

1. Decision-Making

General: The Kingdom of Belgium is a constitutional monarchy. The 2001 reform of the Belgian Constitution was the latest in a series of constitutional changes (others occurred in 1970, 1980, 1988 and 1993) which have transformed the country into a federal state made up of three Communities and three Regions. The three Communities are the French Community, the Flemish Community and the German-speaking Community. The three Regions are the Walloon Region, the Flemish Region and the Brussels-Capital Region.

Decision-making power is shared by the Federal Government, the three Communities and the three Regions, which are equal in law and exercise their responsibilities independently in various fields. The Federal Government is responsible for justice, social security, monetary and fiscal affairs and national defence.

The three Communities deal with cultural matters, education, use of languages and “personrelated matters” such as some aspects of health.

The three Regions have authority in respect of socio-economic matters such as economy, environment, agriculture and zoning.

The Federal Government and the Regions have shared competences in the field of economy, transport and environment. Regarding foreign policy, each entity has external competence concerning their internal competences.

The Federal Government, communities and regions each have their own parliament and government, although the Flemish Community and the Flemish Region have merged their parliaments and government.

Each Region further expands the modalities and implementation priorities. The Regions are totally responsible for policies and implementation related to agriculture and rural development.

The principles of sustainable development, particularly since the 1992 United Nations Conference on Environment and Development (UNCED), are increasingly influencing National decision-making in international responsibilities and in the coordination of Regional Government initiatives.

Flemish Region: In Flanders, policy-making for Agriculture and Rural Development is a competence of the Agriculture Department (DLV), policy-making for Land is a competence of the Environment, Nature and Energy Department (DLNE), both under the Ministry of the Flemish region. An interdepartmental Working Group on Sustainable Development is established, a first achievement of this group is the Flemish Strategy on Sustainable Development which was approved in July 2006.

Walloon Region: In the Walloon Region, policy-making for Agriculture and Rural development is a competence of the General Direction of Agriculture (DGA) under the ministry of the Walloon Region.

2. Status

Belgium has about 10.239.085 inhabitants (2000), spread over an area of 30,518 km². It is a very densely populated country with about 335 inhabitants per km². Its population is quite unevenly distributed. The highest population densities are found in the north and centre of the country, more especially within the quadrangle formed by the cities of Antwerp, Brussels, Ghent and Leuven, in which more than 40 % of the national population lives. By contrast, the population density south of the Charleroi-Namur-Liege axis is less than 80 inhabitants per km². Nowadays some experts argue that Belgium has reached virtual 100% urbanisation, even though the official figure is around 96-98%." The high density together with the very high degree of urbanisation, and high level of industrialisation has had its effect on the overall environmental quality.

Since then both the public and private concerns of environmental degradation have come to the fore strongly and substantial efforts to remedy problems have been undertaken. Far from being solved such problems are, in some domains, either stabilised or partially remedied. It is expected that further public policies as well as efforts of individuals and civil society in general will, in the coming years continue to be of high priority.

Flemish region:

Flanders is strategically located in the "Golden Triangle" of London, Paris and Amsterdam. Flanders covers an area of 13,522 km² and has about 6 million inhabitants, or 444 inhabitants per square kilometre. Flanders therefore has more inhabitants per square kilometre than any other European country. The Netherlands come in second place.

Over 46 % of the total surface area in Flanders is earmarked for agriculture, even though only 2.3 % of the overall working population is employed in the agricultural sector. Flanders is well behind the rest of Europe on this score.

The agricultural sector in Flanders accounts for 1.5 % of the region's gross domestic product, which is about 148 billion euro. However, in terms of Belgium's overall trade balance, the foreign farm trade represents about 11% of the positive margin, equal to 18.8 billion euro in 2002.

All matters related to agriculture come within the scope of the regional authorities, apart from food safety, which is still a federal policy area. In the form it takes in Flanders agricultural policy is essentially European based. At this level Flanders is able to shape its policy in the light of what is decided by the European Union authorities.

Walloon Region::

Walloon Region covers an area of 16,844 km² and has about 3.4 million inhabitants, or 203 inhabitants per square kilometre.

Over 45 % of the total surface area in Walloon Region is earmarked for agriculture, even though only 1.9 % of the overall working population is employed in the agricultural sector. Walloon Region is well behind the rest of Europe on this score.

The agricultural sector in Wallonia accounts for 1.2 % of the region's gross domestic product, which is about 60 billion euro. However, in terms of Belgium's overall trade balance, the foreign farm trade represents about 11% of the positive margin, equal to 18.8 billion euro in 2002.

All matters related to agriculture come within the scope of the regional authorities, apart from food safety, which is still a federal policy area. In the form it takes in Wallonia agricultural policy is essentially European based. At this level Walloon Region is able to shape its policy in the light of what is decided by the European Union authorities.

3. Programmes and Projects

3.1. Common Agricultural Policy: Price and income support

Flemish region:

The Flemish agricultural policy is aligned on the European Common Agricultural Policy (CAP). The European policy is reflected first of all in the price and income support. The aim is to ensure a fair standard of living for the agricultural community. Since 2003 the income support within the CAP is geared towards consumers and taxpayers, while giving EU farmers the freedom to produce what the market wants. A vast majority of subsidies is paid independently from the volume of production. The "single farm payments" is linked to the respect of environmental, food safety and animal welfare standards. Severing the link between subsidies and production will make EU farmers more competitive and market orientated, while providing the necessary income stability.

Key elements of the reformed CAP

- A single farm payment for EU farmers, independent from production; limited coupled elements may be maintained to avoid abandonment of production,
- this payment is linked to the respect of environmental, food safety, animal and plant health and animal welfare standards, as well as the requirement to keep all farmland in good agricultural and environmental condition ("cross-compliance"),
- a strengthened rural development policy with new measures to promote the environment, quality and animal welfare and to help farmers to meet EU production standards starting in 2005,
- a reduction in direct payments ("modulation") for bigger farms to finance the new rural development policy,
- a mechanism for financial discipline to ensure that the farm budget fixed until 2013 is not overshot,
- revisions to the market policy of the CAP:
 - asymmetric price cuts in the milk sector: The intervention price for butter is reduced by 25% over four years, which is an additional price cut of 10% compared to Agenda 2000, for skimmed milk powder a 15% reduction over three years, is retained,
 - reduction of the monthly increments in the cereals sector by half, the current intervention price will be maintained,
 - reforms in the rice, durum wheat, nuts, starch potatoes and dried fodder sectors.

Environmental concerns play a vital role in the Common Agricultural Policy. It is an objective of the Community to reach the right balance between competitive agricultural production and the respect of nature and the environment. The integration process refers to the introduction of measures seeking environmental protection into different Community policy areas. It implies an active pursuit of coherence between agricultural and environmental policy

From 2005, all farmers receiving direct payments are subject to compulsory cross-compliance. Nineteen legislative acts applying directly at the farm level in the fields of environment, public, animal and plant health and animal welfare have been established and farmers will be sanctioned in case of non-compliance (partial or entire reduction of direct support). Beneficiaries of direct payments will also be obliged to keep land in good agricultural and environmental conditions. These conditions include standards related to soil protection, maintenance of soil organic matter and soil structure, and maintenance of habitats and landscape, including the protection of permanent pasture. In addition, there can not be a significant decrease in the total permanent pasture area, if necessary it will be prohibited to converse pasture to arable land.

