Environmental Performance of Agriculture in OECD Countries Since 1990

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Foreword

This is the fourth volume in the OECD series on Environmental Indicators for Agriculture. *Previous volumes dealt with* Concepts and Frameworks *(1997),* Issues and Design *(1999), and* Methods and Results *(2001). Building on the earlier work, this volume is a stocktaking of the environmental performance of agriculture since 1990. It has been prepared in close co-operation between scientific experts, policy makers and the OECD Secretariat during a five-year period. This project is published as two reports, under the title* Environmental Performance of Agriculture since 1990:

- At a Glance – *covering a summary of the main conclusions; and the*
- Main Report – *providing a complete coverage of the project.*

These two reports are supported by a website database that provides all the primary data to the indicators and, for each country, relevant website addresses, national data sets, and a version of the country section in English, French and, where appropriate, the national language.

An important feature of the project was the role played by expert workshops that were able to address indicators in specific areas, such as water, soil organic carbon, farm management, biodiversity and agricultural landscapes in great depth. These workshops brought together experts that were able to review the state of the art in measuring indicators in the respective areas.

This volume is unique in many ways. The co-operative process in preparing the report ensured that as far as possible it brings together in one volume the most up to date and available comparative data on the environmental performance of agriculture in OECD countries. It makes a distinction between those indicators that most closely satisfy the criteria of policy relevance, analytical soundness, measurability and ease of interpretation – in other words those that are most comparable across time and countries – and those that are of importance to only a few countries or group of countries. The volume also provides valuable agri-environmental information on a county-by-country basis and looks at the ways in which countries are using the data to inform their policies.

The report recognizes the formidable problems involved in developing a comparative set of agri-environmental data. In most countries gathering such data is very recent. Methodologies to measure the environmental performance of agriculture are not well-established in all cases. National average data often conceal significant ranges reflecting local site-specific values. A vast amount of data is potentially of interest but the attempt here, even though partial, is to focus on those that are of use to policy makers. And the data are in physical, not common monetary values, so weighing up the overall agri-environmental performance of a country has to be largely qualitative rather than quantitative.

But even given these caveats this report – and the detailed background data and proceedings of the expert meetings available on the OECD website – provides a wealth of data and information for policy makers, researchers and stakeholders wanting to know, explore and analyse agriculture's impact on the environment, whether through modelling efforts, or through simply looking at time or cross-country series data. Moreover, the project has striven to develop broadly agreed methodologies of measurement that can be used at the national, local or farm levels.

The project was carried out under the auspices of the OECD Joint Working Party on Agriculture and the Environment (JWP), of the Committee for Agriculture and the Environment Policy Committee. The original document, entitled Environmental Indicators for Agriculture: Volume 4 *was declassified by the Joint Working Party on Agriculture and the Environment on 15 October 2007.*

The OECD wishes to acknowledge the contribution of member countries in the preparation of this report, especially through expert comment on the text, a series of questionnaires which provided much of the data in the study, and the translation of those country sections not using English or French as their national language (see the OECD website for these translations). A number of countries (Canada, Italy, Japan, Korea, New Zealand, Norway and Switzerland), also hosted Expert Meetings to further develop the indicators in the report (see Section II Background and Scope of the Report*), which were an invaluable source of information. OECD would also like to thank the many experts who helped in variously providing information and preparing and editing the text, especially, Matthew Jackson, Janosch Ondraczek, Richard Pearce, Alina Schick, Scott Smith, BirdLife International, the European Environment Agency, Eurostat (EU Statistical Agency), and the Secretariats of the UN Economic Commission for Europe, UN Environment Programme and the UN Framework Convention on Climate Change.*

The principal author of this report was Kevin Parris, Senior Economist in the Policies and Environment Division of the Trade and Agriculture Directorate, under the overall guidance of Wilfrid Legg, the Head of the Policies and Environment Division. Within the Secretariat, many colleagues from the Trade and Agriculture Directorate and Environment Directorate contributed to the report, in particular, Françoise Bénicourt, Nils-Axel Braathen, Andrea Cattaneo, Dimitris Diakosavvas, Eric Espinasse, Frano Ilicic, Andrzej Kwiecinski, Jussi Lankoski, Myriam Linster, Michèle Patterson, Theresa Poincet, Laetitia Reille, Véronique de Saint-Martin, Noura Takrouri-Jolly and Takeo Tomono. Valuable assistance was also provided by the experts and Secretariat of the OECD Working Group on Pesticides, and also the OECD Translation Division and Public Affairs and Communications Directorate, plus a number of former OECD colleagues, including, Yasuro Funaki, Luis Portugal, Hiroki Sasaki, and Chen Yuong.

Table of Contents

I. Highlights 15

Overall agri-environmental performance 15
Agri-environmental performance in specific areas 16
Caveats and limitations 19
Matching indicator criteria 20

II. Background and Scope of the Report 23

1. Objectives and scope 23
2. Data and information sources 24
3. Progress made since the OECD 2001 Agri-environmental Indicator Report 25
4. Structure of the Report 26

Bibliography 28

Annex II.A1. List of indicators in Chapter 1 29
Annex II.A2. Indicators in Chapter 1 assessed according to the OECD indicator criteria 31

Chapter 1. **OECD Trends of Environmental Conditions related to Agriculture since 1990** 37

1.1. Agricultural production and land 38
1.1.1. Introduction 39
1.1.2. Agricultural production 39
1.1.3. Agricultural land use 40
1.1.4. Linkages between agricultural production and land use 46
Bibliography 47
1.2. Nutrients 48
1.2.1. Nitrogen balance 52
1.2.2. Phosphorus balance 56
1.2.3. Regional (sub-national) nutrient balances 60
Bibliography 62
1.3. Pesticides 63
1.3.1. Pesticide use 63
1.3.2. Pesticide risk indicators 67
Bibliography 74
1.4. Energy 76
Bibliography 83
1.5. Soil 84
Bibliography 90

1.6. Water . . . 92
1.6.1. Water use . . . 93
1.6.2. Water quality . . . 100
Bibliography . . . 108
1.7. Air . . . 109
Background . . . 110
1.7.1. Ammonia emissions, acidification and eutrophication . . . 110
1.7.2. Methyl bromide use and ozone depletion . . . 117
1.7.3. Greenhouse gas emissions and climate change . . . 122
Bibliography . . . 130
1.8. Biodiversity . . . 133
Background . . . 134
1.8.1. Genetic diversity . . . 136
1.8.2. Wild species diversity . . . 146
1.8.3. Ecosystem diversity . . . 148
Bibliography . . . 159
1.9. Farm management . . . 160
1.9.1. Overview of environmental farm management . . . 163
1.9.2. Nutrient management . . . 163
1.9.3. Pest management . . . 168
1.9.4. Soil management . . . 169
1.9.5. Water management . . . 172
1.9.6. Biodiversity management . . . 173
1.9.7. Organic management . . . 174
Bibliography . . . 176

Chapter 2. **OECD Progress in Developing Agri-environmental Indicators** . . . 179
2.1. Introduction . . . 180
2.2. Progress in developing OECD Agri-environmental Indicators . . . 180
2.2.1. Soil: Erosion, biodiversity and soil organic carbon . . . 180
2.2.2. Water: Use and water quality . . . 184
2.2.3. Biodiversity: Genetic, wild species and ecosystem diversity . . . 188
2.2.4. Land: Landscapes and ecosystem functions . . . 192
2.2.5. Farm management . . . 195
2.3. Overall assessment . . . 196
Annex 2.A1. Agri-environmental Indicators of Regional Importance and/or under Development . . . 200
Annex 2.A2. A Qualitative Assessment of the Agri-environmental Indicators included in Annex 2.A1 according to the OECD Indicator Criteria . . . 202
Bibliography . . . 207

Chapter 3. **OECD Country Trends of Environmental Conditions related to Agriculture since 1990** . . . 209
Background to the country sections . . . 210
3.1. Australia . . . 212
3.2. Austria . . . 224
3.3. Belgium . . . 234
3.4. Canada . . . 243

3.5. Czech Republic 256
3.6. Denmark. 269
3.7. Finland 284
3.8. France 296
3.9. Germany 305
3.10. Greece 313
3.11. Hungary 324
3.12. Iceland 336
3.13. Ireland. 344
3.14. Italy 357
3.15. Japan 366
3.16. Korea 377
3.17. Luxembourg 386
3.18. Mexico. 393
3.19. Netherlands 402
3.20. New Zealand 413
3.21. Norway 423
3.22. Poland 433
3.23. Portugal. 448
3.24. Slovak Republic 459
3.25. Spain 472
3.26. Sweden 486
3.27. Switzerland 498
3.28. Turkey 507
3.29. United Kingdom 522
3.30. United States 532
3.31. European Union. 545

Chapter 4. **Using Agri-environmental Indicators for Policy Analysis** 551

4.1. Policy context to OECD agri-environmental performance 552
4.2. Tracking agri-environmental performance 554
4.2.1. Evolution of Agri-environmental Indicators to track sustainable development. 554
4.2.2. Tracking national agri-environmental performance 556
4.2.3. International reporting on environmental conditions in agriculture 559
4.2.4. Non-governmental organisations (NGOs) 561
4.3. Using Agri-environmental Indicators for policy analysis 562
4.3.1. OECD member countries 563
4.3.2. International governmental organisations 565
4.3.3. Research community 567
4.4. Knowledge gaps in using Agri-environmental Indicators. 568

