



## Discussing the future of rural Europe

What will happen to Europe in the forthcoming time? What kind of threats as well as opportunities for socio-cultural, economic and ecological values can we expect? Can European rural areas and their communities maintain their livelihood?

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The ambition of the Eururalis project is to support policy makers in discussions and decision making. The output of Eururalis sketches what could happen to rural Europe based on conditions that differ in nature, course, duration or place.

Eururalis 1.0 was released in 2004 as a discussion tool to give an impulse to the discussion on rural development in EU 25 during the Dutch chairmanship of the EU. Eururalis was used on many occasions since. The most important one was the meeting for EU directors for rural development in the Netherlands, November 2004. Eururalis 1.0 is received enthusiastically by policymakers. Eururalis 2.0 is the follow-up of Eururalis 1.0 (2004). The development will result in a new CD version of Eururalis (Eururalis 2.0).

The main concept and architecture of Eururalis 1.0 will be preserved in the next version. This means continuation of the same selection of four contrasting but scientific and politically accepted scenarios and keeping the same model framework with the major driving forces that are considered crucial for future developments. Also the inclusion of global processes (for example growth of Chinese food consumption) and relevant data will be preserved.

Improvement of the new version focuses on the following areas:

- Adding policy relevance. By

giving policy makers the option to take or undo measures they can explore the impacts of altered policies on for instance CAP or biofuels;

- Downscaling information from country level to the level of European regions. This gives policy makers better understanding of the relevance of future policy and driving forces for their region
- More interactivity. Users can themselves browse the outcomes for different indicators and different scenarios. The results will be presented in maps and graphs and with explanatory text.
- Broadening of the basis: international cooperation is improved to enhance scientific consensus. More international partners will join Eururalis 2.0.

On the meeting of EU directors of rural development the 4th and the 5th of May in Crete the first results will be presented. Version 2.0 will be presented at the end of this year. Probably at the next directors meeting.

At the moment a few other European initiatives are working on comparable scenario studies like Prelude, Seamless, Nitro-Europe, A-team, Sensor. The Eururalis team seeks optimal cooperation with these initiatives. An International Policy Advisory Group and an International Scientific Advisory Group will review the course and results of the project.





# Young farmers of Europe discuss the future of farming

By Willem Rienks

The European Council of Young Farmers (CEJA) held an international conference in Mainz Germany with the title 'What future for European agriculture?' During this 2 day conference last March scientists, policy makers, ngo's and young farm leaders from all over Europe discussed the future. Eururalis was presented preceding the discussion. Important issues addressed were the CAP reform and bio-fuels.

## Competitiveness

The CEJA president - mr Giacomo Ballardi - started with the future challenge ahead of the young farmers. On the one hand he mentioned the international market that is removing its borders. On the other he stated that farmers must not forget the social, environmental and economic issues that society asks. He put forward the need for a dialogue with society and policy makers about the development of competitive and sustainable economy and the contributions of a young, dynamic and competitive agricultural sector. In the discussion several people stated that the CAP reforms have not led to a more international competitive agricultural sector. New reforms are needed. The common sense was that CAP in some way would be still around in 2020 but what it should look like? Opinions differed.

## Agriculture is more than food production

Many speakers said that the expectations of society regarding quality production and food safety will remain high or even increase. The process of food production and its impact on maintaining traditional landscape, cultural identity, animal welfare and the environment will become

more important. Rural development policy can help farmers adapt to societal expectations. Farmers will get new opportunities to produce goods and services. Mr. Ahner of DG Agriculture mentioned that rural development policy is perceived positively by the public and has a broad support.

## The impact of biofuels

The debate on climate change and the increase of prices for fossil fuel appear to lead to new opportunities for farmers and forestry. The impact on the EU land use could be significant. This point is illustrated that the area required for replacing 4 to 5 percent of our EU fuel consumption in 2010 is about 10 million hectares - 15% of the EU arable land. In Germany already 12% of the arable land is used for producing renewable raw materials. Still all speakers stated that the economics behind biofuels are yet unstable and mainly based on tax reductions, blending obligations and subsidies.

