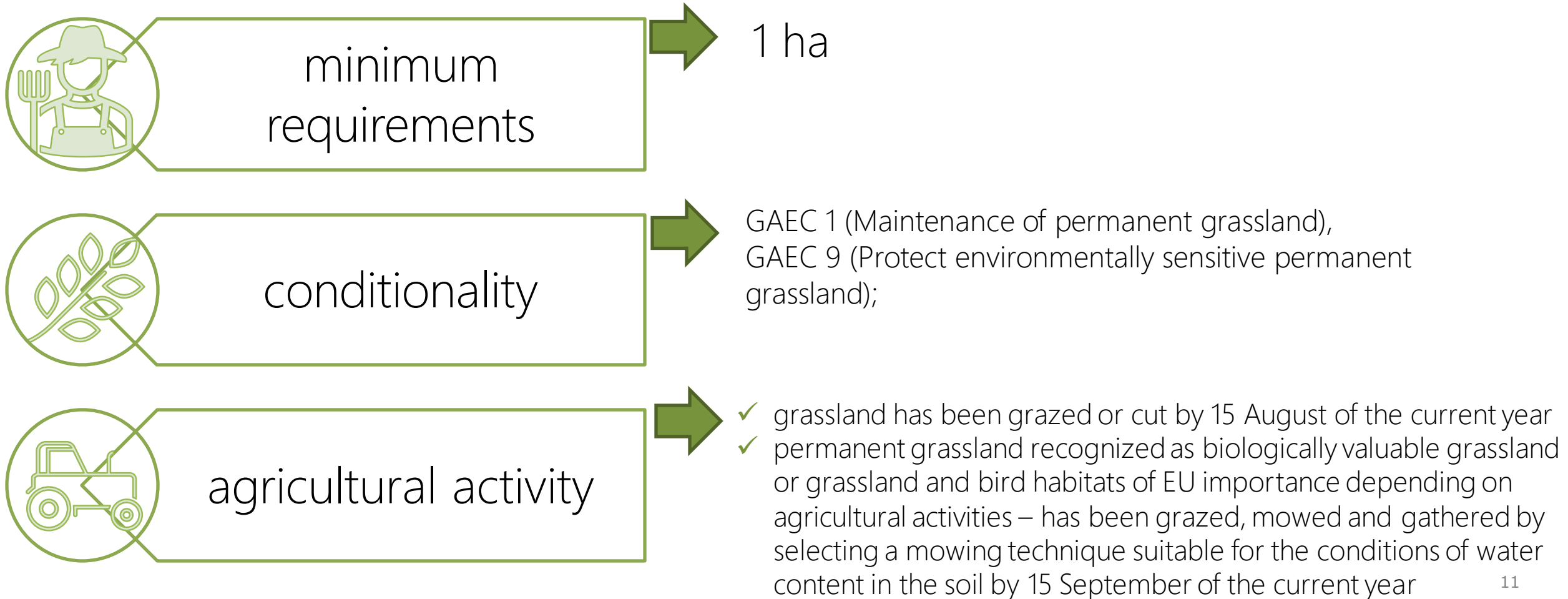
Direct Payments



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Direct payments baseline

For grassland to receive direct payments support farmer must comply with:





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GAEC

Direct payments support as well as some rural development interventions are conditional to compliance with conditionality.

GAEC 1 - Member States are obliged to ensure maintenance of the 2018 ratio of permanent grassland in relation to agricultural area. LV will provide for ratios at national level.

Reference ratio of Latvia: 23,58%

The share of declared permanent grassland in 2023 in relation to total declared agricultural land is 22,82%. The reduction in the area ratio is 3,24%.

GAEC 9 - Prohibition to convert or plough environmentally sensitive permanent grassland areas



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Direct payments relevant to grasslands 2023-2027

CAP SP rates



BISS
income support

88-95 EUR/ha
in special areas 98-105 EUR/ha

815,5 MEur

CRISS
redistributive support

from 3,01 to 30 ha: 53-61 EUR/ha,
30,01 to 100 ha: ~12 EUR/ha

153,7 MEur

Ecoscheme 6

70 EUR/ha

111,2 MEur

Ecoscheme 7

56 EUR/ha

95,7 MEur

Payment for small
farmers
500 EUR/ per farm



37,7 MEur



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Overview of eco-schemes in Latvia