In Flanders most premiums were decoupled in 2005. There are three kinds of single farm payments, the normal, the special and the set-aside entitlements. In Flanders an average normal entitlement is about 318 euro per hectare, the special entitlement 2.032 euro per hectare and a set-aside entitlements 375 euro per hectare. In total 26.499 farmers (this equals 77% of the farms) receive 148 million euro.

Walloon region:

Heading 1¹ of the Rural Development Programme recommends specific measures catering in some way for certain sustainable development challenges identified in the "Agriculture" theme:

1. Policies and programmes to enhance agricultural productivity and farmers' incomes;
2. Actions to improve water management in agriculture (e.g., more efficient use, improved irrigation); measures to make more efficient and effective use of energy and other essential inputs for sustainable agricultural production;
3. Measures to improve and develop infrastructure to enhance distribution to markets;
4. Measures taken to diversify agricultural production systems, including development of new markets for value-added agricultural products.

The following summary outlines the strategy for action (objectives sought) to create measures to be implemented for the 2007-2013 programming period. The strategy is being developed in the light of a review about the strengths/weaknesses and the limitations/prospects reported in the Walloon Region (see strategic approach under heading 1).

Heading 1: Improving the competitiveness of the agricultural and forestry sectors

The key objectives under this heading are:

- promoting measures for creating added value for agricultural and forestry activities and for companies involved in processing and marketing agricultural and forestry products;
- better promotion of agricultural and forestry products by providing incentives for them to be processed in the Walloon Region:
 - o developing the agri-foodstuffs sector in Wallonia as a key source for job-creating opportunities;
 - o upgrading products, co-products and by-products from agricultural and forestry activities into bioenergy;
- enabling farmers and businesses in the agri-foodstuffs sector to adapt quickly to the constantly changing situation (adjustments to the CAP, new consumers' requirements about products and quality, new environmental standards,...) and to improve their working conditions (less working hours to free up time, in particular, to develop new activities);

The priority objective "encouraging skills acquisition and training in the broadest sense" lends support to the other priorities under this heading.

These key objectives are due to be achieved on the basis of the following secondary objectives:

- improving product quality (hygiene quality, quality resulting from the intrinsic characteristics of the products);
- facilitating the processing of agricultural and forestry products and promoting the primary sector's involvement in adding value to products;
- boosting performances, particularly the environmental performances, of companies, and improving working conditions for those involved in agricultural and forestry activities;
- facilitating diversification and innovation within farms and agri-foodstuffs companies (new products, new production processes...);

The second objective "consolidating training and information programmes, particularly in the case of price risk trends and management", also underpins the other priorities under this heading.

List of measures under heading 1:

- Vocational training and information campaigns, including the dissemination of scientific knowledge and innovative practices for those working in the agricultural, food and forestry sectors

¹ See annex 1.

- Aid for the setting up of young farmers
- Aid for upgrading farms
- Higher added value for agricultural and forestry products
- Support for farmers taking part in food quality schemes

See the Rural Development Programme for further details about the specific objective of each measure and the way this applies.

3.2. Common Agricultural Policy: Rural Development Programme

Flemish region:

Urbanisation is the key problem of the countryside in Flanders. Immigration of city dwellers and the increased interest in the countryside as a 'consumption area' entails increasing land prices and new demands and pressures on agriculture. The challenge for this densely populated countryside is developing a viable agricultural sector meeting all these new demands.

Since the reform of the Common Agricultural Policy in 2003, Rural Development is playing an increasingly important role in helping rural areas to meet the economic, social and environmental challenges of the 21st century. The new legal framework points more clearly to the direction of boosting growth and creating jobs in rural areas – in line with the Lisbon Strategy – and improving sustainability - in line with the Göteborg sustainability goals.

The Rural Development program 2007-2013 will focus on three areas in line with the three thematic axes laid down in the new rural development regulation: improving competitiveness for farming and forestry; environment and countryside; improving quality of life and diversification of the rural economy. A fourth axis called "Leader axis" based on experience with the Leader Community initiatives introduces possibilities for locally based bottom-up approaches to rural development. The European legal framework being established, member states can elaborate their national strategy plans and rural development programs.

For each set of priorities, the EU strategic guidelines are suggesting key actions. Member States prepare their national rural development strategies on the basis of six community strategic guidelines, which will help to identify the areas where the use of EU support for rural development creates the most value added at EU level; make the link with the main EU priorities (Lisbon, Göteborg); ensure consistency with other EU policies, in particular cohesion and environment and finally accompany the implementation of the new market orientated CAP and the necessary restructuring it will entail in the old and new Member States.

The six strategic guidelines are:

1. Improving the competitiveness of the agricultural and forestry sectors
2. Improving the environment and the countryside
3. Improving the quality of life in rural areas and encouraging diversification
4. Building Local Capacity for Employment and Diversification
5. Translating priorities into programs
6. Complementarities between Community Instruments

The new Rural Development Programme for Flanders (RDP II) has the same objective as the current programme (RDP I for the period 2000-2006): to improve the economic viability of the agricultural sector and make rural areas more sustainable, with particular attention to diversification of activities in the agricultural sector and to increased care for the environment.

The analysis of the situation, incorporated in the programme, paints a good picture of the agricultural sector in the countryside. This analysis considers the countryside as a whole instead of the agricultural sector only. The translation of the analysis of the current situation into a Strengths Weaknesses analysis took place following a

procedure whereby both the competent administrative services and midfield partners were consulted. The programme is built around four objectives:

- Objective 1: Improving the competitiveness of agriculture and forestry;
- Objective 2: Improving the environment and the country-side;
- Objective 3: The quality of life in rural areas and diversification of the rural economy;
- Objective 4: Leader.

The strategy such as it is presented by the Flemish Government focuses on the agricultural sector. The environment and the landscape (Objective 2), which play an important part in rural areas, are supported through a large number of proposed measures that take up 25% of the budget. Objective 3 is used as an instrument for several situations (care services, tourism, employment, infrastructure, etc.). Objectives 3 and 4 together obtain 10% of the resources assigned. The measures included in Objective 1, the most important for Flanders, lead to a higher level of professionalism in agriculture and, moreover, follow a chain approach. The measures in Objectives 1 and 2 are also complementary and complete each other. All the measures under Objective 3 are directed towards making rural areas more livable.

Objective 1 is mainly concerned with the improvement of competitiveness in the agricultural and horticultural sector. A number of (sub) measures may lead to (sometimes important) positive impacts on the environment. A lot of environmental measures are found under Objective 2. The concept of area specificity was introduced and the measures themselves were in a lot of cases refined and improved. Examples of measures are; mechanical weeding, colza growing plot edges and small landscape elements. Measures like erosion prevention, species protection, Water Directive measures and organic farming are very well in line with the characteristic environmental problems of Flemish agriculture. Objective 3 targets especially on increasing the viability of rural areas.

Energy issues are abundantly present in the program. On the one hand, agriculture is an import energy consumer. Further energy savings can be achieved by means of investment support, provided that the energy saving potential is taken into consideration when granting the support. Business advice, demonstration projects, training and the measures in floriculture can also contribute to a more rational energy consumption. But agriculture can also produce energy. In the program, this was targeted through a measure about colza growing.