The conference provided a very useful view on the discussions about the future of European rural areas.







# Why is Eururalis important for the Dutch ministry of Agriculture, Nature and Food Quality?

Interview with André van der Zande  
by Harm van den Heiligenberg

## Why important?

In a discussion with André van der Zande, the Director-General at the Dutch Ministry of Agriculture, Nature and Food Quality, he points up the issues that are important for him.

- For the future policies on rural development, a common language and accepted models are needed. Therefore, scientific consensus-building at EU level is essential
- The Netherlands, like many other countries likes to focus the attention not just on the Profit (economic aspects) but also on the Planet and the People (i.e. sustainable development).
- The Netherlands would like to give attention on region-specific situations, e.g. in the case of the Netherlands: the river delta, the pressures from the cities and the densely populated countryside.
- The Netherlands likes to have the - future - possibilities for rendering a better and more efficient ex ante justification of the Dutch Rural Development Programme.
- It is important to analyse the consequences of changes in the CAP for agriculture in the Netherlands and further afield. These consequences are regularly the subject of political debate in the Netherlands.

André van der Zande indicates that -in the process of consensus-building- it is important to co-finance this project by other member states and/or Brussels. Finally, André van der Zande states that this project could also give a contribution to the discussion on the future of Europe. He wonders whether the worldviews in Eururalis could be enhanced with societal values and preferences in Europe. For a long time, agriculture has formed a major legitimacy for the European Union. The debate on the future legitimacy may be feeded with these values and preferred futures.

## Aim of Eururalis 2.0

The aim of Eururalis 2.0 is to support the strategic policy discussions concerning the future of European rural areas (the EU-27). Eururalis 2.0 makes it possible to analyse the impacts of policy options in the longer term (up to 2030). By way of support for these discussions it is necessary to identify autonomous and policy-induced developments in the form of various scenarios. The long-term results in respect of a number of people-planet-profit indicators can be translated back to the shorter term, i.e. the policy challenges in the coming years.