Bibliography 571

List of boxes

II.1. OECD Expert Meetings on Agri-environmental Indicators: 2001-04 25
1.7.1. Towards a net agricultural greenhouse gas balance indicator?. 123

1.8.1. Defining agricultural biodiversity 134
2.1. Soil biodiversity in agricultural land 182
2.2. Agricultural livestock pathogens and water pollution 187
2.3. The impact of agriculture on aquatic ecosystems. 188
4.1. Main agri-environmental measures in OECD countries 553
4.2. Selected international and regional environmental agreements relevant to agriculture. 555

List of tables

1.1.1. OECD and world agricultural production 39
1.1.2. OECD and world agricultural exports 40
1.3.1. Germany: Percentage risk indices 70
1.7.1. Total OECD emissions of acidifying pollutants 114
1.7.2. Ammonia emission targets to 2010 under the Convention on Long-range Transboundary Air Pollution. 116
1.7.3. Methyl bromide use and progress in meeting the phase-out schedule under the *Montreal Protocol* 120
1.7.4. Critical Use Exemptions (CUEs) for methyl bromide agreed under the *Montreal Protocol* for 2005 121
1.7.5. Total OECD gross greenhouse gas emissions 124
1.7.6. Main sources and types of gross greenhouse gas emissions 127
1.8.1. Area of transgenic crops for major producing countries 139
1.8.2. Plant genetic resource conservation activities for OECD countries 139
1.8.3. Livestock genetic resource conservation activities for OECD countries. 144
1.8.4. Share of farm woodland in agricultural land area. 157
1.8.5. Share of farm fallow in agricultural land area 157
1.9.1. Countries recording adoption of environmental farm management practices 164
1.9.2. Overview of farmer incentives to adopt environmental farm management practices 166
2.1. Net water balance in a Japanese rice field irrigation system: 2003. 185

List of figures

II.1. The Driving Force-State-Response framework: Coverage of indicators 24
1.1.1. Production, yields and area harvested and future projections for selected commodities and OECD countries 41
1.1.2. Volume of total agricultural production 43
1.1.3. Share of agricultural land use in the national land area 44
1.1.4. Agricultural land area 45
1.1.5. Agricultural production volume index and agricultural land area 46
1.2.1. Main elements in the OECD gross nutrient (nitrogen and phosphorus) balance calculation 50
1.2.2. Gross nitrogen balance estimates 51
1.2.3. Gross nitrogen balances for selected OECD countries 53
1.2.4. Inorganic nitrogen fertilisers and livestock manure nitrogen input in nitrogen balances. 54

1.2.5. Agricultural use of inorganic nitrogen and phosphate fertilisers 54
1.2.6. Contribution of the main sources of nitrogen inputs and outputs in nitrogen balances 56
1.2.7. Nitrogen efficiency based on gross nitrogen balances 57
1.2.8. Gross phosphorus balance estimates 58
1.2.9. Gross phosphorus balance for selected OECD countries 59
1.2.10. Contribution of the main sources of phosphorus inputs and outputs in phosphorus balances 60
1.2.11. Phosphorus efficiency based on phosphorus balances 61
1.2.12. Spatial distribution of nitrogen balances in Canada and Poland 62
1.3.1. Pesticide use in agriculture 65
1.3.2. Pesticide use for selected OECD countries 66
1.3.3. Belgium: Risk for aquatic species due to use of pesticides in arable land, horticulture and outside of agriculture 69
1.3.4. Denmark: The annual trend in frequency of pesticide application 70
1.3.5. The Netherlands: Potential chronic effects scores for aquatic and terrestrial organisms and leaching into groundwater 71
1.3.6. Norway: Trends of health risk, environmental risk and sales of pesticides 72
1.3.7. Sweden: National level pesticide risk indicators and the number of hectare doses 73
1.3.8. United Kingdom (England and Wales): Total area of pesticide applications 74
1.4.1. Simplified energy “model” of an agricultural system 78
1.4.2. Direct on-farm energy consumption 79
1.4.3. Direct on-farm energy consumption for selected OECD countries 80
1.4.4. Agricultural employment and farm machinery use 81
1.4.5. Composition of on-farm energy consumption in the EU15 and the United States 82
1.5.1. Agricultural land area classified as having moderate to severe water erosion risk 87
1.5.2. Trends in agricultural land area classified as having moderate to severe water erosion risk 88
1.5.3. Agricultural land area classified as having moderate to severe wind erosion risk 89
1.6.1. Agricultural water use 95
1.6.2. Share of national water use in annual freshwater resources and share of agricultural water use in national use 96
1.6.3. Irrigated area, irrigation water use and irrigation water application rates 97
1.6.4. Share of agricultural groundwater use in total groundwater use, and total groundwater use in total water use 99
1.6.5. Share of agriculture in total emissions of nitrates and phosphorus in surface water 102
1.6.6. Share of agriculture in total emissions of nitrates and phosphorus in coastal water 103
1.6.7. Share of monitoring sites in agricultural areas exceeding national drinking water limits for nitrates and phosphorus in surface water 104
1.6.8. Share of monitoring sites in agricultural areas exceeding national drinking water limits for nitrates in groundwater 105

1.6.9. Share of monitoring sites in agricultural areas where one or more pesticides are present in surface and groundwater . . . 106
1.6.10. Share of monitoring sites in agricultural areas exceeding national drinking water limits for pesticides in surface water and groundwater . . . 107
1.7.1. Impacts of agriculture on air quality: Multi-pollutants, multi-effects . . . 110
1.7.2. Ammonia emissions from agriculture . . . 112
1.7.3. Emissions of acidifying airborne pollutants for the EU15, US and OECD . . . 113
1.7.4. Agricultural ammonia emission trends for selected OECD countries . . . 114
1.7.5. Share of the main sources of agricultural ammonia emissions in OECD countries . . . 117
1.7.6. Methyl bromide use . . . 119
1.7.7. Global methyl bromide use by major sectors . . . 121
1.7.8. Agricultural gross greenhouse gas emissions . . . 125
1.7.9. Gross agricultural greenhouse gas emissions in carbon dioxide equivalent for selected OECD countries . . . 126
1.7.10. Agricultural production and agricultural greenhouse gas emissions . . . 128
1.7.11. Main sources of methane and nitrous oxide emissions in OECD agriculture . . . 129
1.7.12. Contribution of main sources in agricultural greenhouse gas emissions . . . 130
1.8.1. OECD agri-biodiversity indicators framework . . . 135
1.8.2. Change in the number of plant varieties registered and certified for marketing . . . 137
1.8.3. Change in the share of the one-to-five dominant crop varieties in total marketed crop production . . . 138
1.8.4. Change in the number of livestock breeds registered and certified for marketing . . . 141
1.8.5. Change in the share of the three major livestock breeds in total livestock numbers . . . 142
1.8.6. Total number of cattle, pigs, poultry and sheep in endangered and critical risk status and under conservation programmes . . . 143
1.8.7. Share of selected wild species that use agricultural land as primary habitat . . . 148
1.8.8. Population trends of farmland birds . . . 149
1.8.9. Change in agricultural land use and other uses of land . . . 152
1.8.10. Permanent pasture and arable and permanent cropland . . . 155
1.8.11. Share of arable and permanent cropland, permanent pasture and other agricultural land in total agricultural land area . . . 156
1.8.12. Share of national Important Bird Areas where intensive agricultural practices pose a serious threat or a high impact on the areas' ecological functions . . . 158
1.9.1. OECD farm management indicator framework . . . 162
1.9.2. Share of agricultural land area under nutrient management plans . . . 168
1.9.3. Share of total number of farms under nutrient management plans . . . 169
1.9.4. Share of total number of farms using soil nutrient testing . . . 170
1.9.5. Share of total arable and permanent crop area under integrated pest management . . . 171
1.9.6. Share of arable crop area under soil conservation practices . . . 172
1.9.7. Share of total arable and permanent crop area under all-year vegetative cover . . . 173
1.9.8. Share of irrigated land area using different irrigation technology systems . . . 174