Walloon region:

Heading 3² of the Rural Development Programme recommends specific measures catering in some way for certain sustainable development challenges identified in the "Rural Development theme" :

- Main driving forces for economic growth and social development in rural areas (e.g. agriculture, small and medium enterprise development, employment and other non-agricultural sector);
- Improved access to basic services and infrastructure in rural areas (e.g. adequate shelter, education, employment opportunities, health, sanitation);
- Improved access to reliable and affordable energy services and to modern biomass technologies and fuel wood sources; commercialization of biomass operations in rural areas;
- Enhancement in sustainable tourism development;
- Capacity building for small and medium-sized enterprises.

Targeted by the "Conservation and upgrading of the rural heritage" measure, the remediation of certain NATURA 2000 sites covered with resinous plants also makes a contribution to one dimension of the "Land" theme:

- Long-term land conservation and rehabilitation programmes to arrest land degradation.

² See annex 3.

The following summary outlines the strategy for action (objectives sought) to create measures to be implemented for the 2007-2013 programming period. The strategy is being developed in the light of a review about the strengths/weaknesses and the limitations/prospects reported in the Walloon Region (see strategic approach under heading 3).

Heading 3: Improvement of the quality of life in rural areas and the diversification of the rural economy

The two priority objectives under this heading are set to be:

1. creating economic activities and jobs, particularly those promoting agricultural and forestry products together with the cultural and natural assets of the region;
2. improving the standard of living in rural areas.

These key objectives are due to be achieved on the basis of the following secondary objectives:

- lending support to the development of non-agricultural, off-farm activities primarily as a result of backing investments and the availability of risk capital in sectors covered by the priority objectives, particularly for the benefit of micro-enterprises;
- promoting the supply and use of renewable sources of energy;
- facilitating moves by farms to diversify into non-agricultural activities (such as farm tourism);
- lending support to the creation of social economy initiatives and local services;
- facilitating trans-municipal rural development partnerships;
- developing and revitalising the natural heritage and the heritage of rural buildings;
- promoting the development of private group workshops;
- renovating and developing villages (applying solely to schemes launched prior to 2007 but still in progress).

Schemes involving training and skills acquisition and organisation are in the pipeline so as to formulate and launch a local development strategy.

List of measures under heading 3:

- Lending support for investments to encourage farms to branch out into non-agricultural activities (educational farms...)
- Help in creating and developing rural micro-enterprises
- Promoting tourist activities
- Providing support for the delivery of basic services for the rural economy and the rural community
- Conservation and upgrading of the rural heritage
- Providing key economic operators with training and information about the items referred to under heading 3

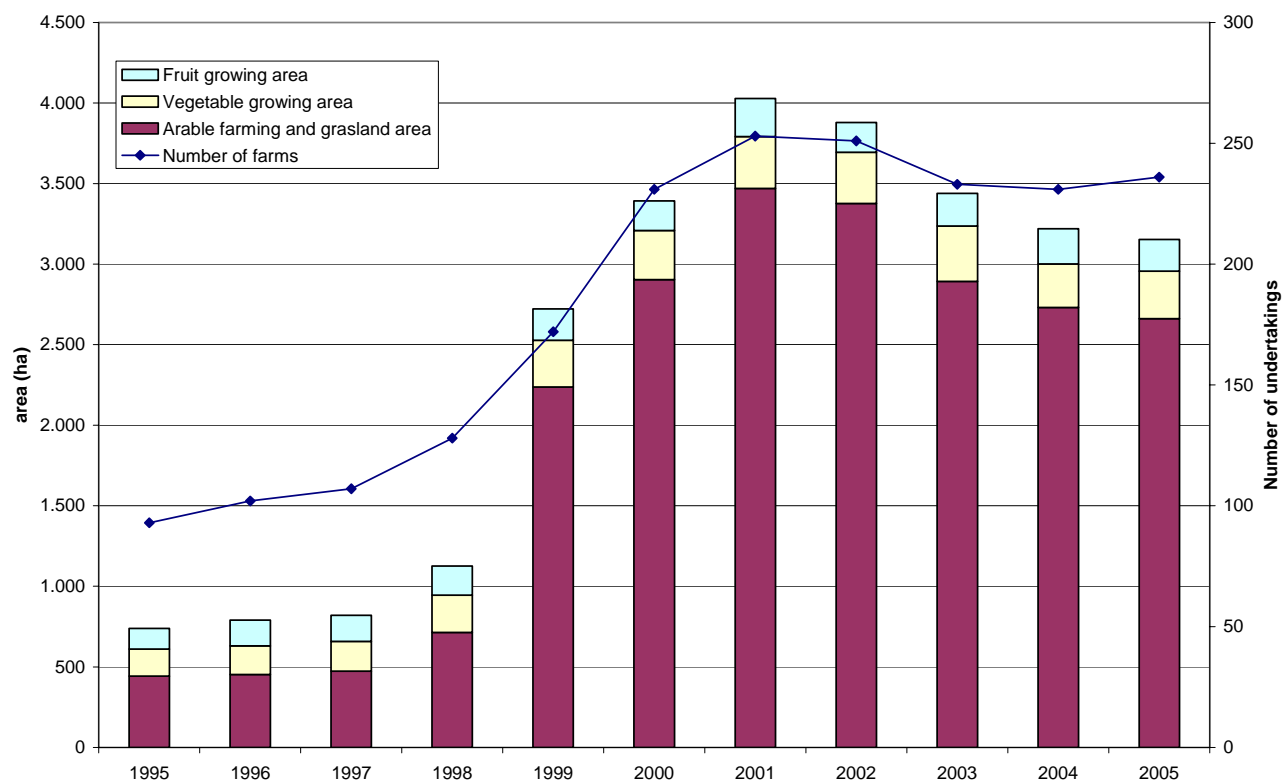
See the Rural Development Programme for further details about the specific objective of each measure and the way this applies.

3.3. Organic Farming

Flemish region:

The organic farming sector grew steadily between 1995 and 2001, reported zero growth from 2002 until 2005. After 2005 a new light growth is visible. Organic farming consists now 0.5 % of the overall agricultural surface area, which is under the European average of 3.5 %.

Evolution of organic farming



The 232 undertakings involved in organic farming cover an average organic area of 3.267 ha. The premium system for organic farming is apparently attractive for extensive grassland. Hence two-thirds of the organic area consists of meadows.

The fruit and vegetables sector reports zero growth. In these more intensive production sectors the level of support does not match the loss of profit and investment costs of conversion.

The sheep (2.4 %) and goat (11.3 %) sectors are the only ones boasting significant levels of organically reared livestock. The more intensive production sectors (pigs and poultry, for example) barely make any mark at all in the world of organic farming. The changeover to organic farming is made difficult not only because of the economic situation but also by the intensive practices of agricultural holdings. Farmers also fear that their holdings will lose their value during the conversion process.

In the meantime, the demand for organic products is continuing to exceed the supply, hence the need to import huge quantities of organic products. Flemish organic farmers' failure to make any significant inroads into the organic market is blamed on the fact that they do not produce large enough volumes and the distribution channels need to be improved.