Eco-scheme6 - Support for grassland conservation

- 2-year commitment not to plough grassland, including permanent grasslands
- Grassland with livestock density > 0.4 LU/ha
- Seed production areas subject to field inspections, should meet seed production requirements

Eco-scheme7 – Support for Agro-ecological practices on organic farms

- Crop diversification on arable land - 2-4 crops, main $< 75\%$ or 65% , 2 main $< 90\%$
- 65-75% soil cover on arable land in fall/winter period
- livestock density on grassland > 0.4 LU/ha
- Soil cover inbetween rows of permanent crops



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Initial results of the implementation of the eco-scheme

- ✓ Total number of applications for participation in BISS: 34 833
- ✓ Total declared area for BISS: 1 728 849 ha (Fulfilment rate 99%)

	Eco-scheme 6	Eco-scheme 7
Total number of applications	11 381	3 450
Total declared area	302 096	293 189
The initial target area	317 599	322 000
Fulfilment rate	95%	91%



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Rural Development



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Rural Development payments relevant to grasslands 2023-2027

CAP SP rates



(ENVICLIM 70)

LA10.5. Managing of
grassland habitats

96 - 338 EUR/ha
(6 different rates)

36,9 MEur+
Top-up 14,5 MEur

+

(ENVICLIM 70)

LA11 Organic farming
(incl. permanent grasslands)

43 EUR/ha
+ premium if:
*dairy cows 1LU/ha= 95EUR/ha;
*the rest 1LU/ha = 50 EUR/ha

48,5 MEur

(INVEST 73)

LA4.5. Creation of artificial
wetlands
(i.e. habitat in reeds for wading
birds)

max 100 000 EUR/ha

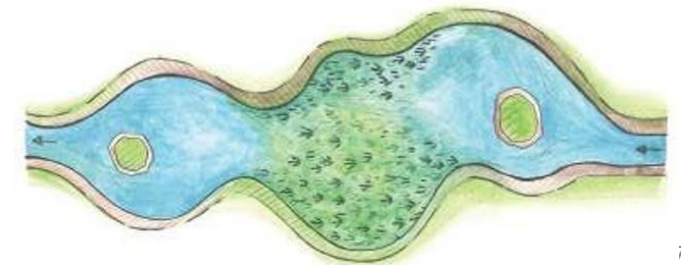
1,0 MEur +
Top-up 3,0 MEur

(INVEST 73)

LA4.6. Restoring
biologically valuable
grasslands

max 7 500 EUR/ha

2,0 MEur +
Top-up 1,0 MEur





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Agri-environmental payments baseline

For grassland and bird habitats of EU importance to receive Agri-environmental payments support for intervention LA10.5. & LA11. farmer must comply with:



minimum requirements



area: 0,1 ha per field & 0,3 ha the total for aid;



conditionality



GAEC 1 (Maintenance of permanent grassland),
GAEC 9 (Protect environmentally sensitive permanent grassland);



agricultural activity



- ✓ Active farmer criteria are not compulsory;
- ✓ Area has been **grazed extensively or cut once** (with permission more or less often) by 15 September of the current year, mowed and gathered by selecting a mowing technique suitable.



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Overview of Agri-environmental schemes

LA10.5. Managing of grassland habitats:

- 5-year commitment;
- training courses - 16 hours;
- grassland managing - cutting or grazing - with livestock density <0.9 LU/ha;
- collecting farm history.

LA11. Organic farming:

- 5-year commitment;
- training courses 160 hours (in transition period) or 40 hours (the rest);
- grassland managing - cutting or grazing with livestock density on grassland:
 - for «common» permanent grasslands from 0.4 LU/ha;
 - for grassland habitats density of animals is optional, $<0,9$ LU/ha;
- collecting farm history.



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Overview of nonproductive Investment schemes

LA4.5. - Creation of artificial wetlands:

- wetland's area - 0,3 to 1 ha, such as Nitrate-sensitive or heavily impacted by agricultural pollution;
- "provision of bird habitat features", including:
 - (a) the creation of gentle banks;
 - (b) 1/3 of the border between the water and the grassland shall be kept free from tree, shrub and reed growth, with maintenance between 1 August and 31 March;
- include different services, project preparation, expert reports, etc.

LA4.6 – Restoring biologically valuable grasslands:

- renewable area between 1 to 50 ha;
- targeted areas for priority projects, such as the Natura 2000 network e.tc.
- include different services for maintenance of grasslands, infrastructure building for grazing animals, project preparation, expert reports, etc.