1.9.9. Share of agricultural land area under biodiversity management plans 175
1.9.10. Share of agricultural land area under certified organic farm management 176
2.1. Canadian soil organic carbon stocks in agricultural soils by different classes . . 183
2.2. United States soil organic carbon stocks in agricultural soils by different classes 184
2.3. Agricultural, industrial, and household water charges 186
2.4. National crop varieties that are endangered 189
2.5. National crop varieties that are not at risk. 190
2.6. Edge density of agricultural fields in Finland. 190
2.7. Share of Canadian farmland in various classes of the habitat capacity index. 191
2.8. Cultural landscape features on agricultural land 193
2.9. Water retaining capacity of agriculture 194
2.10. Water retaining capacity for agricultural facilities 195
2.11. Share of farmers participating in agri-environmental education programmes 197
3.1.1. National agri-environmental and economic profile, 2002-04: Australia 212
3.1.2. National agri-environmental performance compared to the OECD average. . . . 220
3.1.3. National Landcare membership. 220
3.1.4. Annual quantities of insecticide and acaricide applied to the cotton crop 220
3.2.1. National agri-environmental and economic profile, 2002-04: Austria 224
3.2.2. National agri-environmental performance compared to the OECD average. . . . 231
3.2.3. Area under non-use of inputs, organic farming and erosion control measures of the ÖPUL agri-environmental programme. 231
3.2.4. Greenhouse gas emissions from agriculture 231
3.3.1. National agri-environmental and economic profile, 2002-04: Belgium 234
3.3.2. National agri-environmental performance compared to the OECD average. . . . 240
3.3.3. Total pesticide use 240
3.3.4. Greenhouse gas emissions and sinks 240
3.4.1. National agri-environmental and economic profile, 2002-04: Canada 243
3.4.2. National agri-environmental performance compared to the OECD average. . . . 252
3.4.3. Share of cropland in different soil organic carbon change classes 252
3.4.4. Share of farmland in different wildlife habitat capacity change classes 252
3.5.1. National agri-environmental and economic profile, 2002-04: Czech Republic . . 256
3.5.2. National agri-environmental performance compared to the OECD average. . . . 265
3.5.3. Share of samples above Czech drinking water standards for nitrates in surface water 265
3.5.4. Monitored numbers of partridge population 265
3.6.1. National agri-environmental and economic profile, 2002-04: Denmark 269
3.6.2. National agri-environmental performance compared to the OECD average. . . . 280
3.6.3. Share of monitoring sites with occurrences of pesticides in groundwater used for drinking 280
3.6.4. Share of meadows and dry grasslands, heath, and bogs and marshes in the total land area 280
3.7.1. National agri-environmental and economic profile, 2002-04: Finland 284
3.7.2. National agri-environmental performance compared to the OECD average. . . . 292
3.7.3. Nitrogen fluxes in the Paimionjoki river and agricultural nitrogen balances . . . 292

3.7.4. Population trends of Finnish farmland butterflies in three ecological species groups. 292
3.8.1. National agri-environmental and economic profile, 2002-04: France. 296
3.8.2. National agri-environmental performance compared to the OECD average. . . . 302
3.8.3. Trends in key agri-environmental indicators. 302
3.8.4. Trends in key agri-environmental indicators. 302
3.9.1. National agri-environmental and economic profile, 2002-04: Germany 305
3.9.2. National agri-environmental performance compared to the OECD average. . . . 310
3.9.3. Share of the number of farms and Utilised Agricultural Area (UAA) under organic farming. 310
3.9.4. Share of renewable biomass and energy crop area in the total agricultural land area 310
3.10.1. National agri-environmental and economic profile, 2002-04: Greece 313
3.10.2. National agri-environmental performance compared to the OECD average. . . . 321
3.10.3. Irrigated area and irrigation water application rates 321
3.10.4. *Ex situ* accessions of plant landraces, wild and weedy relatives. 321
3.11.1. National agri-environmental and economic profile, 2002-04: Hungary. 324
3.11.2. National agri-environmental performance compared to the OECD average. . . . 333
3.11.3. Agricultural land affected by various classes of water erosion. 333
3.11.4. Support payments for agri-environmental schemes and the number of paid applications. 333
3.12.1. National agri-environmental and economic profile, 2002-04: Iceland 336
3.12.2. National agri-environmental performance compared to the OECD average. . . . 342
3.12.3. Annual afforestation 342
3.12.4. Annual area of wetland restoration. 342
3.13.1. National agri-environmental and economic profile, 2002-04: Ireland 344
3.13.2. National agri-environmental performance compared to the OECD average. . . . 353
3.13.3. River water quality. 353
3.13.4. Population changes for key farmland bird populations 353
3.14.1. National agri-environmental and economic profile, 2002-04: Italy. 357
3.14.2. National agri-environmental performance compared to the OECD average. . . . 363
3.14.3. Actual soil water erosion risk. 363
3.14.4. Regional change in agricultural land area: 1990 to 2000. 363
3.15.1. National agri-environmental and economic profile, 2002-04: Japan 366
3.15.2. National agri-environmental performance compared to the OECD average. . . . 373
3.15.3. National water retaining capacity of agriculture. 373
3.15.4. Share of eco-farmers in the total number of farmers. 373
3.16.1. National agri-environmental and economic profile, 2002-04: Korea 377
3.16.2. National agri-environmental performance compared to the OECD average. . . . 383
3.16.3. Composition of soils 383
3.16.4. National water retaining capacity of agriculture. 383
3.17.1. National agri-environmental and economic profile, 2002-04: Luxembourg 386
3.17.2. National agri-environmental performance compared to the OECD average. . . . 391
3.17.3. Nitrate and phosphorus concentration in river sampling stations. 391
3.17.4. Agricultural land under agri-environmental schemes 391
3.18.1. National agri-environmental and economic profile, 2002-04: Mexico 393
3.18.2. National agri-environmental performance compared to the OECD average. . . . 399

3.18.3. Trends in key agri-environmental indicators 399
3.18.4. Trends in key agri-environmental indicators 399
3.19.1. National agri-environmental and economic profile, 2002-04: Netherlands 402
3.19.2. National agri-environmental performance compared to the OECD average 409
3.19.3. Annual mean concentrations of nitrogen and phosphorus in surface water of rural and agricultural water catchments 409
3.19.4. Farmland bird populations 409
3.20.1. National agri-environmental and economic profile, 2002-04: New Zealand 413
3.20.2. National agri-environmental performance compared to the OECD average 420
3.20.3. Sectoral use of pesticides: 2004 420
3.20.4. Dairy cattle enteric methane emissions per litre of milk 420
3.21.1. National agri-environmental and economic profile, 2002-04: Norway 423
3.21.2. National agri-environmental performance compared to the OECD average 430
3.21.3. National sales of pesticides 430
3.21.4. Net change in agricultural land for five counties 430
3.22.1. National agri-environmental and economic profile, 2002-04: Poland 433
3.22.2. National agri-environmental performance compared to the OECD average 444
3.22.3. Agriculture and forest land at risk to erosion 444
3.22.4. Index of population trends of farmland birds 444
3.23.1. National agri-environmental and economic profile, 2002-04: Portugal 448
3.23.2. National agri-environmental performance compared to the OECD average 456
3.23.3. Numbers of local breeds under *in situ* conservation programmes: 2006 456
3.23.4. Relation between land use and Designated Nature Conservation Areas (DNCA): 2004 456
3.24.1. National agri-environmental and economic profile, 2002-04: Slovak Republic . . 459
3.24.2. National agri-environmental performance compared to the OECD average 468
3.24.3. Agricultural methane (CH_4) and nitrous oxide (N_2O) emissions 468
3.24.4. Share of agricultural land under different types of protected areas: 2003 468
3.25.1. National agri-environmental and economic profile, 2002-04: Spain 472
3.25.2. National agri-environmental performance compared to the OECD average 482
3.25.3. Area of organic farming 482
3.25.4. Share of Dehesa area in total land area for five regions 482
3.26.1. National agri-environmental and economic profile, 2002-04: Sweden 486
3.26.2. National agri-environmental performance compared to the OECD average 494
3.26.3. Losses of nutrients from arable areas and the root zone 494
3.26.4. Cultural features on arable land 494
3.27.1. National agri-environmental and economic profile, 2002-04: Switzerland 498
3.27.2. National agri-environmental performance compared to the OECD average 504
3.27.3. Support for agricultural semi-natural habitats 504
3.27.4. Input/output efficiency of nitrogen, phosphorous and energy in agriculture . . . 504
3.28.1. National agri-environmental and economic profile, 2002-04: Turkey 507
3.28.2. National agri-environmental performance compared to the OECD average 518
3.28.3. Trends in key agri-environmental indicators 518
3.28.4. Trends in key agri-environmental indicators 518
3.29.1. National agri-environmental and economic profile, 2002-04: United Kingdom 522
3.29.2. National agri-environmental performance compared to the OECD average 528

3.29.3. Agri-environmental trends 528
3.29.4. Greenhouse gas emission trends and projections. 528
3.30.1. National agri-environmental and economic profile, 2002-04: United States. . . . 532
3.30.2. National agri-environmental performance compared to the OECD average. . . . 540
3.30.3. Soil erosion on cropland 540
3.30.4. Change in palustrine and estuarine wetlands on non-federal land and water area 540
3.31.1. National agri-environmental and economic profile, 2002-04: European Union (15) 545
3.31.2. EU15 agri-environmental performance compared to the OECD average 548
3.31.3. Agri-environmental trends, EU15 548
3.31.4. Agri-environmental trends, EU15 548

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I. Highlights

Agriculture can have significant impacts on the environment as it uses on average over 40% of water and land resources in OECD countries. The impacts occur on and off farm, including both pollution and degradation of soil, water and air, as well as the provision of ecological goods and services, such as biodiversity and providing a sink for greenhouse gases.

Most OECD countries are tracking the environmental performance of agriculture, which is informing policy makers and society on the state and trends in agri-environmental conditions, and can provide a valuable aid to policy analysis (Chapter 4). As countries are increasingly using a wide range of policy measures to address agri-environmental issues, indicators provide crucial information to monitor and analyse the effects of those policies on the environment. They are also enriching the understanding and analysis of the environmental effects of possible future policy scenarios and agricultural projections.

This report provides the latest and most comprehensive data across OECD countries on the environmental performance of agriculture since 1990. A set of agri-environmental indicators (Annex II.A1, Section II) has been developed through several specific theme-focused workshops involving OECD country analysts and scientific experts, complemented with thorough reviews of the literature. The OECD's Driving Force-State-Response model (DSR) is the organising framework for developing the indicators.