3.4. Agriculture and international trade

The EU is one of the key players in the World Trade Organisation (WTO). This is because the EU has a common trade policy, where the European Commission negotiates on behalf of the Union's 27 Member States. As such, the EU is one of the driving forces behind the current round of multilateral trade negotiations in the WTO, the Doha Development Agenda (DDA). The DDA comprises both further market opening and additional rule making, underpinned by commitments to take measures necessary to integrate developing countries into the world trading system, notably by strengthening assistance to build capacity. The main objective of the New Round is to put development at the heart of the world trade system in a way that will help them combat poverty.

The European Union wanted a positive outcome of the Doha Round. The WTO is the only place to discipline trade distorting domestic farm support. A balanced deal would be better than no deal – for everyone. A time out has been called in the talks. The EU came to Geneva prepared to do what you have to do in a negotiation. The main task was to explore others' flexibilities. Europe was prepared to walk the extra mile if a final deal was within reach. Unfortunately, the US preferred to stand still. We will now have to reflect on the consequences of this failure and explore the possible way forward. The offer from October 2006 remains on the table. Meanwhile, we will continue with our internal reform process – on wine, bananas and fruit and vegetables. This is also a missed opportunity for developing countries. They need the multi-lateral system to gain the full benefits from increased trade. We are by far the biggest importer from the developing world and offer the Least Developed Countries.

3.5. Land

Flemish region:

- *Long-term land conservation and rehabilitation programmes to arrest land degradation*

The inventory/identification of contaminated sites, including remediation of contaminated sites when considered to be necessary for safeguarding human health, is since several years enforced by an elaborated soil remediation decree. Concerning land degradation and soil protection, erosion and decline of organic matter are the first soil problems to be tackled. Erosion prevention is a major issue in soil policy and several anti-erosion actions are being taken (subsidies for small scale anti-erosion works by local authorities, cross-compliance, agri-environment measures, soil decree containing new articles concerning soil protection next to soil remediation...). A major degradation process to be tackled is compaction.

- *Policies and laws to guarantee land and water rights and legal security of tenure.*

Laws and rules guarantee land and water use rights as well. The land ownership is guaranteed by means of a public land register, the land tenureship is guaranteed by a land tenure law. Since the agricultural land is mostly in use by land tenants (only one third of the agricultural land is owned by the farmers themselves) the land tenure law is the stronghold of the land and tenant rights. The water rights are guaranteed by water legislation; the land user of land parcels bordering surface water have the right to tap this water. The use of groundwater is limited by specific groundwater use permits, edited by the groundwater authority.

- *Local community based programmes to sustainably enhance productivity of land and the efficient use of water resources.*

Land reallocation projects are small scale and local community based projects and contain several mechanisms to improve the productivity of land in a sustainable way. Projects to store rainwater are implemented; the use of effluent water from waste water treatment plants for irrigation purpose has become a practice, and more efficient

irrigation techniques are commonly implemented (sprinklers, drip irrigation, fertigation.....). One main irrigation scheme for horticulture is being implemented on dry sandy soils (1.400 ha).

- *Strategic urban planning approaches aimed at managing urban growth, limiting urban sprawl and reducing the number of people living in poverty in urban and rural areas.*

Strategic urban and rural planning as well is in place. Emphasis is on safeguarding the open space and the still open rural structures. The urban sprawl is limited to confined boundaries through destination plans. The RSV (Ruimtelijk Structuurplan Vlaanderen, a land management general master plan for the whole of Flanders) defines the spatial development for all sectors, putting emphasis on sustainable development, and impending instead of expanding (brownfields...) with full respect to and safeguarding the remaining open spaces. The setting up of the Flemish Ecological Network aims in enlarging the existing nature and forest areas in detriment of some, naturally less fertile agricultural areas. Meanwhile the professional agricultural area will be redefined in renewed agricultural destination maps. Rural and urban poverty is combated by increasing the employment rate by all means (lowering the taxes on cheap labour, individual responsabilisation...) and the guaranteed income for the unemployed and destitutes of all kind and all ages.

- *Programmes for empowerment of people living in poverty and for their increased access to land and land tenure arrangements.*

Because of the relative shortage of land in the densely populated Flanders region, and the highly developed, capital intensive and efficiently organised agriculture, the new income of landless poor of urban or rural origin into the agricultural economy as entrepreneur is not at stake. The labour intensive horticulture and fruit growing sector is although offering a lot of season-labour job opportunities to these unemployed. The existing land tenure arrangement, enforced by the land tenure law, is a guarantee for the continuous, career-long access to land for the whole of the farming community of the Flemish region, since private land ownership is not common in agriculture.

- *Environmentally sound, effective and efficient use of soil fertility improvement practices and agricultural pest control.*

Existing drainage systems are kept in good shape. The extension of main drainage systems is no longer a political aim since this would harm wet nature and biodiversity (wetlands and alike); river systems are arranged or rearranged towards natural structures. Emphasis is laid on the improvement of the natural soil fertility: enhancement of soil organic matter, combating erosion and compaction by improvement of cultural techniques (low till, no till...). Erosion prevention is a major issue in soil policy and several anti-erosion actions are being taken (subsidies for small scale anti-erosion works by local authorities, cross-compliance, agri-environment measures, soil decree...). Conservation agriculture, organic agriculture and improved common agricultural techniques are being introduced. As far as agricultural pest control is concerned, emphasis is on integrated pest control (lowered doses, and less toxic and less environmentally harmful substances), combined with technical control of sprayer equipment and extension services for farmers.

- *Integrated assessments of socio-economic and environmental potentials of land resources*

Environmental assessment is the rule for all major infrastructural interventions and main building projects (private and public as well), i.e. for all interventions with major impact on land resources. Both socio-economic and environmental assessment – all relevant sectors involved – is commonly, and in an integrated way, used in land management (land-use/destination plans), and in all types of land consolidation projects (agriculture, nature, forest, recreation..).

- *Development and use of land-use indicators and related monitoring and information systems.*

Land-use indicators are in use since several years (OECD/EUROSTAT). Other soil related indicators are in place: water use, plant protection use, energy use, nutrient balances, erosion. Specific soil protection indicators are under the way (erosion, organic matter, compaction, salinisation, landslides, sealing, and contamination). In relation to information systems electronic information and database systems, as well as GIS-systems, are in place or under the way for all aspects of land resources. GIS-systems are commonly used for all types of

planning and management of land resources. The internet provides general and specialised information to all stakeholders.

Walloon region:

Heading 2³ of the Rural Development Programme recommends specific measures catering in some way for certain sustainable development challenges identified in the "Land " theme:

- Long-term land conservation and rehabilitation programmes to arrest land degradation;
- Environmentally sound, effective and efficient use of soil fertility improvement practices and agricultural pest control.

The following summary outlines the strategy for action (objectives sought) to create measures to be implemented for the 2007-2013 programming period. The strategy is being developed in the light of a review about the strengths/weaknesses and the limitations/prospects reported in the Walloon Region (see strategic approach under heading 2).

Heading 2: Improving the environment and the countryside

The key objectives under this heading are:

1. promoting the complementary relationship of agriculture/forestry activities and the environment;
2. protecting and developing high natural value areas;
3. halting the decline of biodiversity.

Two other EU priorities "delivering the objectives of the Water Framework Directive" and " mitigating climate change" are also due to be factored in but this applies to multisectoral priorities that may be achieved by measures applied under other headings. These include the development of energy sources and renewable materials (headings 1 and 3) and boosting the environmental performance of agricultural and the agri-food activities (heading 1).

