

Czech Republic

B. AGRICULTURE; RURAL DEVELOPMENT; LAND; DROUGHT AND DESERTIFICATION

AGRICULTURE

The main purpose of sustainable development should be the cooperation of all the stakeholders involved in the protection of environment and those advocating the development, preferential use of renewable resources and economical use of non-renewable resources. Based on the principle of sustainability the omnipresent phenomenon recently has been the harmonisation of economic and environmental sustainability interests or at least an acceptable trade-off in this respect. Both the interests (the standard of living growth and meaningful protection of environment) are for the sake of human kind and can hardly be put in sharp contradiction.

Policies and Programmes to enhance agricultural productivity and farmers' incomes

It is an important socio-economic factor. The factors influencing in general the productivity and farmers' incomes can be divided into three groups:

- 1) Weather;
- 2) Number of employees (and other factors of production) for the given area of agricultural land, application of the best available techniques;
- 3) Intensification of agricultural production.

Ad 1. Weather: *Weather as an immediate atmosphere condition* can be influenced to a certain degree only. Due to the limited time available we would like to point out only the key hard law international conventions acceded to by the Czech Republic: *The Convention for the Protection of the Ozone Layer* (Vienna 1985), *The United Nations Framework Convention on Climate Change* (Rio de Janeiro 1992), *the Kyoto Protocol* (Kyoto 1997) and *the UNECE Convention on Long-range Transboundary Air Pollution* (Geneva 1979), an amendment thereto. Despite the aforementioned efforts exerted by the international community, the weather remains to be the most significant variable with respect to the agricultural production.

Ad 2. The number of persons employed in agriculture in the Czech Republic (CR) considerably dropped following the 1989 revolution and nowadays it is adequate and rather stabilised. Similar situation prevails also in the use of the *best available techniques*.

Ad 3. Further intensification is not desirable from the viewpoint of sustainable development. Conversely, e.g. there is a clear general trend to support the organic farming. Moreover it is necessary to perceive the European agriculture in the world context with Europe is not really competitive in the global agricultural markets. Essential is nevertheless a consistent support to science and research, e.g. *genetic breeding* in the future too offers certain potential for further growth.

Since the accession of the CR to the EU on 1 May 2004 the main direction of the Czech agricultural policy follows the *Common Agricultural Policy of the EU* (hereinafter referred to only as the *CAP*). As concerns the direct payments, the Community aid scheme of *direct payments* contributes to rural development, including the improvement of the standard of living and prevention of depopulation of rural areas across all the 27 EU Member States. Just as important is the *co-financing from the national "top-ups"*, e.g. the so called state aid approved by the EU and to a lesser degree also other state aid approved by the EU.

Just to give you an idea, in 2005 the farmers were paid approximately USD 130 per hectare of agricultural land within the Community direct payment scheme and the national top-ups.

When considering the recent development of productive and non-productive function of agriculture in the European context, the stress put on non-productive function of agriculture and interconnection with traditional agriculture are obvious. The manifestation of this tendency and at the same time an excellent example thereof is

the introduction of the *Cross – Compliance (CC)* system, when farmers can draw the above mentioned aid in the full amount only when complying strictly with the standards concerning the protection of environment, farming practices and protection of public, animal and plant health. When farmers fail to meet any of those standards in the relevant areas, the direct payments can be reduced or even cancelled completely, in dependence on the degree of non-compliance. Apart from the reduction or withdrawal of the direct payment, their liability pursuant to other legislation (specific laws, Administrative Infractions Act, Penal Code etc) is not prejudiced.

Policies and Programmes to achieve food security and sustainable agriculture

The Czech Republic became an EU Member State on 1 May 2004. Thanks to the close cooperation and preparations in the pre-accession period, the actual process of adaptation has been smooth and trouble-free and the positives outweigh the negatives. Since the early beginning we are fully aware of all the advantages ensuing from the EU membership, such as the single market with 480 million consumers, participation in the Community structures and authorities, possibility to receive aid for the national economy etc. On the other hand the Czech Republic of course does accept all the obligations arising from the EU membership, though sometimes these are quite complex. The common market necessitates uniform rules as well as uniform communication. Therefore the Czech Republic appreciates the cooperation with the European Food Safety Authority and its activities. The provision of independent expert opinions, scientific and technical support for the Community activities in all the areas has a direct and indirect impact on food and feed safety. It directly influences the consumers' confidence, smooth functioning of internal market as well as the level of protection of public health, animal health and welfare, plant health and protection of environment. The establishment of the European Food Safety Authority was undoubtedly a step taken in the right direction, also due to the limited possibilities on the part of the smaller Member States to conduct all the necessary analyses. It also helps prevent the duplicity of tests and achieve financial savings. The European Food Safety Authority has also managed to build a positive image of an independent body with necessary technical infrastructure and support from the European Commission in the pursuit of its further development.

By becoming a full-fledged EU Member State the Czech Republic also fully participates in the Rapid Alert System for Food and Feed (RASFF). This system has proven to be very efficient in practice. It facilitates rapid communication of information across all the Member States, the European Commission and the European Food Safety Authority. The number of notifications addressed in the RASFF system both in the Czech Republic and at the Community level keeps growing. The notifications are sent both by the relevant Directorate-General of the European Commission and the Czech Republic. The most frequent risks involved in the control of imports are associated with aflatoxins (mostly in nuts, figs and rice) – originating from the third countries.