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Initial results of the implementation of the Agri-environmental scheme

	LA10.5.	LA11
Total number of applications	>6 100	>3 650
Total declared area	>39 700 (unique ha) >44 000 (target ha)	>177 600 (total grassland) (incl. grassland habitats ~10 000ha)
The initial target area	69 143	220 914 (total grassland) (incl. grassland habitats ~15 000ha)
Fulfilment rate	64 %	80 %

N.B. The non-investment measures LA4.5.&LA4.6. are planned to start at the end of 2024.



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Concluding remarks

- the CAP SP is planned to be revised as regards grassland payments based on the assessment of the Institute of Agricultural Economics and Resources
- Discussion on support rates – inflation etc. (but there will be impact on target indicators as the total amount of support will not change)

Impact of CAP support on EU importance grassland habitat botanical diversity



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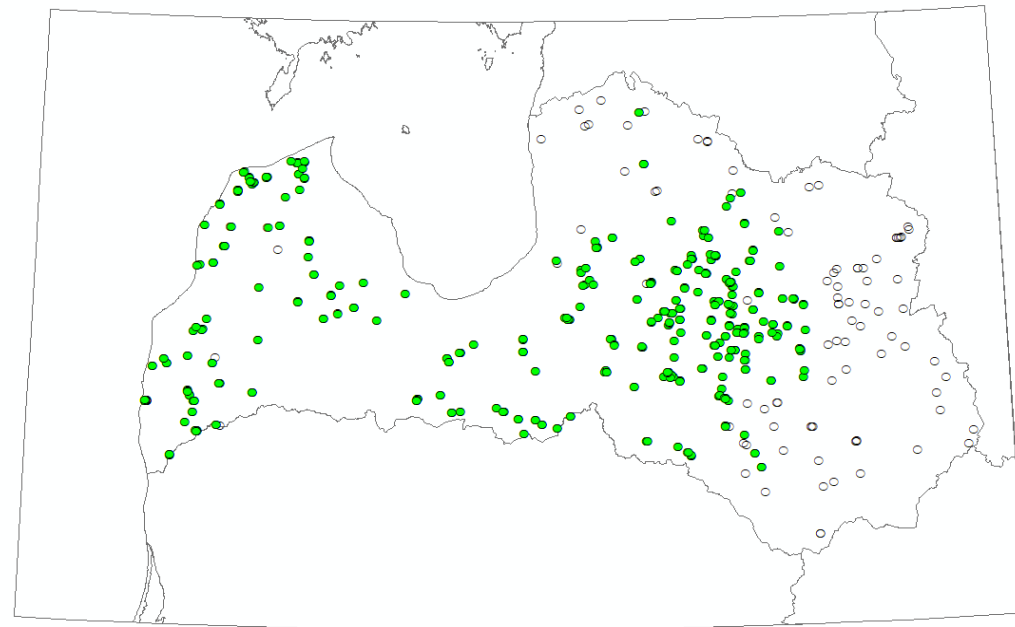
Gundega Vācere

Report in Latvian (short English summary) will be available in near future:
<https://www.arei.lv/lv/2023-gads>

Aims and Methods (1)

What are changes in the state of botanical diversity between the two CAP periods in EU importance grasslands supported by CAP

- Field survey in 2013-2014 and in 2022-2023
- Field inventory forms
- 294 inventoried grasslands with 695 ha



In green – grasslands surveyed in both periods

Grassland inventory form. Natura 2000 site name: _____ Map page No: _____

VEGETATION. Inventory in EU code for all 22 codes. Choose one code for the best typical state of habitat.

EU	%	E3	%	E6	%	E8	%	E9	%	E10	%	E11	%	E12	%	E13	%	E14	%	E15	%	E16	%	E17	%	E18	%	E19	%	E20	%	E21	%	E22	%

Species inventory. Species inventory in EU code for all 22 codes. Choose one code for the best typical state of habitat.

EU	%	E3	%	E6	%	E8	%	E9	%	E10	%	E11	%	E12	%	E13	%	E14	%	E15	%	E16	%	E17	%	E18	%	E19	%	E20	%	E21	%	E22	%

Level natural grassland indicator species. Evaluate in all habitats or polygons.