These key objectives are due to be achieved on the basis of the following secondary objectives:

- promoting environmentally-friendly practices;
- facilitating the restoration of the most degraded areas;
- protecting agricultural landscapes particularly in disadvantaged areas;
- and, in harmony with headings 1 and 3, combating climate change by promoting the use of biomass for energy purposes.

List of measures under heading 2:

- Compensation payments for farmers in disadvantaged areas
- Compensation payments for farmers in NATURA 2000 areas
- Payments for agro-environmental measures
- Support for non-productive forestry investments: creating isolated forestry senescence and edge areas

See the Rural Development Programme for further details about the specific objective of each measure and the way it applies.

3.6. Interlinkages between ‘agriculture, land en rural development’ and other relevant issues

- A national biodiversity strategy was adopted in 2006, the strategy highlights inter alia the necessity to ensure sustainable use of biodiversity in agriculture, consumption and production policies, fisheries,

³ See annex 2.

forestry, etc. Concrete actions and modalities for implementation of the Strategy (where needed) still have to be identified.

- The effects of climate change on wetlands is a major concern. Because of high population density and the relative shortage of land resources, wetlands are rather endangered by (drinking) water extraction, water drainage for agricultural purposes, and inappropriate land use. The elaboration of the Flemish Ecological Network (based on the river systems) and the river basin approach in water policy should protect or restore the remaining wetlands.

4. Capacity-Building, Education, Training and Awareness –Raising

In order to ensure people's participation and to promote human resource development for sustainable agriculture, the government has taken several initiatives such as: codes of good agricultural practices (nutrients and pesticides), agricultural pilot projects at the field level, post-school educational programmes by authorities and private organizations. Many of the recommendations for promoting sustainable agriculture in Agenda 21 have been or are being implemented. These include measures which take into account demographic trends, studies on land taxation structures, linkage between international trade and agricultural production, strengthening farmers' rights, developing databases, and developing policy to rehabilitate degraded lands. These measures are being achieved by legislative and regulatory reforms, pilot projects, training and the development of National plans. The three Communities are responsible for the post-school education of regional farmers. This education integrates sustainable agriculture.

Flemish region: Some concrete examples in the field of the theme 'Land':

- All land management and all land consolidation procedures involve the land owners and land tenants as well as the local population. The specific use/destination of the land (nature and forest areas, agricultural areas, dwelling areas, industry...) is kept in place by legal destination maps, being the results of public procedures involving all concerned parties. Land consolidation and land reallocation projects undergo similar public procedures, involving land owners and land tenants as well, by using rigid rules to protect scrupulously the existing landownership's and landtenureship's rights. These projects aim to improve the economic and social conditions of the rural areas by improving the rural land structures (reallocation parcels, improved road structures....), giving place to a more efficient land use, especially agricultural land use, with respect to nature and biodiversity, including extension of the nature and forest areas.
- The existing procedures of land management and/or land destination planning guarantee the individual rights of woman and men alike. The by law enforced guaranteed minimal representation of woman in advising commissions for land consolidation projects will eventually lead to the expected gender mainstreaming.

5. Research and Technologies

Federal level:

Implementation of actions falling under the federal science policy is mainly a responsibility of the PPS Science Policy. Agriculture Research and Research on rural development in the PPS Science Policy is mostly integrated into the "Science for a Sustainable Development (SSD)" programme. This programme was approved by the Council of Ministers on 4 March 2005. The SSD programme has a total budget of 65,4 MEUR and will end in December 2009. This federal initiative benefits from the collaboration of the regional and local authority governments, which have a certain number of competences required for the envisioned scientific research's outcomes to give rise to tangible innovations in the area of sustainable development. To this end, the federal government, Regions and Communities signed on 29 April 2005 a cooperation agreement to implement and follow up this Programme.

Projects:

- Multifunctionality and local identity as paradigms for sustainable and competitive agriculture (MUSICAL)
The modernization of agriculture has gradually put pressure on its contribution to the yellow (social care and cohesion), green (environmental and landscape services) and blue services (water management and flood control), and consequently on the ecological and social sustainability of farming. An important problem is that markets for remunerating the mentioned non-commodity contributions of farming are mostly lacking. This research project investigates how those markets may be constructed on the basis of local identity and territoriality. The main objective of the project is therefore to investigate what local or regional identity means, how farming contributes to it and whether this concept can be a clue to promote multifunctional farming.
- Food interactions : effects on health, consumer perception and impact on agro-food industries (FOODINTER)

Interactions between active substances and other compounds (drugs, contaminants, food constituents) are poorly documented. Therefore, food safety issues become even more complex than ever. In addition, it is necessary to study how new consumption habits are evolving. Aspects such as information, risk perception, and communication to the authorities, agro-food companies, health professionals and consumers are considered.

The objective of this project is to contribute to the risk assessment linked to the consumption of dietary supplements, para-pharmacy products and functional foods. Interactions between active substances, natural compounds, transformation products, environmental contaminants, are being studied. Taking into account new consumers' habits, the project focuses on the impact of these interactions on human health. It will increase knowledge and fill some gaps regarding health claims and drawbacks that could be linked to these new habits in human nutrition.

- Toward a sustainable management of pond diversity at the landscape level (PONDSCAPE)

Water is needed in all aspects of life (article 18.2 of Agenda 21). The biota of freshwater habitats constitutes a large component of overall biodiversity: more than 8% of all described species for only 0.01% of total surface area. Recent research has pointed out that ponds, despite their small size, contribute significantly to the aquatic biodiversity at the regional scale.

- History of social and economic relevance of ponds to stakeholders

The project first determines how ponds have gained or lost their objective value in a more or less recent history. Perceptions of stakeholders (farmers, nature conservation agencies, local authorities, local people) concerning several aspects of farm land ponds will be analysed through semi-directive interviews, probing the viewpoints of stakeholders about the socio-economic characteristics of ponds: costs versus revenues, importance in the farm economy and beyond, management practices and issues, the opportunity of financial compensations.

- Pond biodiversity, management and pollution

The project extends the number of investigated pesticides during a former project and it studies the temporal dynamics of pesticides in relation to application schemes in the agricultural sector.

Impact of tropospheric Ozone on Food and Feed Quality of Brassica species (OFFQ)

Various scenarios predict an increase of the air pollutant ozone by as much as 50% above today's level during this century. This will have detrimental effects on plant productivity and cause changes in yield quality of agricultural and horticultural crops. This study on the influence of ozone on changes in metabolism of vitamins and natural toxins in Brassica crops (cabbage vegetables, oilseed rape) contributes to the knowledge on the indirect influence of the environment on safety and health aspects of the food chain. Increasing knowledge of the plant-environment interactions will surely provide novel strategies to stabilise agricultural yield and quality in a fluctuating environment. It is also imperative to be able to detect, monitor and understand the full impact of our changing environment, in order to identify the risks and justify the appropriate actions.