These Highlights focus on those indicators most closely satisfying the established indicator criteria of policy relevance, analytical soundness, measurability and ease of interpretation (Annex II.A2, Section II). The *Highlights* are followed in Section II by the *Background and Scope to the Report*, with this section providing a list of the agricultural indicators (Annex II.A1) used to examine the environmental performance of OECD agriculture since 1990 (Chapter 1), while the environmental trend of agriculture in each of the 30 OECD member countries and the EU15 is covered in Chapter 3. The indicators relate to agri-environmental issues faced by most OECD countries and are based on the best available science and data available for a spectrum of countries that are representative of the OECD membership.

Indicators are at various stages of development in OECD countries. The OECD agri-environmental indicators project has been undertaken in close co-operation with OECD member countries. This has been mutually beneficial and great efforts have been made to establish the research, define the methodologies and provide the data to develop the indicators. While this often resulted in high costs for countries, it has produced a set of tools that are essential to track and evaluate environmental performance and policy effectiveness.

Overall agri-environmental performance

Overall the environmental performance of agriculture across the OECD has improved, but with significant variations within countries. The main factors contributing to these developments have been the reactions by policy makers, farmers and agro-industry to public concerns on the state of the environment.

But in the future there are likely to be continuing concerns with the availability and quality of water, preservation of biodiversity, and the health of soils in some countries and localities. While this report does not examine the effects on farming of pollution from non-agricultural sources, the damage from invasive species, competition for land and water resources from other uses, or the impact of climate change, for example, these factors need to be borne in mind when assessing the environmental performance of agriculture.

Agriculture's contribution to national income and employment in OECD countries overall is small. However, from 1990-92 to 2002-04 the volume of OECD agricultural production rose by over 4%, and further growth is projected over the next decade, although for a half of OECD countries the volume of agricultural production changed little or decreased over this period. With a decrease in the total OECD area farmed (–4%) and employment (–15%), higher productivity is being achieved by genetic improvements, better input management (nutrients, pesticides, water and energy), technological innovations, and changes in farm structures. Farmland is being converted mainly to use for forestry and urbanisation (housing and transport networks). But for a few OECD countries the area farmed has increased over the past 15 years (Belgium, Luxembourg, Mexico, Norway, Turkey).

Agriculture's use of inputs is a major driving force leading to pressure on the environment. In OECD countries over the period 1990-92 to 2002-04 inorganic phosphate fertiliser (–10%) and pesticide use (–5%) have declined, but has increased for inorganic nitrogen fertiliser (3%), water (2%), and on-farm direct energy consumption (3%). With farm production increasing more rapidly than the use of most inputs, this suggests that input efficiency has improved and as a consequence pressure on the environment has eased. For the majority of OECD countries use of these inputs has decreased since 1990, although for a few overall input use is rising (Australia, Canada, Greece, Ireland, New Zealand, Portugal, Spain and Turkey).

Policies play a central role in agriculture's impact on the environment. Support to OECD farmers (as measured by the OECD's Producer Support Estimate indicator) currently accounts for about 30% of total farm receipts, most of which is still linked to production (Chapters 3 and 4). Production linked support encourages the higher use of inputs and maintenance of land in agriculture, often increasing pressure on many environmental parameters than would be the case in the absence of this form of support. But there has been a shift away from production linked policies and greater use of specific measures intended to improve the environment. National and international environmental policies are also exerting a growing influence on the environmental impact of farming, especially concerning water quality and availability, ammonia emissions, climate change, and biodiversity.

Ultimately, it is the actions and practices of farmers that determine environmental performance. Reacting to public concerns and policies, farmers have become increasingly aware of the effects of their actions on the environment and there has been a marked improvement in farm management practices based on better scientific and technical knowledge, and investments in environmentally beneficial goods and services, drawing on developments and incentives in the agri-food chain.

Agri-environmental performance in specific areas

The overall OECD decrease in agricultural nutrient balance surpluses (*i.e.* the balance between nitrogen and phosphorus *inputs*, largely fertilisers and livestock manure, and *outputs*, the uptake of nutrients by crops and pasture) has contributed to reduced environmental pressures on soil, water and air. Less than a third of OECD countries,

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however, registered an increase in nutrient surpluses during 1990 to 2004. Most countries that have recorded large decreases in nutrient surpluses are mainly those with the highest intensity of nutrient use (expressed as kg nutrient surplus/hectare of farmland), indicating there is still room for improvement. Rising or large nitrogen surpluses are commonly a result of the intensification of livestock production, since the growth in the use of inorganic nitrogen fertilisers has been limited in most countries. Due to the accumulation of phosphorus in farmed soils and its slow transport time, concentrations in water could continue to rise, even while phosphorus surpluses are diminishing.

There has been a declining OECD trend in pesticide use, but for a third of OECD member countries pesticide use rose between 1990-92 and 2001-03 (active ingredients). Although evidence on the environmental effects associated with pesticide use is not widespread across OECD countries, existing data suggest a link between a decrease (increase) in pesticide use and decreasing (increasing) harmful effects. Although pesticide use has increased in some countries, pesticides have changed over time and many of them are today less environmentally harmful, but the persistence in the environment of some older pesticides (*e.g.* DDT, atrazine and derivatives) remains a concern, although these products are now banned in many countries.

OECD wide direct on-farm energy consumption rose by 3% between 1990-92 and 2002-04 compared to an increase of 19% for all sectors, but nearly a half of the member countries reduced their energy consumption. For countries where on-farm energy consumption has increased this has been mainly due to higher production, continued expansion of mechanisation and increasing machinery power. ***Energy subsidies, mainly for on-farm fuel use, are widespread*** but a disincentive to reduce energy consumption and use energy resources more efficiently with the potential benefit of lowering greenhouse gas emissions.

Overall there has been some improvement, or at least stability in soil erosion, with a reduction in areas of moderate to severe erosion risk. This is associated with the growing adoption of soil conservation practices, such as low or no soil tillage, the requirement in some OECD countries to maintain green cover during winter, and a reduction in the cultivation of fragile soils. But for almost a third of OECD countries over 20% of their agricultural land is classified as having moderate to severe water erosion risk (over 11 tonnes/hectare/year), although this applies to only three countries for wind erosion risk. The costs from off-farm soil erosion are high in some regions, involving costs for treating drinking water, dredging rivers, and improving aquatic ecosystems.

OECD wide agricultural water use overall has grown more rapidly (2%) than for total water use (0%) over the period 1990-92 to 2001-03, mainly driven by a 6% expansion in the total OECD area irrigated. For over a third of OECD countries, however, water use decreased. Over-exploitation of water resources in certain areas is damaging ecosystems by reducing water flows in rivers and to wetlands. Groundwater use for irrigation is above recharge rates in some regions, which is also undermining the economic viability of farming in affected areas. ***Government support for irrigation is widespread,*** exacerbated by energy subsidies for groundwater pumping in some countries, and can act as a disincentive to efficient water use. This is also linked to a low uptake of water efficient irrigation technologies and poor maintenance of irrigation infrastructure leading to water wastage and leakages in many OECD countries. Even so, overall the OECD average water application rate per hectare irrigated declined by 9% between 1990-92 and 2001-03, notably decreasing in Australia, but also to a lesser extent in Italy, Mexico, and the United States, but increasing for others, for example, in Greece, Portugal and Turkey.

Water pollution from agriculture in OECD countries has on average declined slightly since 1990, linked to reductions in nutrient surpluses and pesticide use. But nearly a half of OECD countries record that nutrient and pesticide concentrations in surface and groundwater monitoring sites in agricultural areas exceed national drinking water recommended limits. Pollution of groundwater is of particular concern as natural recovery rates from pollution can take many decades. Moreover, absolute pollutant levels are significant in many regions, and in some areas farming's share in nutrient water pollution has become more important as other pollution sources (*e.g.* industry, urban waste) have decreased more rapidly than for farming. Costs of treating drinking water to remove nutrients and pesticides and to improve aquatic environments are significant in many countries.

***Agricultural air pollutants* accounted** for a relatively small share of total OECD acidifying emissions (2%), use of ozone depleting substances (8%), and greenhouse gases (8%) (2002-04):

- ***Acidifying emissions*** – agricultural *ammonia emissions* (from livestock and fertilisers) rose by 1% between 1990-92 and 2001-03, compared to a reduction in acidifying emissions from other sources. Some countries will need to reduce ammonia emissions further if they are to meet the 2010 targets agreed under the *Gothenburg Protocol*. But for more than two-thirds of OECD countries agricultural ammonia emissions declined.
- ***Ozone depletion*** – OECD countries have met the 70% reduction target for *methyl bromide* use (an ozone depleting substance) between 1991 and 2003 under the *Montreal Protocol*, which was due to have been completely phased-out by 2005. Critical Use Exemptions (CUEs) have been agreed for 2005 under the *Montreal Protocol* to give farmers and other users additional time to develop substitutes. Granting CUEs may impede the effectiveness of achieving reduction targets and acting as a disincentive to seek alternatives.
- ***Climate change*** – aggregate OECD greenhouse gases (GHGs) from agriculture decreased by 3% from the *Kyoto Protocol* base period (1990-92), compared to an increase in total OECD economy-wide GHG emissions of 8% up to 2002-04. But for a few countries agricultural GHG emissions increased over the past 15 years, by over 10% for Canada, New Zealand and Spain. Moreover, although information is currently limited, agriculture can also help to lower greenhouse gas emissions through increasing the soil carbon sink capacity of farmed soils, and expanding biomass supplies as a feedstock for renewable energy and raw material production.