Indicator	EU	%	E3	%	E6	%	E8	%	E9	%	E10	%	E11	%	E12	%	E13	%	E14	%	E15	%	E16	%	E17	%	E18	%	E19	%	E20	%	E21	%	E22	%
AGROD ARV	CAREX GAR	DACTYL VEG	GLADI VUL	LEIGHT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG	PLANT VEG



Aims and Methods (2)

Indicators for grassland structure:

- Litter layer
- Tree layer
- Cover of expansive species (*Dactylis glomerata*, *Anthriscus sylvestris*, *Aegopodium podagraria* etc.)

Indicators for species richness

- Number of plant species in 25m²
- Number of semi-natural grasslands indicator species (per grassland, per 25m²)

Grassland area with thick litter layer



- <10% - excellent
- 10-20% - good
- 20-50% - inadequate
- >50% - bad

Grassland area where expansive species dominate



- <10% - excellent
- 10-24% - good
- 25-50% - inadequate
- >50% - bad

Grassland area with secondary tree layer



- <11% - excellent
- 11-30% - good
- 31-75% - inadequate
- >75% - bad

Number of plant species per 25m²

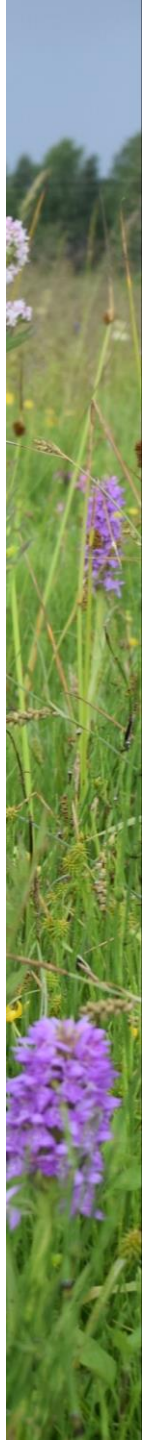


- >34 - excellent
- 29-34 - good
- 23-28 - inadequate
- <23 - bad

Number of semi-natural grassland indicator species (n=54)