- Development of an integrated strategy for controlling the allergen issue in the Belgian food and catering industry (ALLERRISK)

Food allergies represent an important health problem and the prevalence of allergic reactions shows an increasing trend over the last years. Currently, the only effective treatment for food allergy is avoidance of the allergen-containing food. The screening of food products to detect possible allergens is an essential part of a solid preventive policy at the level of the public authorities and the food industry. The food industry is actually

confronted with a problem with regard to the validation of their production processes in order to assure absence of cross contamination in the production lines and also with a reliable quality control of the incoming materials. Due to the specific characteristics and the high level of variability among allergens, the development of functional methods to detect the most important allergens will allow public authorities to compose a new preventive policy in order to improve food safety. The main objective of this project is to develop for two selected allergens, namely hazelnut and soy, an integrated control strategy. In such a strategy, quantitative analysis of the target allergen plays a central role. This strategy will be a tool for the government, the Belgian food and catering industry and other interested parties to ensure safe food to the consumers and can be applied to other allergens in the future.

Flemish region:

Flanders' agricultural research -in its broadest sense- is under the authority of four policy fields of the Ministry of Flanders. Together they host a wide range of scientific institutions, research institutions and policy research centres, and take care of research funding in many forms. Structural funding is given to universities, schools of higher education, agricultural & horticultural high schools, agricultural centres of excellence and centres of demonstration. Besides, project based funding is being organised, as well as the funding of individual researchers.

Scientific institutions, research institutions and policy research centres

- National Botanic Garden of Belgium (NPB – Nationale Plantentuin van België): <http://www.br.fgov.be/>
- Instituut voor Landbouw- en Visserij Onderzoek <http://www.ilvo.vlaanderen.be/>
- Institute for Forestry and Game Management (IBW - Instituut voor Bos- en Wildbeheer): <http://ibw.inbo.be>
- Flanders Marine Institute (VLIZ – Vlaams Instituut voor de Zee): <http://www.vliz.be>
- Flemish Interuniversity Institute for Biotechnology (VIB – Vlaams instituut voor Biotechnologie): <http://www.vib.be>
- Flemish Institute for Technological Research (VITO - Vlaams Instituut voor Technologisch Onderzoek): <http://www.vito.be>
- Institute for Plant Biotechnology for Developing Countries (IPBO – Instituut voor Plantenbiotechnologie voor Ontwikkelingslanden): <http://www.ipbo.rug.ac.be>
- Centre for Research and Conservation (CRC) of the Royal Zoological Society of Antwerp (RZSA): <http://webhost.ua.ac.be/crc>
- Flemish Institute for Science and Technology Assessment (viWTA - Vlaams Instituut voor Wetenschappelijk en Technologisch Aspectenonderzoek): <http://www.viwtta.be>

Agricultural research in Flemish Universities & schools of higher education

- Katholieke Universiteit Leuven – Faculty of Bioscience Engineering: <http://www.biw.kuleuven.be>
 - Flanders Centre of Postharvest Technology (VCBT - Vlaams Centrum voor Bewaring van Tuinbouwproducten): <http://www.biw.kuleuven.be/aec/vcbt>
 - Centre for Fruit Breeding (Fruitteeltcentrum): http://www.biw.kuleuven.be/dtp/fruit/English_Version.htm
 - Centre for Animal Husbandry (Zoötechnisch Centrum): <http://www.biw.kuleuven.be/ztc/ned/LKD/index.htm>
- Ghent University – Faculty of Bioscience Engineering: <http://www.ugent.be/portal/la>
- Ghent University – Faculty of Veterinary Medicine: <http://www.ugent.be/portal/di>
- Ghent University – Faculty of Science
 - Information Centre for Apiculture: <http://www.zoofysiologie.ugent.be>
- Vrije Universiteit Brussel – Faculty of Science – Viral Genetics: <http://imol.vub.ac.be/GEVI/GEVI.html>

- Vrije Universiteit Brussel – Faculty of Science – Plant Genetics: <http://dbit.vub.ac.be/Onderzoek/onderzoek.htm>
- Universiteit Hasselt – Department of Chemistry-Biology-Geography: http://www.uhasselt.be/english/onderzoek/groepen/teams_p_dep/teams_p_dep.asp?acronym=5&dep=SBG
- Universiteit Hasselt – Centre for Environmental Sciences: <http://www.uhasselt.be/cmik/>
- Prince Leopold Institute of Tropical Medicine: <http://www.itg.be>
- Hogeschool Gent: <http://www.hogent.be/english/rd>
- Hogeschool West-Vlaanderen:
- Katholieke Hogeschool Kempen (KH Kempen) – <http://www.khk.be>

Wallonian scientific institutions, research institutions and policy research centers

Centre wallon de Recherches Agronomiques de Gembloux (CRA-W)

<http://cra.wallonie.be/>

Centre pour l'Agronomie et l'Agro-industrie de la Province de Hainaut

<http://www.carah.be/>

Centre d'Economie Rurale

<http://www.centredeconomierurale.be/>

Centre des Technologies Agronomiques (CTA)

<http://www.ctastree.be/>

Centre Technique Horticole de Gembloux (CTH)

<http://www.centretechniquehorticole.com/rech.php>

Agricultural research in Universities & schools of higher education in Walloon Region

UNIVERSITE CATHOLIQUE DE LOUVAIN - Faculté des sciences agronomiques

<http://www.uclouvain.be/agro.html>

FACULTE UNIVERSITAIRE DES SCIENCES AGRONOMIQUES DE GEMBOUX

<http://www.fsagx.ac.be>

UNIVERSITE DE LIEGE

Faculté de médecine vétérinaire

<http://www.ulg.ac.be>

HAUTE ECOLE DE LA PROVINCE DE NAMUR – Formation supérieure en agronomie

<http://www.province.namur.be/atout/ecoles>

HAUTE ECOLE PROVINCIALE DU HAINAUT OCCIDENTAL

<http://www.hepho.be>

HAUTE ECOLE CHARLEMAGNE

<http://www.hecharlemagne.be>

Institutes in Brussels region

Agricultural research in Universities & schools of higher education in Brussels-Capital Region

UNIVERSITE LIBRE DE BRUXELLES

<http://www.ulb.ac.be>

6. Financing

The principal source of funding is the Common Agriculture Policy.

The Single Farm Payment

In Flanders an average ordinary farm payment is about 318 euro per hectare, a special farm payment 2.032 euro per hectare and a waste farm payment 375 euro per hectare. In total 26.499 farmers (this equals 77% of the farms) receive together 148 million euro.

In the Walloon Region, for 2007, an average ordinary farm payment is about 364,86 euro per hectare, an average special farm payment 2.270,51 euro per hectare and an average set aside farm payment 390,31 euro per hectare. In total, for 2006, 15.595 farmers receive about 240 million euro.

The Rural Development Programme

In Flanders, a total budget of about 500 million EUR is not equally distributed. Most of the expenses are consumed by economic measures (64%), while ecological (28%) and social measures (8%) consume a smaller part.

The Walloon Rural Development Programme covers about 475 million EUR of which 200 million EUR from European funds. This budget is distributed between the tree following headings :

- measures for improving the competitiveness of the agricultural and forestry sectors (35%),
- measures for improving the environment and the countryside (50%),
- measures for improvement of the quality of life in rural areas and the diversification of the rural economy (15%).

7. Co-operation

Flemish region: Co-operation is mainly established with the ministry of environment which takes up an important role in de Rural Development Programme. Flanders focuses on project in Malawi and projects in South Africa.