The 2006 aim was better use of data for targeting controls carried out by inspection authorities, use of data as other additional information in the field of development aid and intensifying cooperation with the members of the network. At the national level there are legislative rules laid down governing the food and feed production which in some areas are even more stringent than the Community legal provisions. In spite of certain criticism of primary producers and processors, the procedure can be claimed to be justified. The comprehensive control facilitates effective focus on commodities, particular substances or places, where the largest number of deficiencies or the best effect of controls can be anticipated. It is a targeted control the purpose of which is the protection of the interests of citizens and the state as such.

The issues related to the risk assessment of food safety also cover the use of genetically modified crops. The Czech Republic in its position joins those EU Member States with a rather liberal approach to the GM food and feed. Our legislative rules concerning the GMOs are fully in compliance with the EU rules and thus in 2005 the Czech farmers had for the first time the opportunity to sow and harvest the genetically modified corn resistant to corn bore, its main pest. So far the total test area of only 270 hectares has been under this crop. In 2006 it amounted to 350 hectares already. It is only the upcoming years which will show how significant a position this new technology shall assume in the Czech agriculture.

Next to legislation, controls, tests, rules, bans, orders and all other measures it is also the communication with consumers associated with the safeguarding the food safety which is of importance.

Programmes for environmentally-sound agriculture pest control

The key standard laying down the plant protection in the CR is the Act no. 326/2004 Coll. on phytosanitary care and amendments to some related laws last amended by the Act no. 131/2006 Coll. The previous Act on phytosanitary care of 1996 already stipulated a number of requirements and conditions for the use of plant protection products, further elaborated upon in the new act.

Legislation governing the use of plant protection products in the CR is fully in compliance with the requirements of the *Thematic Strategy on the Sustainable Use of Pesticides* adopted by the European Commission within the 6th Environmental Action Plan.

The Act no. 326/2004 Coll. on phytosanitary care currently meets the requirements as laid down in the *Thematic Strategy* concerning the use of plant protection products.

In the CR a mandatory system of training and certification of professional users was introduced in 2006 which should contribute not only to the ensurance of higher level of expertise in pesticides handling, but also to the higher awareness of risks involved in the use of such products for human and animal health and the environment.

Starting with 1997 the application equipments used within the business conduct (with set out exceptions) are subject to obligatory assessment prior to their placing on the market and later on to regular obligatory checks of their technical condition.

Plant protection products on the basis of micro-organisms and other biological control agents including bioagents are favoured in the form of lower administrative and registration fees compared to other products.

Since the early 1990s, there has been a data collection on plant protection products consumption.

Starting with 1997 all the professional users of such products in the CR have been obliged to keep records of the application of plant protection products.

The 2004 marks the introduction of the obligation to provide the *State Phytosanitary Administration (SPA)* with data on the volume of sales of individual plant protection products for all the entities producing these products in the CR or placing them on the market.

In 1957 specific rules were introduced in the CR for the protection of fish, bees and game when using the plant protection products in the form of a piece of legislation (the first legislation of this type in Europe); these requirements have been subject to change and become stricter with respect to the protection of bees and aquaculture. In 2006, no large-scale poisoning of bees caused by pesticides was reported in the CR.

In the CR, the associations for integrated production of some groups of crops (e.g. fruit, vine and vegetable) using exclusively the systems of Integrated Pest Management (IPM) have become active. The State Phytosanitary Administration (SPA) expresses its opinion on the compatibility of individual substances with these systems.

Ever since the CR joined the EU in 2004, the SPA substantially increased the capacity devoted to the control and supervision of placing the products on the market, their proper packaging, labelling and storage as well as the supervision of the proper applications of plant protection products by professional users.

The SPA is currently drafting an amendment to the Act on phytosanitary care, the main purpose of which is to help safeguard to a higher degree the safe use of plant protection products and control in this field.

Weather insurance schemes for farmers in the CR

Since 2004, the Support and Guarantee Fund for Farmers and Forestry has provided this type of support as a follow-up to a similar programme implemented by the Ministry of Agriculture in the period 2000-2003. This programme makes the insurance protection accessible to a broad community of farmers and thus ensures a

higher level of business activities covered against unforeseeable losses. The purpose of this support is a partial compensation of insurance premium spent annually on the agricultural insurance.

The amount of aid in farm animals insured against diseases and other series of losses is 20 % of the paid premium, in special crops, which means vine, hops, fruit including nurseries, strawberries, table vegetables, decorative plants, including nurseries, flax and hemp it is 50 % and in other crops 35 % of the paid premium.

The insured crops currently represent approximately 35 % of production, while insured farm animals represent 80 to 85%.

The current system of compensation of damages caused by crises in agriculture (floods, drought) is based in fact on ad-hoc measures implemented mostly through the Resolution of the Government.

By means of this type of aid granted pursuant to the Resolution of the Government of the Czech Republic approximately CZK 8 billion (i.e. approximately USD 363.6 million) were paid in the period 2000-2003, namely also as payments for damages caused by insurable risks made to the uninsured farmers.