## Scenarios for Eururalis 2.0

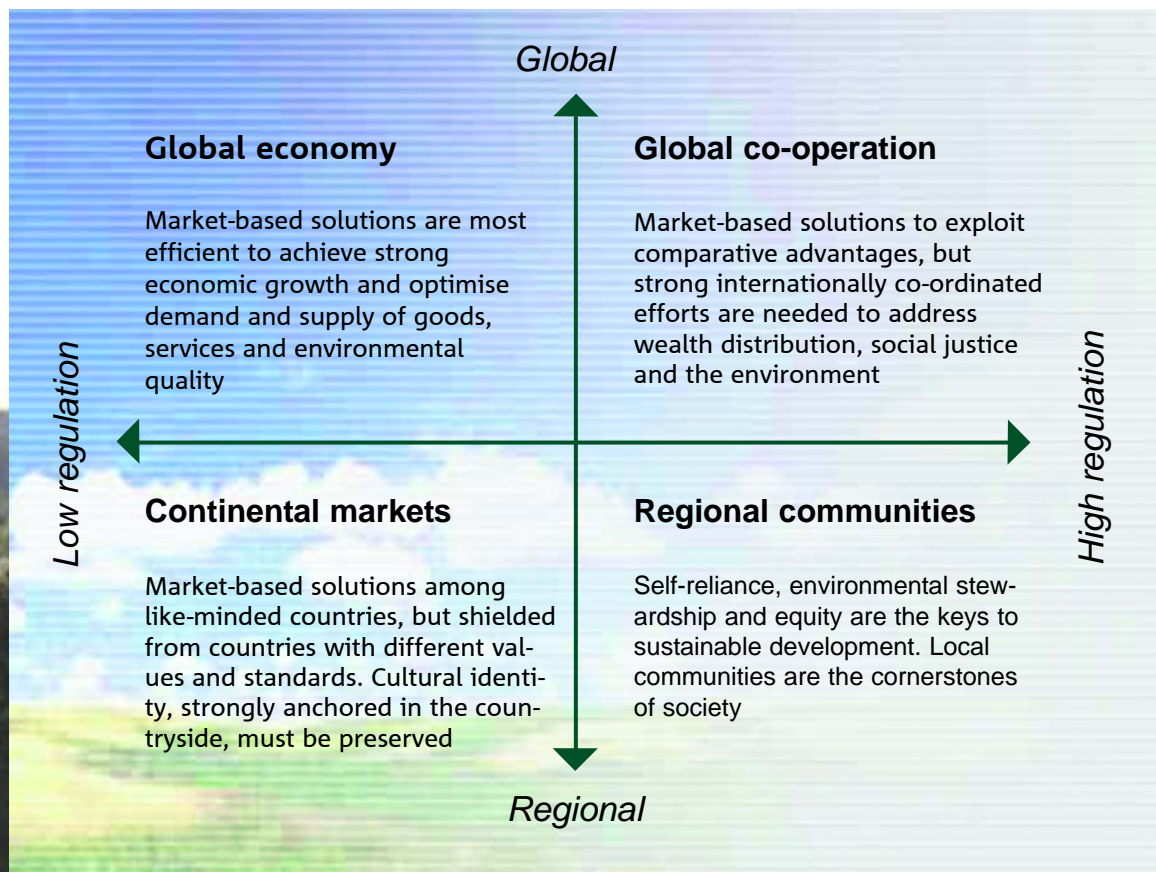
By Henk Westhoek

The four scenarios of Eururalis 1.0 were based on the general scenario storylines from the International Panel on Climate Change (IPCC), but these were made more specific for the subject of Eururalis 1.0. Moreover, a number of quantitative assumptions were taken from the CPB-report "Four futures for Europe". The ideas behind the scenarios and their storylines are described in Westhoek et al. 2006.

For Eururalis 2.0 we will be using the same scenario set-up, but perhaps small modifications have to be made, since the basis of the storylines of Eururalis 1.0 was set in 2003. Therefore, we are going to do a minor review of the storylines. The main points are: are the quantitative assumptions regarding demography and economic development still plausible, and are the elements of the storylines still logic. Concerning demography, we are not only

going to check whether the assumptions on a national level are still plausible. We will also look more in detail to the sub national (NUTS 2 or 3 level), to see whether the assumptions regarding the demographic development on that level are still logic.

Another aspect we will be looking into, are the policy assumptions in the storylines. Especially in the storylines for the Continental Market and Regional Communities scenario it is assumed that certain policies will remain in place. However, since 2003 a number of policies have changed (like the Common Agricultural Policy, Rural Development Policy) or have become more implemented (like Natura 2000 or the Water Framework Directive). Therefore, one of the first steps of Eururalis 2.0 will be a minor review of the storylines of version 1.0.







## Policy buttons - explore the impacts

By Willem Rienks

An important goal of Eururalis is to be able to explore the impacts of different policy measures. Discussions with European policy makers at international meetings (Amsterdam, October 2005 and Cracow, November 2005) have shown the priorities.

The policy options will be elaborated into different policy packages which are the input for the scientific models. Policy makers are then able to adjust policy options which results in an output of impact indicators with graphs, maps and explanatory text. Policy makers in Amsterdam and Cracow prioritized the CAP, biofuels and the policy on Less Favoured Areas. These options will be implemented in Eururalis 2.0. Other policies mentioned in the workshops with policy makers are for instance the Water Framework Directive, the Rural Development Policy and the policy on Natura 2000. These options will be elaborated in future versions of Eururalis.