- Project in Malawi: Improving Food Security and Nutrition Policies and Programme Outreach

The Flemish government is planning on supporting a programme on food security in two districts in Malawi, Kasungu and Mzimba, in the course of 2007. The project aims not only at improving food security but also the nutrition situation of approximately 29.000 food insecure households in the two districts. The capability of the households will be strengthened so that they can meet their needs in terms of food security and nutrition. This

will be done through diversified crop production, storage, processing and marketing of crops, through small livestock activities, access to potable water etc. At the same time this project will provide technical assistance to the Government of Malawi and its development partners to align food security and agriculture related policies and programmes on nutrition objectives. The total budget for this project is 4.100.000 € for three years. Partners in this project are the Malawian Ministry of Agriculture and Food Security, the Ministry of Irrigation and Water Development, the Ministry of Local Government and Rural Development and the Department of Nutrition and HIV and AIDS. UN's Food and Agriculture Organization (FAO) will carry out the project together with the two districts and provide technical assistance where needed.

- Overview of projects in South Africa:

<p><u>Project:</u> Empowerment for food security 2005-2009 <u>Partners:</u> Department of Agriculture and Environmental Affairs, Kwazulu Natal – South Africa <u>Budget Flanders International Cooperation Agency:</u> 7.500.000,00 EUR <u>Actions and progress:</u> Enhancing food security at household level through: <ul style="list-style-type: none"> - increase of agricultural production, storage and preservation - improved food diversification - Improved Income - Improved food distribution - Capacity building and awareness <u>Lessons learned:</u> <ul style="list-style-type: none"> - strong focus on household level - All agricultural activities with strong emphasis on sustainable natural resources management - Use of local facilitators instead of external consultants - Joined action of dept. of Agriculture with dept. of Education en dept. of Health <u>Constraints and challenges:</u> <ul style="list-style-type: none"> - how to reach household level effectively - limited capacity for project implementation if one does not want to count on external consultants only </p>
<p><u>Project:</u> Agribusiness Development Academy Programme 2005-2009 <u>Partners:</u> Department of Agriculture; Limpopo - South Africa <u>Budget Flanders International Cooperation Agency:</u> 7.500.000,00 EUR <u>Actions and progress:</u> Training of emerging farmers in agribusiness <u>Constraints and challenges:</u> limited capacity for project implementation if one does not want to count on external consultants only</p>
<p><u>Project:</u> Sustainable Natural Resource Management <u>Partners:</u> Department of Agricultural and Environmental Affairs Kwazulu Natal - South Africa <u>Budget Flanders International Cooperation Agency:</u> 924.708⁴ EUR <u>Actions and progress:</u> Increasing the agricultural production in 2 pilot areas of the province but with very specific eye for sustainable natural resources management <u>Constraints and challenges:</u> <ul style="list-style-type: none"> - food comes first, only afterwards farmers are prepared to invest in sustainability - limited capacity for project implementation if one does not want to count on external consultants only </p>

⁴ Financed by DLNE and DLV.

<p><u>Project:</u> Capacity building of the farmers on the Makhithini irrigation scheme</p> <p><u>Partners:</u> Department of Agriculture and Environmental Affairs, KwaZulu-Natal - South Africa</p> <p><u>Budget Flanders International Cooperation Agency:</u> 205.057⁵</p> <p><u>Constraints and challenges:</u></p> <ul style="list-style-type: none"> - limited capacity for project implementation if one does not want to count on external consultants only - illiterate farmers are to be trained in complex business matters
<p><u>Project:</u> Quantification and Optimisation of Land Use Planning</p> <p><u>Partners:</u> Department of Agriculture and Environmental Affairs, KwaZulu-Natal- South Africa</p> <p><u>Budget Flanders International Cooperation Agency:</u> 80.805 EUR</p> <p><u>Actions and progress:</u> Land use planning through satellite data gathering and concomitant map making</p> <p><u>Constraints and challenges:</u> limited capacity for project implementation if one does not want to count on external consultants only</p>
<p><u>Project:</u> Agriculture Information Centres</p> <p><u>Partners:</u> Department of Agriculture and Environmental Affairs, KwaZulu-Natal- South Africa</p> <p><u>Budget Flanders International Cooperation Agency:</u> 98,927 EUR</p> <p><u>Actions and progress:</u> Translation of the technical information from QOLUP (see above) to farmers through training of extension officers</p> <p><u>Lessons learned:</u> Successful training of extension officers through mentoring system with scientists of the dept. and through exercises based on situations from their own area</p> <p><u>Constraints and challenges:</u> limited capacity for project implementation if one does not want to count on external consultants only</p>
<p><u>Project:</u> Water and Sanitation Programme for the deep rural areas in the Sekhukhune district</p> <p><u>Partners:</u> NGO Tsogang via Department of Water and Forestry - South Africa</p> <p><u>Budget Flanders International Cooperation Agency:</u> 1.475.056,80 EUR</p> <p><u>Actions and progress:</u> Drinking water supply in very remote areas through a participatory approach with local communities</p> <p><u>Lessons learned:</u> participatory approach with local communities leads to successful water supply where government actions fail to do so</p> <p><u>Constraints and challenges:</u> limited capacity for project implementation if one does not want to count on external consultants only</p>

Trends and emerging issues are general for all agricultural projects, i.e. growing concern for use of land for bio fuels at the cost for land for food crops the pressure for land for biofuels is impacting on the environment

8. Information

Information on agricultural policy fields can be found on:

Flemish region:

- Agriculture and Fisheries (Landbouw en Visserij): <http://www.vlaanderen.be/landbouw>
- Environment, Nature and Energy (Leefmilieu en Natuur): <http://www.mina.be>