Identifying agricultural impacts on biodiversity is complex, and also made difficult as relatively few countries regularly monitor agri-biodiversity. Biodiversity, as identified under the *Convention of Biological Diversity*, involves three levels, including genetic, wild species and ecosystem diversity:

- ***Genetic diversity of crop varieties and livestock breeds used in farming is increasing in certain OECD countries***, probably due to farmers' business strategies associated with diversification, niche market development, and agri-environmental policies. However, the extent to which this is improving the environmental resilience of farming systems and lowering disease risks is unclear.
- ***Wild species richness and abundance linked to agriculture has declined***, which is of concern as in many countries farmland is a major primary habitat for flora and fauna. More specifically, in total OECD *farmland bird populations* fell over the past decade (for just over half of the OECD countries that monitor farmland birds), but in some countries populations have shown signs of recovery more recently.

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- ***Ecosystem diversity linked to agriculture has deteriorated*** with adverse impacts on wild species mainly due to: the deterioration in the quality of farmland habitats; nutrient and pesticide pollution; reduced water flows; the clearance of native vegetation; and, in some areas, abandonment of farmland with high nature or landscape value to overgrowth and the conversion of farmland to other uses, such as forestry. But with the reduction in agricultural water and air pollution in many OECD countries and an increase in farmland under wildlife conservation schemes, this is helping to ease pressure on wild species.

A growing number of farmers are adopting environmental farm management practices in response to changes in the state of the environment. But only a third to a half of OECD member countries are regularly monitoring changes in environmental farm management practices. Increased uptake of these practices is the result of incentives provided through government payments and regulations, and voluntary private-led initiatives, often promoted by food processors and retailers, local markets or by decisions of individual farmers themselves. There are relatively higher uptakes by farmers for environmental nutrient and soil management practices compared to those for pest, water and biodiversity management practices. Policies and private initiatives have led to the rapid expansion of the area under certified organic farming in many countries, although by 2002-04 it accounted for less than 2% of the total OECD agricultural land area, but over 6% for a few countries (Austria, Denmark, Finland, Italy, Switzerland).

Caveats and limitations

The indicators in this report provide a basis on which policy makers can have a picture of overall trends that may require action on their part, and as a tool for analysing the impact of agricultural activities and policies on the environment. However, given the complexity of calculating a wide range of indicators, across 30 OECD countries, and covering developments since 1990, it is inevitable that there are caveats and limitations when making comparisons over time and across countries, including (Annex II.A2, Section II):

- ***Definitions and methodologies for calculating indicators*** are standardised in most cases but not all, in particular those for biodiversity and farm management. For some indicators, such as greenhouse gas emissions (GHGs), the OECD and the UNFCCC are working toward further improvement, such as by incorporating agricultural carbon sequestration into a net GHG balance.
- ***Data availability, quality and comparability*** are as far as possible complete, consistent and harmonised across the various indicators. But deficiencies remain, such as the absence of data series (*e.g.* pesticide risks, biodiversity), variability in data coverage (*e.g.* pesticide use and energy consumption), and differences related to how the data was collected (*e.g.* surveys for farm management, census for land use, and field surveys and models for water use) (Annex II.A2, Section II). ***Spatial aggregation*** of indicators is given at the national level, but for certain indicators (*e.g.* water quality) this can mask significant variations at the regional level, although where available the report provides information on regionally disaggregated data.
- ***Trends and ranges in indicators*** rather than absolute levels are important for comparative purposes across countries for many indicator areas, especially as local site specific conditions can vary considerably within and across countries. But absolute levels are of significance where: limits are defined by governments on the basis of scientific evidence

(*e.g.* nitrates in water); targets agreed under national and international agreements (*e.g.* ammonia emissions); or where the contribution to global pollution is important (*e.g.* greenhouse gases).

- ***Agriculture's contribution to specific environmental impacts*** is sometimes difficult to isolate, especially for areas such as soil and water quality, where the impact of other economic activities is important (*e.g.* forestry) or the "natural" state of the environment itself contributes to pollutant loadings (*e.g.* water may contain high levels of naturally occurring salts), or invasive species may have upset the "natural" state of biodiversity.
- ***Environmental improvement or deterioration*** is in most cases clearly revealed by the direction of change in the indicators (*e.g.* soil erosion, greenhouses gases), but in some cases changes can be ambiguous. For example, changes in farm practices, such as the greater uptake of conservation or minimum till can lower soil erosion rates and reduce energy consumption (from less ploughing), but at the same time may result in an increase in the use of herbicides (to combat weeds).
- ***Baselines, threshold levels or targets for indicators*** are generally not used to assess indicator trends in the report as these may vary between countries and regions due to difference in environmental and climatic conditions, as well as national regulations. But for some indicators threshold levels are used to assess indicator change (*e.g.* drinking water standards) or internationally agreed targets compared against indicators trends (*e.g.* ammonia emissions and methyl bromide use).

Matching indicator criteria

The indicators developed by the OECD need to satisfy a set of criteria of policy relevance, analytical soundness (scientific rigour), measurability and ease of interpretation, to aid comparability over time and across countries. How far do the OECD agri-environmental indicators match up to the established criteria?

- ***Policy relevance*** – a key requirement of the indicators is that they adequately track developments that are of public concern, and are able to reflect changes in policies and farmer actions. Areas where indicators do not perform well in this regard include, for example, the relationship between farm pesticides and water pollution, and the impacts of farming on ecosystems. The number of OECD countries covered by each indicator is summarised in Annex II.A2, Section II. In most cases country coverage is representative of the OECD membership, although notably country coverage of indicators related to agriculture's impact on water quality and biodiversity is more limited than for other indicators. The contribution of the agricultural sector in environmental effects is also shown in Annex II.A2, Section II, where relevant, highlighting the importance of agriculture in the economy, notably in its use of land and water resources.
- ***Analytical soundness*** – the scientific understanding of biophysical relationships and their interaction with farming activities is variable (Annex II.A2, Section II). Nutrient balances and soil erosion indicators are based on robust scientific understanding of nitrogen cycles and soil transport and fate models. But in a number of other areas there is still incomplete knowledge. For example, the biophysical links between farming activities and biodiversity, including soil biodiversity, are not fully understood, while knowledge of the pathways and extent of agricultural pollutants into groundwater is poor. The variability in the analytical soundness of the indicators is also reflected in differences in the certainty between indicator estimates.

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- ***Measurability*** – the measurability of indicators depends on good data coverage and quality, which varies across countries (Annex II.A2, Section II). While certain data are regularly collected across most countries through agricultural census (*e.g.* land area), surveys are also frequently used to collect environmental data (such as farm management indicators), but country coverage is typically patchy. Countries often differ in the definitions of data coverage. For example, in some countries, pesticide and energy data only include agriculture, but for other countries they also cover other activities, such as forestry. Governments are usually the main institution that collect data to calculate indicators, but OECD has also drawn on other international organisations (*e.g.* UNFCCC for greenhouse gases) and non-governmental organisations (*e.g.* BirdLife International for trends in farmland bird populations). In some countries data are available only nationally, in others sub-national data are also available.
- ***Interpretation*** – in most cases the indicators are easy to interpret by policy makers and the wider public, but some indicators remain difficult to understand without specialist knowledge, such as indicators of agricultural genetic diversity and pesticide risk indexes (Annex II.A2, Section II). But the interpretation of indicator results needs to be undertaken with great care and in some cases cannot be compared between countries. OECD average trends can mask wide differences between countries, while national indicator trends can also hide large regional and local variations, as is especially the case for nutrient surpluses and water pollution. There are also marked disparities in absolute indicator levels between countries, notably nutrient surpluses, the use of pesticides, energy and water use, and air emissions. It is also very difficult to make an overall assessment of the trends in the environmental performance of a country given the absence of a common measure (*e.g.* monetary unit) to weigh the changes in physical units of a wide range of indicators.

The caveats to the interpretation of the indicators in this report need to be viewed in a broader context, as in many cases they also apply to other indicators regularly used by policy makers. For example, there can be wide variations around national averages of socio-economic indicators (*e.g.* retail price index), and methodological and data deficiency problems are not uncommon (*e.g.* wealth distribution).

Work on establishing agri-environmental indicators is relatively recent compared with the much longer history of developing economic indicators, such as Gross Domestic Product. Measuring the linkages between the biophysical environment and human activities through indicators is more complex than monitoring trends in socio-economic phenomena, given that many agri-environmental effects do not benefit from having market (monetary) valuations, and are not even easily measured in physical terms (*e.g.* biodiversity).

This report has also examined other indicators (Chapter 2). Some of these indicators relate to environmental issues of widespread interest across countries, but neither the data nor the methodology are sufficiently advanced to develop cross-country time series, such as the case for a soil organic carbon indicator. Moreover, other indicators are policy relevant to some OECD countries, such as those concerning cultural landscapes in agricultural regions and the water retaining capacity of farming systems.