### CAP option

Agricultural and trade policies are important policy factors that shape the future of agriculture and to a certain extent rural developments in the world and the EU. These policies are characterized by a complex interplay and balance between export subsidies, import tariffs, production quota, tariff rate quota's, and decoupled/coupled income transfers. In the Eururalis discussion support system we do not allow the user to adjust each policy separately but focus on the main trends with regard to these policies. Stephan Tangermann, director of OECD, in his view of the future pointed out that there are two main directions with regard to these policies (The Hague, Nov 2005):

- 1) Shift from market price support to income support. This trend implies that support becomes less trade distorting and fulfills better the objective of income support.

- 2) Reduction of the level of support - ranging from 0 to 150% of the current CAP budget.

These options will be transferred into two separate policy buttons.

### Biofuels option

The production of biofuels will have huge consequences on the land use of Europe. Quick scan calculations show that replacing 5% of the energy by renewable energy will lead up to 15% of use of the EU arable area. Although still under discussion probably three policy packages for biofuels will be evaluated in Eururalis:

1. no ambition on biofuels - 0% blending obligations towards 2030,
2. medium ambition on biofuels - 5% to 10% blending obligations,
3. high ambition on biofuels - 10% to 25% blending obligations.

These options cover recent EC regulations.

### Less Favoured Area option

Areas with physical or structural handicaps are helped with the LFA policy. Restructuring this policy will have impacts on for instance rural income and land abandonment. Three policy packages for the LFA will be evaluated:

1. the current LFA areas will be maintained,
2. the LFA policy will be abolished,
3. new LFA regions will be pointed out based on new criteria.



# Announcements

## Website [www.eururalis.nl](http://www.eururalis.nl)

For downloads of documents and up to date information of the current state of Eururalis 2.0 you can visit [www.eururalis.nl](http://www.eururalis.nl).

## Scientific Advisory Group (SAG)

The Scientific Advisory Group (SAG) will meet at Schiphol on 26<sup>th</sup> of April. Goal is to secure the scientific status of the used methodologies and data.

Chairman is prof. dr. G. Meester (Dutch Ministry of Agriculture, Nature and Food Quality), The following persons are asked to participate:

Prof. dr. J.M. Boussard (INRA, France),  
Dr. M. Baranowski (UNEP-GRID, Poland),  
Dr. G. Bidoglio (IPTs, Italy),  
Dr. S. Herrmann (FAL, Germany),  
Dr. J. Blom (LEI, The Netherlands),  
Prof. Dr. K van Egmond (MNP, The Netherlands),  
prof. dr. A. Bregt (WUR, The Netherlands),  
prof. dr. R. Rabbinge (WUR, The Netherlands),  
Dr. T. Ribeiro (EEA, Denmark).

## Policy Advisory Group International

The international Policy Advisory Group will meet in Kopenhagen (Denmark) on the 6<sup>th</sup> of April. Goal is to discuss the policy options and impacts. The following persons are invited:

Mrs Dobrzynska (Poland), Mr Nesbit (United Kingdom), Mr Blasi (Italy),

Mr Schweitzer (Germany),  
Mr. Knobl (Austria),  
Mr. Bengtsson (Sweden),  
Mrs Munk (Denmark), Mr. Raidmets (Estonia),  
Mr. Haanstra (The Netherlands),  
Mr. Berkowitz (European Commission).

## Special Issue Agriculture Ecosystems and Environment

Recently a special issue of Agriculture Ecosystems and Environment: Scenario-Based Studies of Future Land Use in Europe

Edited by Peter H. Verburg, Mark D.A. Rounsevell and A. Veldkamp  
Volume 114, Issue 1, Pages 1-140 (May 2006) was published. It contains several papers on different aspects of Eururalis 1.0. You can access the digital version via science direct or via the Eururalis website.

## Calendar

6 april	International Policy Advisory Group Meeting.
26 April	Scientific Advisory Group meeting.
4-5 May	Meeting European directors rural development in Crete.
June	Eururalis Newsletter 2
October	International Policy Advisory Group meeting
October	Scientific Advisory Group meeting.
November	Presentation Eururalis 2.0 to Directors of Rural Development.
December	Eururalis 2.0 CD-ROM and book published.
December	Eururalis Newsletter 3



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