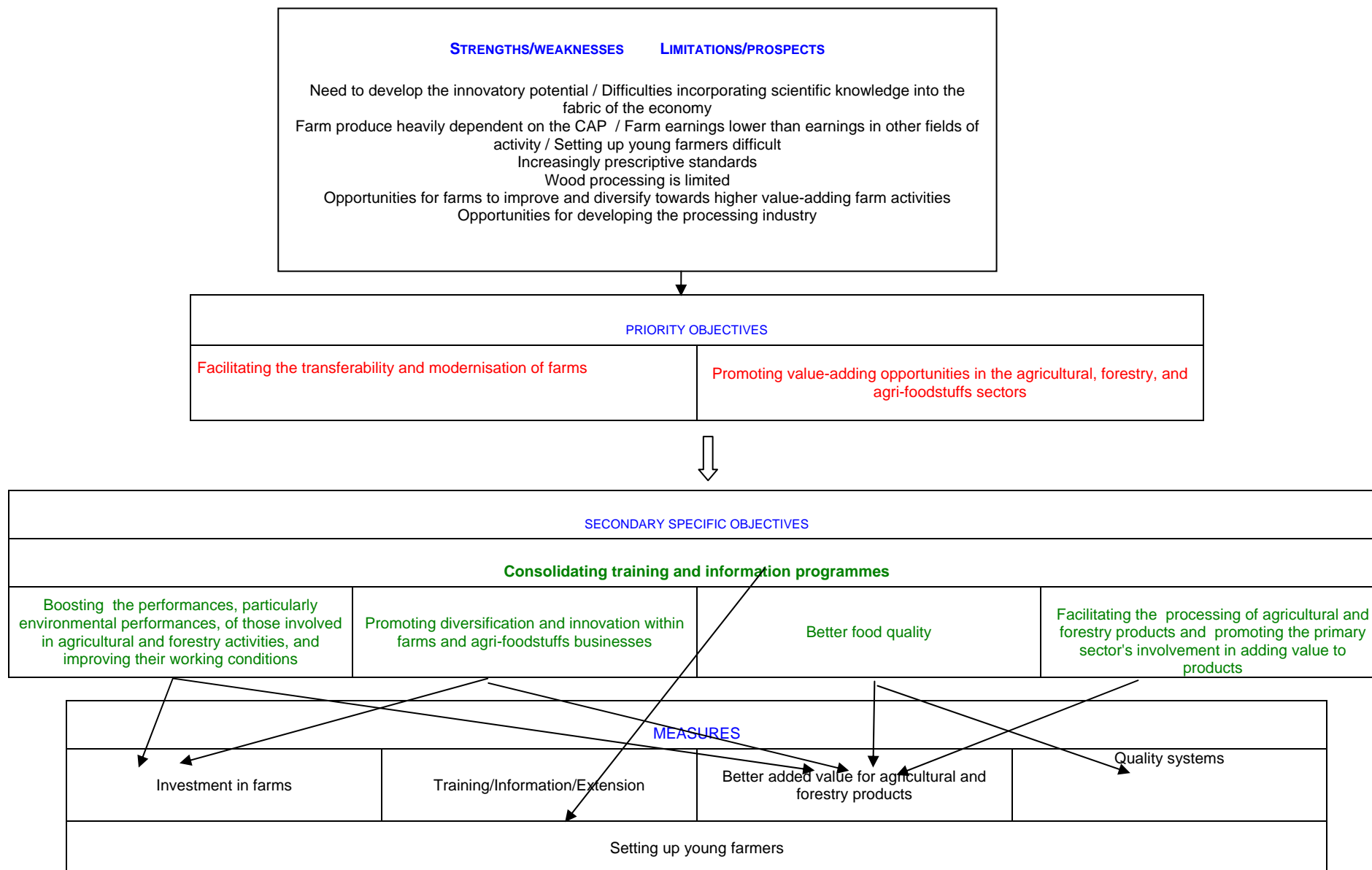
⁵ Financed by DLNE.

- Economy, Sciences and Technological Innovation (Wetenschap en Innovatie):
<http://www.innovatie.vlaanderen.be/en/>
- Education and Training (Onderwijs): <http://www.ond.vlaanderen.be>
- Flemish Science Policy Council (VRWB - Vlaamse Raad voor Wetenschapsbeleid):
<http://www.vrwb.be>
- Organic farming website
<http://www.bioforum.be>

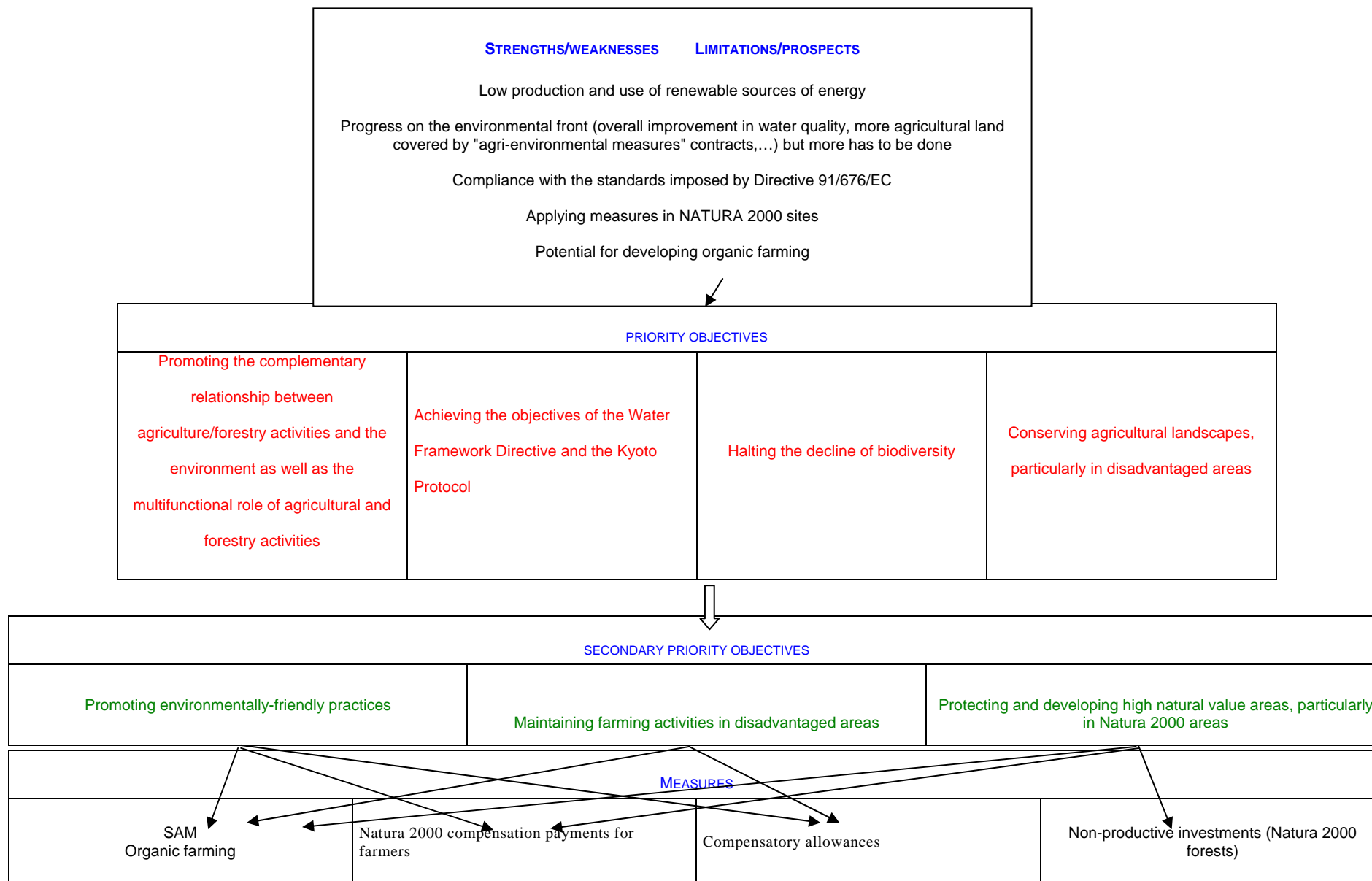
Wallonia

- Agriculture (webgate for information on agriculture matters):
http://agriculture.wallonie.be/apps/spip_wolwin/
- Environment (webgate for information on environmental matters) :
<http://environnement.wallonie.be/>
- Walloon Agricultural Research Centre – CRA-W: <http://www.cra.wallonie.be/>
- Produits phytos, pesticides à usage agricole, réglementation: Comité régional PHYTO
<http://crphyto.be/>

Annex 1 - HEADING 1 IMPROVING THE COMPETITIVENESS OF THE AGRICULTURAL AND FORESTRY SECTORS



Annex 2 - HEADING 2 Improving the environment and the countryside



Annex 3 - HEADING 3 Attractiveness of the rural environment