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II. Background and Scope of the Report

1. Objectives and scope

This publication is the latest in a series of OECD reports, *Environmental Indicators for Agriculture*, first published in 1997 (OECD, 1997; 1999; 2001). ***A key objective for OECD work on agriculture and the environment is to use agri-environmental indicators (AEIs) specifically as a tool to assist policy makers*** in the design, monitoring and evaluation of policies. This work involves:

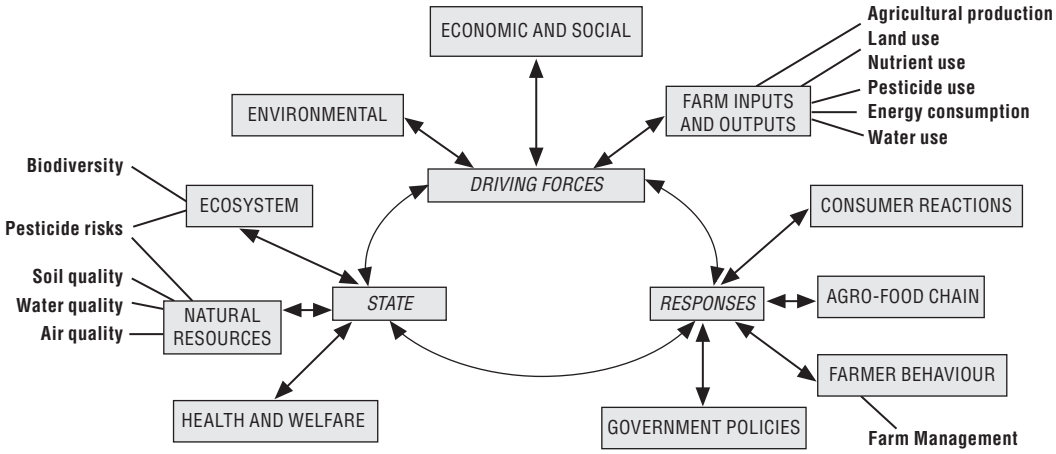
1. describing the current state and trends of environmental conditions in agriculture that may require policy responses (*i.e.* establishing baseline information for policy analysis);
2. highlighting where "hot spots" or new challenges are emerging;
3. providing a tool to help in explaining the causes and effects of changes in the environmental conditions of agriculture, especially the role that policy has to play relative to other drivers in agricultural systems, for example changes in technology and consumer preferences;
4. comparing trends in performance across time and between countries, especially to assist policy makers in meeting environmental targets, threshold levels and standards where these have been established by governments or international agreements; and
5. using indicators in modeling policy scenarios (*e.g.* the environmental effects of different policy instruments and mixes), and projecting future trends.

The OECD set of AEIs, which are part of a broader national and international effort to develop indicators (Chapter 4), can ***help in answering a broad range of policy questions***, including:

- What is the impact of agriculture on the environment, so that policy makers can target the most important impacts?
- What are the environmental impacts of changing support to the agriculture sector?
- What are the environmental impacts of different agricultural policy instruments, such as price support, area or headage payments, or direct income payments?
- What might be the environmental impacts of extending current policies and farming practices into the future?
- What are the economic implications for the agricultural sector of meeting environmental targets, such as those set out in international agreements?

The OECD's Driving Force-State-Response (DSR) model provides the organising framework for this report (Figure II.1). There are a wide range of economic, social and environmental factors that determine the environmental outcomes from farming, as illustrated by the DSR model (OECD, 1997). The scope of the report seeks to explore the environmental pathways outlined in the DSR model across OECD countries over the period 1990-2004 for primary agriculture, but not the whole of the agri-food chain.

Figure II.1. **The Driving Force-State-Response framework: Coverage of indicators**



Source: Adapted from OECD (1997).

Not all the DSR pathways identified in Figure II.1 are covered in the report. In particular, the influence of policies, market developments, and structural changes in the industry on the environmental performance of agriculture are outside the scope of the report (OECD, 2004a). Moreover, the report does not examine the impacts of changes in environmental conditions on agriculture (*e.g.* native and non-native wild species, droughts and floods, climate change); the impact of genetically modified organisms on the environment; nor the human health and welfare consequences of using farm chemicals. The report also does not repeat the discussion, contained in previous volumes in this series, on the concepts behind the indicators or the detail of the DSR framework (see OECD, 1997, 1999 and 2001).

The DSR indicator areas examined in the *Highlights* (Section I) and Chapter 1 are bolded in Figure II.1 (Annex II.A1).

2. Data and information sources

The main sources of data, indicator methodologies, and country information used in this report were the:

1. OECD member country responses to three unpublished ***Agri-environmental Indicator Questionnaires*** provided to the Secretariat between October 2003 to June 2006;
2. ***seven OECD Expert Meetings*** hosted by member countries on specific agri-environmental indicator areas, which provided valuable guidance for the selection and definition of indicators as well as detailed data and information from country case studies presented at the Meetings (Box II.1);
3. ***OECD regular work on collecting environmental data*** (see OECD 2004b; 2006). and the development of pesticide risk indicators in the OECD Working Group on Pesticides (see the OECD Working Group on Pesticides website: *www.oecd.org/ehs*);
4. ***information and data obtained from external sources*** (Annex II.A2), including international governmental organisations, such as FAO, Eurostat, the Secretariats to various international environmental agreements (*e.g. Kyoto Protocol*, *Gothenburg Protocol* and *Montreal Protocol*), and non-governmental organisations, such as BirdLife International; and the

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Box II.1. **OECD Expert Meetings on Agri-environmental Indicators: 2001-04**

- **Agriculture and Biodiversity: Developing Indicators for Policy Analysis.** Swiss Federal Research Station for Agroecology and Agriculture, Zurich-Reckenholtz, Switzerland, November, 2001.
- **Agricultural Impacts on Landscapes: Developing Indicators for Policy Analysis.** Norwegian Institute of Land Inventory (NIJOS) on behalf of the Norwegian Ministry of Agriculture, Oslo, Norway, October, 2002.
- **Soil Organic Carbon and Agriculture: Developing Indicators for Policy Analyses.** Agriculture and Agri-Food Canada, Ottawa, Canada, October, 2002.
- **Agricultural Impacts on Soil Erosion and Soil Biodiversity: Developing Indicators for Policy Analysis.** Italian Ministry of Agricultural and Forestry Policies, the Ministry for the Environment and Territory, and the National Institute of Agricultural Economics, Rome, Italy, March, 2003.
- **Agriculture and Land Conservation: Developing Indicators for Policy Analysis.** Japanese Ministry of Agriculture, Forestry and Fisheries, Kyoto, Japan, May, 2003.
- **Agricultural Impacts on Water Use and Water Quality: Developing Indicators for Policy Analysis.** Korean Republic Ministry of Agriculture and Forestry and Korean Rural Development Administration, Gyeongju, the Republic of Korea, October, 2003.
- **Farm Management and the Environment: Developing Indicators for Policy Analysis.** New Zealand Ministry of Agriculture and Forestry, Palmerston North, New Zealand, March, 2004.

Source: The Proceedings of these Expert Meetings can be freely downloaded from the OECD website at: *www.oecd.org/tad/env/indicators.*

5. ***extensive review of the literature, databases and websites***, especially for the information needed to prepare the country-by-country environmental performance assessments provided in Chapter 3.

3. Progress made since the OECD 2001 Agri-environmental Indicator Report

OECD work on AEIs has led to considerable progress in both the identification and specification of the characteristics of policy-relevant indicators. It has also calculated indicators in a number of areas, which now have gained an international reputation as providing a benchmark in environmental monitoring for the agricultural sector. ***Progress has been made in developing indicators that, as far as possible, meet the OECD criteria of***:

- ***policy relevance*** – addressing the key environmental issues faced by governments and other stakeholders in the agriculture sector;
- ***analytical soundness*** – based on the best available scientific knowledge, which recognises that this is constantly evolving;
- ***measurability*** – availability of current or planned data which is cost effective to collect; and,
- ***ease of interpretation*** – such that the indicators communicate essential information to policy makers and the wider public in ways that are unambiguous and easy to understand.

Policy relevance. In this report the AEIs have been identified in terms of two main groups with respect to their policy relevance across OECD countries, namely those most closely related to agri-environmental issues:

1. faced by most OECD countries, which are based on the best available science and data available for a representative group of countries (Annex II.A1 and Annex II.A2); and, those
2. that are only policy relevant to some OECD countries (*e.g.* indicators of cultural landscapes in farming regions and the water retaining capacity of farming systems) (Annex 2.A1, Chapter 2).

Analytical soundness. The analytical basis of the AEIs has been greatly enhanced compared to the 2001 report due to the:

1. advances made in the OECD Expert Meetings (Box II.1), which focused effort on those indicators where scientific knowledge of the indicators was lacking, the calculation methodologies are weak, or where existing indicators covering the same issue differed between countries;
2. co-operation between member countries, the OECD Secretariat, Eurostat and the European Environment Agency in improving the methodologies, data quality and consistency for the nitrogen and phosphorus balances; and,
3. improvements in the methodologies and reporting of international agencies from which data has been drawn for this report, notably Secretariats to various international environmental agreements.

Measurability. The collection of data to calculate the indicators in this report has involved a concerted effort to ensure data consistency between countries. This has been made possible, especially through the circulation of standardised AEI questionnaires and an iterative process between the OECD Secretariat and member countries in resolving inconsistencies in indicator definitions and data, as well as differences in data series for the same indicator but drawn from different sources.