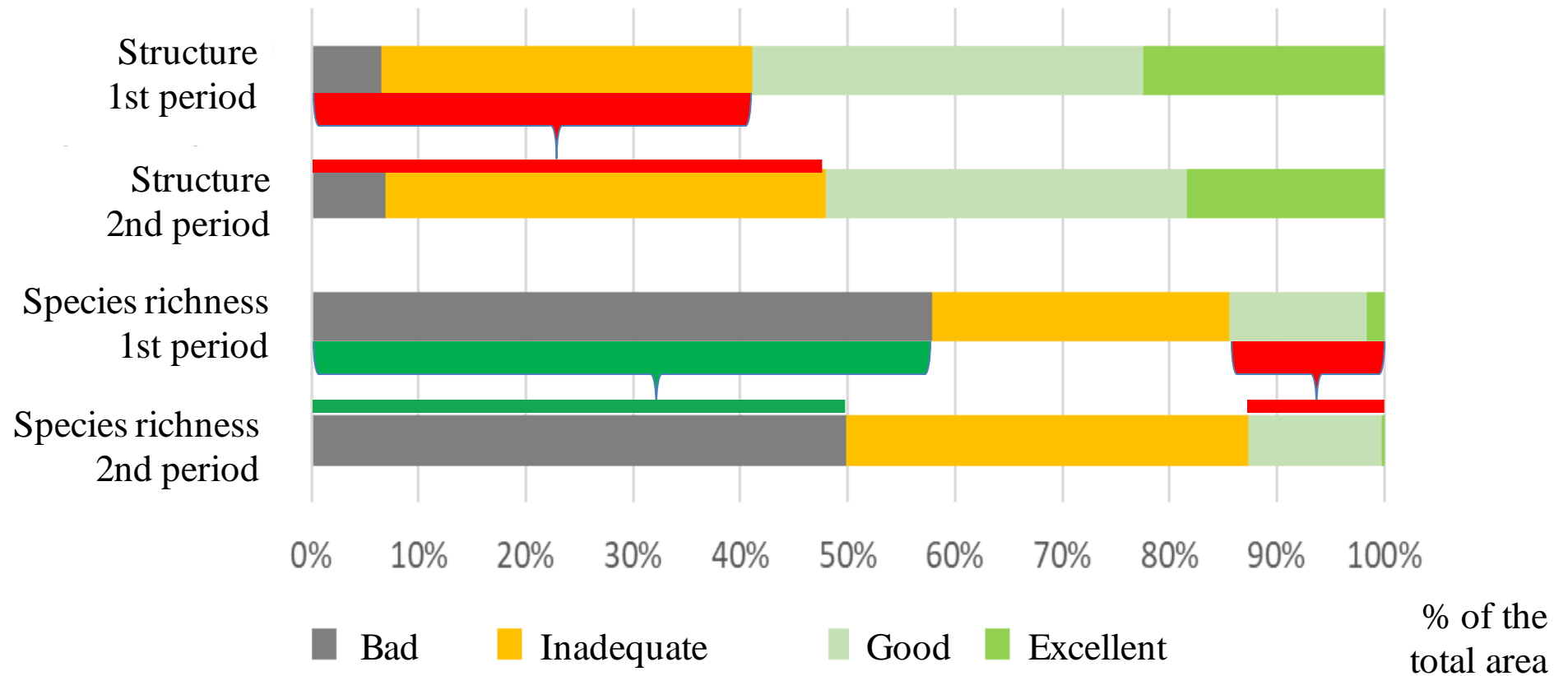


- >10 - excellent
- 8-10 - good
- 5-7 - inadequate
- <5 - bad



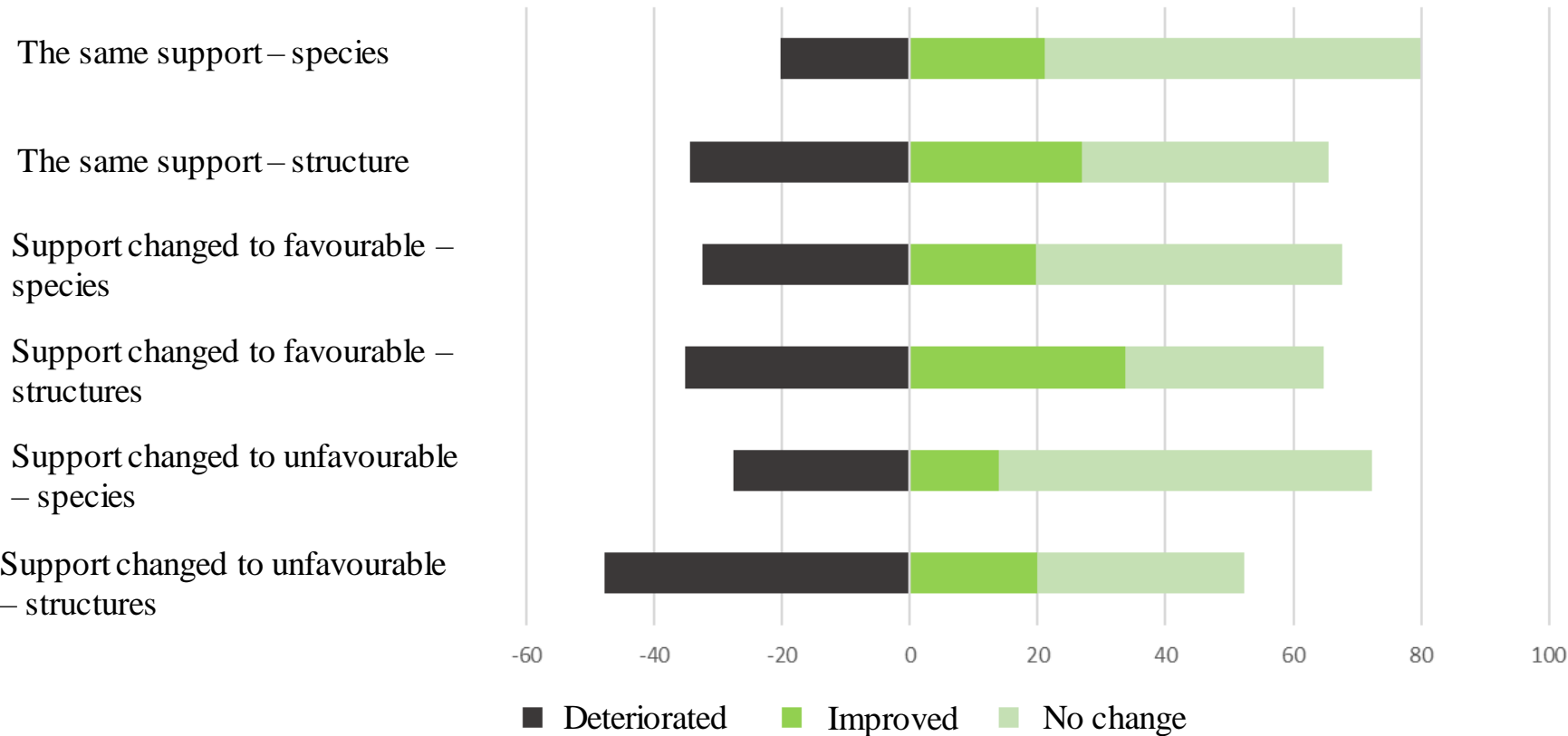
Results

- ❖ Changes detected both in plant species richness and in grassland structure
- ❖ Grassland structure has slightly deteriorated
- ❖ Species richness has both improved and deteriorated



Results

- under the same support, some of the grasslands showed an improvement in botanical diversity, while others showed a deterioration



The same support:
 Agri-env for EU habitats
 Organic farming

Support changes to favourable:

Direct payments (DP) to Agri-env for EU habitats
 Abandoned to direct payments

Support changes to unfavourable:

No support
 Direct payments
 DP to No support
 Agri-env to DP or No support



Conclusions and recommendations (partly drawn from the results)

- Existing CAP support has contributed to maintaining the condition of protected grasslands (to prevent deterioration), but has not led to significant improvements. The existing CAP framework therefore needs to be improved now, both through precise adjustments to existing conditions and through the development of new interventions
- CAP should aim supporting the production of ecosystem services and biodiversity as a key product of grassland habitats, to make it more competitive with alternative grassland management interests that threaten biodiversity conservation
 - Eligible area for ISIP 1 ha, for grassland agri-env 0.3 ha
 - Eligibility for eco-schemes support to conserve grasslands
 - Eligibility of landscape elements in grasslands
 - Coupled support (higher payment for one animal than in conventional farming because of low productivity that should not be increased)
 - Delay clipping date in pastures (presently 15 September)
 - Allow mowing 2 times per season (excl. priority areas for birds)
 - Increase the amount of financial support
 - Reconsider calculation of support (opportunity costs; management difficulty)
 - Promote grassland habitats in other types of support – LEADER etc.)

