

AGRICULTURE. EXTENDED SKELETON VERSION 15.12.03

	Cautious world	Future unlimited	Satisfied Citizen	Challenging world
Market	<ul style="list-style-type: none"> • Low consumption • Poor country-side • Difficult to survive global competition - only the most efficient farmers will survive • Diversification. Also possibilities for local production – shorter chains of distribution • Low EU support • Restrictions <p>There is a global market and the scale enlargement in agriculture has continued but the CAP still puts a strong mark on the character of agriculture and there is some protection for the global market.</p> <p>Also the Water Framework Directive has strongly influenced agriculture in the Wadden Sea region by imposing high standards for water quality. This has, generally, resulted in less intensive agriculture, the additional costs of which have, however, been calculated in the cost price of primary products. Because the Wadden Sea has the</p>	<ul style="list-style-type: none"> • High demand for products of high quality • Efficient production • Lower prices due to fierce competition • Production on fertile marshland • Primary producers have a weak position • Good/bad conditions for niche production? • High risks <p>The market is highly liberalized. EU subsidies are mainly intended for testing new technologies. Generally, the Wadden Sea region agriculture has specialized on milk production, for which there is most expertise and the soil and climatic conditions are excellent. Also the production of fodder is done in the region and formerly wheat production areas are used for this purpose. Less optimal soils are used for nature, living and recreation. These are the eastern part of Groningen, the Weser marsh area, and parts of Geest areas in Niedersachsen.</p>	<ul style="list-style-type: none"> • Local production • Niche markets • Traditional food products • Organic food • High-quality products • Support for agriculture in combination with local demands (f.e. landscape protection) • High risks? • Market pressure low and demands high • National subsidies instead of EU subsidies • Will there be a Wadden Sea coalition? <p>The WS countries have created a protected market within the EU. The role of agriculture in the rural area i.e. in terms of the social cohesion of the countryside, nature protection and protection of cultural heritage is acknowledged by society.</p> <p>There is, of course, a demand for increasing efficiency -which is mainly realized through concentrating agriculture on the best soils- but the above elements are taken into due consideration in the fixing of prices for primary products. This concerns mainly the traditionally strong products from</p>	<ul style="list-style-type: none"> • Uncertainty – “Trial and Error” • Low propensity to invest • Direct selling • Budget prices <p>Due to the bad economic situation the position of farmers is not easy. There are, however strong national positions and the global market is shielded off. The situation is somewhat comparable to today: A strong position of NL and DK, also for export. A relatively weak position of the German farmers but sufficient subsidies to continue. Production is mainly for the local, regional and national market and there is much direct selling.</p>

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	<p>status of European Nature Protection Park, it is forbidden to grow gene-modified products in a buffer area bordering the park. There is a trend towards voluntary enlargement of this area because farmers see a good option for using the European Park label for their products, especially milk and milk products. Because of the worldwide increasing use of gene-modified crops, and the growing demand for “clean” products, this is a market with good perspectives. Also horticulture with a “green” label is increasing in the area. These farmers have also supplementary incomes from nature protection activities, related to Natura 2000 areas. In the vicinity of the bigger towns and near nature areas small to medium sized farms have possibilities for a broadening of their income basis by direct selling, nature conservation and tourism activities.</p>	<p>For the growing of so-called energy crops the WS region is “too small” to be competitive on the global market. Due to the high price for oil and the decreasing prices of renewable energy installation, farmers are, however, to large extent energy independent due to the use of wind energy, solar energy and own production of biogas.</p>	<p>the region, i.e. milk and seed potatoes, which are the main export products. For local, regional and national markets a strong diversification of the product palette has occurred, not only in the food sector but also for biomaterials and energy. In addition nature and cultural heritage protection, as well as tourism and recreation are important additional sources of income. The processing of products from the primary sector has, through national stimulation policies, been brought back to the regions.</p>	
Society	<ul style="list-style-type: none"> • Fewer people working with farming • Farm house holidays • Travelling over shorter distances • Part time farming <p>The scale enlargement and the poor economic perspectives are a burden for the social cohesion in</p>	<ul style="list-style-type: none"> • Less interest of people in production methods, especially among young people. • Nature perception: Country-site seen as “play-ground” <p>The separation of agriculture and society has increased. A differentiation has developed into</p>	<ul style="list-style-type: none"> • Identification with history • Regional and local orientation, politically passive people • Social situation farmers worse or satisfied farmers? • Package solutions in tourism • Shorter holidays 	