Ease of interpretation. The Expert Meetings and discussions with member countries have sought to improve the clarity of the indicators so that they are as unambiguous as possible in terms of what the data and trends mean. Improvements in interpretation have also been made through the presentation of the indicators in the various graphics in the report including, where relevant, the provision of both percentage and absolute changes over time (*e.g.* pesticides), and comparisons of primary agriculture environmental performance with that of other sectors in the economy (*e.g.* for greenhouse gas emissions).

While most of the indicators in this report reveal national trends (largely on an annual basis), there exists important ***spatial variation*** for many indicators. It is beyond the scope and resources of OECD to identify, analyse and measure the national spatial variation for each indicator, but where this is important it is highlighted in the text, especially in the country sections (Chapter 3), and, in some cases, illustrations are provided of such variation (*e.g.* for nutrient balances, in Chapter 1).

4. Structure of the Report

The *Main Report*, on which the *Highlights* in Section I are based, is structured as follows:

- **Chapter 1:** Summarises OECD trends of environmental conditions related to agriculture during the period since 1990 across 9 themes:
  1. Agricultural production and land use.

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2. Nutrients (nitrogen and phosphorus).
3. Pesticides (use and risks).
4. Energy (direct on-farm consumption).
5. Soil (water and wind erosion).
6. Water (use and quality).
7. Air (ammonia, methyl bromide use, greenhouse gas emissions).
8. Biodiversity (genetic, wild species and ecosystem diversity).
9. Farm Management (nutrients, pests, soil, water, biodiversity and organic).

Each of these sections (except Section 1) has a common structure as follows:

- ❖ Summary of key trends.
- ❖ Definitions of the relevant indicators.
- ❖ Indicator concepts (*i.e.* the science behind the indicator) and interpretation.
- ❖ Recent trends across OECD countries, since 1990.

For the indicators in Chapter 1 (see list, Annex II.A1) all the primary data used in their calculation and the cross country time series are included on the OECD website at: *www.oecd.org/tad/env/indicators*.

- **Chapter 2:** Describes those indicators (see list, Annex 2.A1, Chapter 2) for which either methodologies and/or data sets are not yet at a stage that allows for representative comparative OECD country coverage. The chapter considers for each indicator the respective environmental issues and definitions, followed by an assessment of how far the work has developed in each case, including identifying the main knowledge gaps that need to be addressed for the indicators to be useful for policy monitoring and evaluation. An overall assessment of the common themes that emerge from this review is provided in terms of examining the indicators against four criteria: policy relevance, analytical soundness, measurability, and ease of interpretation. The indicator themes considered in the chapter cover:
  - ❖ Soil: Erosion, soil biodiversity and soil organic carbon.
  - ❖ Water: Use and quality.
  - ❖ Biodiversity: Genetic, wild species and ecosystem diversity.
  - ❖ Land: Agricultural landscapes and land ecosystem functions.
  - ❖ Farm management: Environmental management plans, nutrients, pests, soil, water, biodiversity, and farm management capacity.
- **Chapter 3:** Examines trends of environmental conditions related to agriculture for each of the 30 OECD member countries since 1990 (including an overview of the European Union). Each country section is introduced by a figure showing the national agri-environmental and economic profile over the average period 2002-04, followed by the text, structured as follows:
  - ❖ Agricultural sector trends and policy context.
  - ❖ Environmental performance of agriculture.
  - ❖ Overall agri-environmental performance.
  - ❖ Bibliography.

For each country a standardised page is provided consisting of three figures. The first figure is the same for every country and compares respective national performance against the OECD overall average for the period since 1990. The other two figures focus on the national trends for two specific themes important to each respective country. Information is also provided for each country, only on the OECD website, concerning:

- ❖ Details of national agri-environmental indicator programmes.
- ❖ National databases relevant to AEIs.
- ❖ Websites relevant to the national AEIs.

The website also includes a translation of the country section into the respective national language, while all 30 countries are available in English and French.

- **Chapter 4:** Provides a selective review to illustrate how AEIs are currently being used as a tool in policy analysis and evaluation, including discussion on:
  - ❖ Using indicators in OECD member country agri-environmental performance reporting.
  - ❖ Incorporating indicators in international agri-environmental performance reviews.
  - ❖ Harnessing indicators as a tool for analysing the linkages between policies, agriculture and the environment.
  - ❖ Identifying the limitations, knowledge gaps and future requirements for AEIs.

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ANNEX II.A1

*List of indicators in Chapter 1**

Theme	Indicator title	Indicator definition (trends over time for all indicators)
I. Soil	***i.* Soil erosion**	1. Area of agricultural land affected by water erosion in terms of different classes of erosion, *i.e.* tolerable, low, moderate, high and severe.
		2. Area of agricultural land affected by wind erosion in terms of different classes of erosion, *i.e.* tolerable, low, moderate, high and severe.
II. Water	***ii.* Water use**	3. Agricultural water use in total national water utilisation.
		4. Agriculture's use of groundwater in total national groundwater utilisation.
		5. Area of irrigated land in total agricultural land area.
	***iii.* Water quality**	6. Nitrate and phosphate contamination derived from agriculture in surface water and coastal waters.
		7. Monitoring sites in agricultural areas that exceed recommended drinking water limits for nitrates and phosphorus in surface water and groundwater (nitrates only).
		8. Monitoring sites in agricultural areas that exceed recommended drinking water limits for pesticides in surface water and groundwater.
		9. Monitoring sites in agricultural areas where one or more pesticides are present in surface water and groundwater.
III. Air	***iv.* Ammonia emissions, acidification and eutrophication**	10. Share of agricultural ammonia emissions in national total ammonia (NH_3) emissions.
	***v.* Methyl bromide use and ozone depletion**	11. Agricultural methyl bromide use expressed in tonnes of ozone depletion potential.
	***vi.* Greenhouse gas emissions and climate change**	12. Gross total agricultural greenhouse gas emissions (carbon dioxide, methane and nitrous oxide), and their share in total greenhouse gas emissions.
IV. Biodiversity	***vii.* Genetic diversity**	13. Plant varieties registered and certified for marketing for the main crop categories (*i.e.* cereals, oilcrops, pulses and beans, root crops, fruit, vegetables and forage).
		14. Five dominant crop varieties in total marketed production for selected crops (*i.e.* wheat, barley, maize, oats, rapeseed, field peas and soyabeans).
		15. Area of land under transgenic crops in total agricultural land.
		16. Livestock breeds registered and certified for marketing for the main livestock categories (*i.e.* cattle, pigs, poultry, sheep and goats).
		17. Three dominant livestock breeds in total livestock numbers for the main livestock categories (*i.e.* cattle, pigs, poultry, sheep and goats).
		18. Livestock (*i.e.* cattle, pigs, poultry and sheep) in endangered and critical risk status categories and under conservation programmes.
		19. Status of plant and livestock genetic resources under *in situ* and *ex situ* national conservation programmes.

* All of the indicators listed in this annex are those which relate to agri-environmental issues faced by most OECD countries, and are based on the best available science and data available for a representative group of countries, as shown in Chapter 1.

Theme	Indicator title	Indicator definition (trends over time for all indicators)
	***viii.* Wild species diversity**	20. Wild species that use agricultural land as primary habitat.
		21. Populations of a selected group of breeding bird species that are dependent on agricultural land for nesting or breeding.
	***ix.* Ecosystem diversity**	22. Conversion of agricultural land area to (land exits) and from (land entries) other land uses (*i.e.* forest land; built-up land, wetlands, and other rural land).
		23. Area of agricultural semi-natural habitats (*i.e.* fallow land, farm woodlands) in the total agricultural land area.
		24. National important bird habitat areas where intensive agricultural practices are identified as either posing a serious threat or a high impact on the area's ecological function.
V. Farm management	***x.* Nutrient management**	25. Number (area) of farms (agricultural land area) under nutrient management plans.
		26. Farms using soil nutrient testing (agricultural land regularly sampled and analysed for nutrient content).
	***xi.* Pest management**	27. Arable and permanent crop area under integrated pest management.
	***xii.* Soil management**	28. Arable land area under soil conservation practices.
		29. Agricultural land area under vegetative cover all year.
	***xiii.* Water management**	30. Irrigated land area using different irrigation technology systems.
	***xiv.* Biodiversity management**	31. Agricultural land area under biodiversity management plans.
	***xv.* Organic management**	32. Agricultural land area under certified organic farm management (or in the process of conversion to an organic system).
VI. Agricultural inputs	***xvi.* Nutrients**	33. Gross balance between the quantities of nitrogen (N) inputs (*e.g.* fertilisers, manure) into, and outputs (*e.g.* crops, pasture) from farming.
		34. Gross balance between the quantities of phosphorus (P) inputs (*e.g.* fertilisers, manure) into, and outputs (*e.g.* crops, pasture) from farming.
	***xvii.* Pesticides**	35. Pesticide use (or sales) in terms of tonnes of active ingredients.
		36. Risk of damage to terrestrial and aquatic environments, and human health from pesticide toxicity and exposure.
	***xviii.* Energy**	37. Direct on-farm energy consumption in national total energy consumption.