- Other proposals include the development of new forms of support to help cover all groups of grassland owners and to move towards result-oriented measures while maintaining/simplifying action-oriented measures
 - Bonus payment for excellent grasslands
 - Bonus payment for improving of grassland condition
 - New result-oriented scheme **with** active involvement of farmers
 - New result-oriented scheme **without** active involvement of farmers
 - Simple action-based measure (presently it has become too complicated for those who are inert)
- Research needs
 - Ecological and socio-economic monitoring
 - Grassland owner motivation, driving factors to adopt agri-environmental schemes
 - The need for regional approach



How the current situation is seen by the Latvian Fund for Nature

Andrejs Briedis

Outcome of GrassLIFE recommendations for improving the support system for grassland habitats (1)

Fails:

- the competitiveness of total support level for management of grassland habitats has not improved when compared to other payments:

For LA 10.5 only 36'487 ha (or 52.7% of the planned 69'144 ha) were applied in 2023 (based on the available information on July 17, 2023). This is the lowest level of applied areas since 2018 (36'830 ha) and is much lower than last year's applications (44'465 ha).

- no “results oriented system”;
- no support for agricultural areas within Natura 2000 territories;
- no comprehensive monitoring system for CAP SP.

Outcome of GrassLIFE recommendations for improving the support system for grassland habitats (2)

Successes:

- for organic farms, the support for grassland habitat areas is no longer connected to reaching a minimum income level per hectare;
- support planned for restoration of grassland habitats;
- redistributive payment to support small and medium farms;
- mandatory trainings for applicants in measure LA 10.5 “Grassland habitat management” will continue;
- greater flexibility for management of grassland habitats.



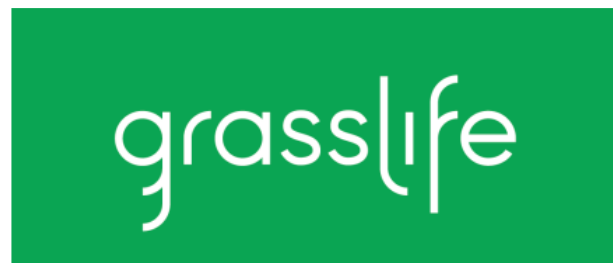
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Valsts reģionālās
attīstības aģentūra

Thank you for your attention!