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	<p>the countryside. Many young people are leaving the area and there is import of cheap labour forces from the new member states. The composition of the population is becoming more unbalanced.</p> <p>Only in the vicinity of cities and nature and recreation areas there is a more vivid countryside.</p>	<p>large areas with big farms and sub-soil areas with nature areas, countryside housing and small ecological farms with direct selling and tourism services.</p> <p>Large-scale agricultural production has become an industrial business. Family enterprises are in minority and decreasing further.</p>	<p>There has been a revitalisation of the countryside as a result of the stopping of scale enlargement, the broadening of the production palette of farmers and the increased processing. This has brought additional jobs and an increase in added value.</p>	
Technology	<ul style="list-style-type: none"> • Implication expensive energy • Small-scale innovation • Energy production <p>Energy prices are comparable with today's situation, but low tax diesel is no longer available. This has caused a strong increase in the price to be paid by farmers, which has been an additional factor in scale enlargement.</p>	<ul style="list-style-type: none"> • Gene-modified crops • Hormones • Less nuisance • Bio-mass energy • Everything is possible 	<ul style="list-style-type: none"> • Similar as in "Cautious World" 	<p>Innovation small scale. Because of low economic growth there is only little money for investments, most innovation will be in the processing industry</p>
Environment	<ul style="list-style-type: none"> • Chaotic/unregulated nature administration • There will not be sufficient money for administration and nature conservation. • Will this lead to lower quality nature or to higher diversity? • Increased polarisation <p>The two main legal instruments, the Water Framework Directive and the Habitat Directive have to a large extent been implemented and</p>	<ul style="list-style-type: none"> • Agenda 21 – doubling of food production • Use of hormones, loose barns • How about the cultural aspects? <p>The minimum requirements of the WFD and Habitat Directive have been implemented. Water quality is good.</p>	<p>Well-organised administration of nature</p> <p>More or less similar as in "Cautious World"</p> <p>The Wadden Sea and large parts of the adjacent mainland have been designated as natural and cultural heritage site. The awareness of the conservation of nature areas and</p>	<ul style="list-style-type: none"> • Little concern for nature • Regional differences, no common policy • No continuity in policies <p>Danger to nature because of many (potential) changes</p> <p>Big national and regional differences. [to be elaborated]</p>

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	<p>water quality has further improved.</p> <p>The Wadden Sea has the status of European Nature Protection Park. Also large parts of the mainland are included.</p> <p>A GM free barrier has been designated in a 10 km zone bordering the European Park.</p>	<p>“Undisturbed” nature is restricted to the habitat areas. The cultural heritage is usually combined with tourist sites.</p> <p>The agriculture-industrial complexes are subject to strict quality controls.</p>	<p>the cultural heritage is high.</p>	
Spatial developments	<ul style="list-style-type: none"> • Still enough land available. Prices still (relatively low) • Big Agro parks 	<ul style="list-style-type: none"> • Enormous growth of second homes in healthy & attractive environments • Some protection of landscapes with very high cultural or ecologic value • Big pressure on agricultural space leads to 3 kinds of diversification of agriculture: <ul style="list-style-type: none"> = Food production = Agro tourism = Food & health centres 	<ul style="list-style-type: none"> • Rural area as recreational area (walk, bike, bird watching) especially near cities • Hardly any attention, future for farmland-dependent agriculture. • Agriculture sector transforms to landscape and nature protection or recreation 	<ul style="list-style-type: none"> • Hardly any pressure from cities. • farmland-dependent agriculture still possible • Small scale farming near cities in areas where living and rural functions mingle. • Big monolithic farms far from cities. • Cultural landscape elements vanish.
Climate change	<p>General: Political reaction to the threat of climate change. Need for creation of fresh water storage basins and or increased pumping facilities. Spatial planning in the coastal zone (no further infrastructure). Increased budget for coastal defence. Subsidies for drought resistant crop development. Tightening of CO2 reduction measures.</p> <p>N.B. The manifestation of these actions will strongly differ in the different worlds and will strongly depend upon what really happens in the coming 10 years with climate change. In case we do not see additional signs, not much will happen in each of the worlds.</p> <p>If we do see clear signs of climate change (increased sea level rise, a higher frequency of weather extremes, more storms) the following consequences for agriculture in the WS region may be expected:</p> <ol style="list-style-type: none"> (Mandatory) designation of sufficient water storage capacity on land. Creation of buffer zones without infrastructure Higher costs for dike enforcement Higher energy prices More possibilities (subsidies) for renewable energy (wind, solar, bio) Subsidies for planting of forests Development drought resistant crops Less resilient sites abandoned (f.e. low-lying areas) 			

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	<p>The Commission will take the lead in developing spatial policies for mitigating the (possible) impacts. The CO2 reduction policies will be tightened. Renewable energies will be stimulated. (non-renewable higher taxed?) More conflicts with WS European Park (clay extraction etc.).</p> <p>Financial support and compensation will not be sufficient to cover the real costs</p>	<p>Much will be left to the private initiative, for example investments in renewable energy or research into resistant crops. Also combination with tourism (inland lakes).</p> <p>CO2 reductions not expected.</p>	<p>There will be strong trilateral government initiatives to realize the above catalogue. Sufficient subsidies and compensations will be provided.</p> <p>CO2 policies will probably not be tightened (no global responsibility)</p>	<p>There are big differences in actions taken by the WS countries. For example: In the NL storage basins have been created and the dikes are being reinforced considerably. Germany creates additional pumping capacity. Dike reinforcement is postponed because the latest round has been finalized ten years ago.</p> <p>In DK storage is no real problem and dike enforcement postponed. Specific initiatives for renewable energy and more forests are stimulated in Germany and DK.</p>