ANNEX II.A2

*Indicators in Chapter 1 assessed according to the OECD indicator criteria**

Section numbers in Chapter 1[1]	Soil erosion (1.5)		Water use (1.6.1)		
	1. Area of water erosion	2. Area of wind erosion	3. Quantity of water use	4. Quantity of groundwater	5. Area of irrigated land
Figure[2]	1	3	1	4	2
Policy relevance					
1. Number of countries[3]	28	16	21	23	25
2. Contribution of agriculture to environmental impact[4]	n.a.	n.a.	45	55	n.a.
Analytically sound					
1. Science of calculation methodology[5]	Sound	Sound	Average	Weak	Sound
2. Certainty of indicator estimate[6]	High	High	Average	Low	High
Measurable					
1. Number of years of data 1990-2004[7]	4	3	14 (to 2003)	1-5	14 (to 2003)
2. Frequency of data collection[8]	Every 5 years	Every 5 years	Annual	Infrequent	Annual
3. Method of primary data collection[9]	Survey/model	Survey/model	Field/model	Field/model	Census
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]	Agriculture	Agriculture	Agriculture	Agriculture	Agriculture
5. Institution collecting data[11]	Government	Government	Government	Government	Government
Interpretation					
1. Easy to interpret[12]	High	High	High	High	High
2. Cross-country comparability[13]	Yes	Yes	Yes	No	Yes

* The indicators included in this annex are those listed in Annex II.A1 (only abbreviated definitions are provided here for each indicator, but see Annex II.A1 for full definitions), which are assessed according to the OECD indicator criteria of: policy relevance; analytical soundness; measurability; and ease of interpretation.

Section numbers in Chapter 1[1]		Water quality (1.6.2)							
		6. Nitrate and phosphate water pollution		7. Nitrate concentrations in water		8. Pesticide concentrations in water		9. Presence of pesticides in water	
Figure[2]		1 + 2		3 + 4		6		5	
Policy relevance									
1. Number of countries[3]		Surface	Coastal	Surface	Ground	Surface	Ground	Surface	Ground
	N	17	8	12	22	7	14	5	5
	P	18	7	9	n.a.				
2. Contribution of agriculture to environmental impact[4]	N	25-80	35-80	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	P	20-70	20-50	n.a.	n.a.				
Analytically sound									
1. Science of calculation methodology[5]		Sound		Sound		Average		Average	
2. Certainty of indicator estimate[6]		High		High		Average		Average	
Measurable									
1. Number of years of data 1990-2004[7]	N	1-5	1-5	1-5	1-5	1-5	1-5	1-5	1-5
	P	1-5	1-5	1-5	1-5				
2. Frequency of data collection[8]		Infrequent		Infrequent		Infrequent		Infrequent	
3. Method of primary data collection[9]		Sample survey		Sample survey		Sample survey		Sample survey	
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]		Agriculture		Agriculture		Agriculture		Agriculture	
5. Institution collecting data[11]		Government		Government		Government		Government	
Interpretation									
1. Easy to interpret[12]		High		High		High		High	
2. Cross-country comparability[13]		Yes		Yes		Yes		Yes	

Section numbers in Chapter 1[1]	Ammonia (1.7.1)	Methyl bromide (1.7.2)	GHGs (1.7.3)	Genetic diversity (1.8.1)	
	10. Quantity of ammonia emissions	11. Quantity of methyl bromide use	12. Gross total agricultural GHG emissions	13. Plant varieties marketed	14. Dominant crop varieties
Figure[2]	2	1	1	2	3
Policy relevance					
1. Number of countries[3]	24	30	28	19	9
2. Contribution of agriculture to environmental impact[4]	93	8	8	n.r.	n.r.
Analytically sound					
1. Science of calculation methodology[5]	Sound	Sound	Sound	Weak	Weak
2. Certainty of indicator estimate[6]	High	High	Low	Low	Average
Measurable					
1. Number of years of data 1990-2004[7]	14 (to 2003)	15	15	1-5	1-5 (to 2002)
2. Frequency of data collection[8]	Annual	Annual	Annual	Infrequent	Infrequent
3. Method of primary data collection[9]	Model	Model	Model	Survey	Survey
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]	Agriculture	Agriculture + agro-food sector	Agriculture, forestry, fisheries	Agriculture	Agriculture
5. Institution collecting data[11]	UNECE	UNEP	UNFCCC	Government	Government
Interpretation					
1. Easy to interpret[12]	Average	Average	High	Low	Low
2. Cross-country comparability[13]	Yes	Yes	Yes	Yes	Yes

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Section numbers in Chapter 1[1]	Genetic diversity *(cont.)*				
	15. Area of transgenic crops	16. Livestock breeds marketed	17. Dominant livestock breeds	18. Number of livestock endangered	19. Status of genetic resources
Figure[2]	Table 1	4	5	6	Tables 2 + 3
Policy relevance					
1. Number of countries[3]	30	16	13	16	17
2. Contribution of agriculture to environmental impact[4]	n.r.	n.r.	n.r.	n.r.	n.r.
Analytically sound					
1. Science of calculation methodology[5]	Sound	Weak	Weak	Sound	Sound
2. Certainty of indicator estimate[6]	High	Low	Low	High	High
Measurable					
1. Number of years of data 1990-2004[7]	16 (to 2005)	1-5 (to 2002)	1-5 (to 2002)	1-5 (to 2002)	1-5 (to 2002)
2. Frequency of data collection[8]	Annual	Infrequent	Infrequent	Infrequent	Infrequent
3. Method of primary data collection[9]	Survey	Survey	Survey	Survey	Survey
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]	Agriculture	Agriculture	Agriculture	Agriculture	Agriculture
5. Institution collecting data[11]	ISAAA (NGO)	Government	Government	Government/NGO	Government
Interpretation					
1. Easy to interpret[12]	High	Low	Low	High	Average
2. Cross-country comparability[13]	Yes	Yes	Yes	Yes	Yes

Section numbers in Chapter 1[1]	Wild species diversity (1.8.2)		Ecosystem diversity (1.8.3)		
	20. Wild species using farmland	21. Populations of breeding birds	22. Conversion of agricultural land	23. Area of semi-natural habitats	24. National bird habitat areas
Figure[2]	7	8	9	Table 5	13
Policy relevance					
1. Number of countries[3]	11	17	8	18	22
2. Contribution of agriculture to environmental impact[4]	n.c.	n.c.	n.c.	n.c.	n.c.
Analytically sound					
1. Science of calculation methodology[5]	Average	Sound	Sound	Average	Sound
2. Certainty of indicator estimate[6]	Average	High	High	Average	High
Measurable					
1. Number of years of data 1990-2004[7]	1-5	15	5	14 (to 2003)	1-5
2. Frequency of data collection[8]	1-5	Annual	1-5	Annual	1-5
3. Method of primary data collection[9]	Survey	Survey	Census	Census	Survey
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]	Agriculture	Agriculture	Agriculture	Agriculture	n.r.
5. Institution collecting data[11]	Government	BirdLife International (NGO)	Government	Government	BirdLife International (NGO)
Interpretation					
1. Easy to interpret[12]	High	High	High	Average	Average
2. Cross-country comparability[13]	No	Yes	No	Yes	Yes

Section numbers in Chapter 1[1]	Nutrient management (1.9.2)		Pest management (1.9.3)
	25. Nutrient plans	26. Soil nutrient testing	27. Integrated pest management
Figure[2]	1.1 + 1.2	1.3	2.1
Policy relevance			
1. Number of countries[3]	16	12	12
2. Contribution of agriculture to environmental impact[4]	n.a.	n.a.	n.a.
Analytically sound			
1. Science of calculation methodology[5]	Average	Sound	Average
2. Certainty of indicator estimate[6]	Average	High	Average
Measurable			
1. Number of years of data 1990-2004[7]	1-5	1-5 (to 2003)	1-5
2. Frequency of data collection[8]	1-5	1-5	1-5
3. Method of primary data collection[9]	Sample survey	Sample survey	Sample survey
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]	Agriculture	Agriculture	Agriculture
5. Institution collecting data[11]	Government	Government	Government
Interpretation			
1. Easy to interpret[12]	Average	Average	Average
2. Cross-country comparability[13]	No	Yes	No

Section numbers in Chapter 1[1]	Soil management (1.9.4)		Water management (1.9.5)	Biodiversity management (1.9.6)	Organic management (1.9.7)
	28. Soil conservation	29. Vegetative cover	30. Irrigation technologies	31. Biodiversity management plans	32. Organic farming
Figure[2]	3.1	3.2	4.1	5.1	6.1
Policy relevance					
1. Number of countries[3]	13	10	14	9	30
2. Contribution of agriculture to environmental impact[4]	n.a.	n.a.	n.a.	n.a.	n.a.
Analytically sound					
1. Science of calculation methodology[5]	Average	Sound	Sound	Weak	Sound
2. Certainty of indicator estimate[6]	Average	High	High	Low	High
Measurable					
1. Number of years of data 1990-2004[7]	1-5 (to 2003)	1-5 (to 2003)	1-5 (to 2003)	1-5 (to 2003)	9
2. Frequency of data collection[8]	1-5	1-5	1-5	1-5	Annual
3. Method of primary data collection[9]	Sample Survey	Sample Survey	Sample Survey	Sample Survey	Survey
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]	Agriculture	Agriculture	Agriculture	Agriculture + Forestry	Agriculture
5. Institution collecting data[11]	Government	Government	Government	Government	Government + IFOAM (NGO)
Interpretation					
1. Easy to interpret[12]	Average	High	High	Low	High
2. Cross-country comparability[13]	No	Yes	Yes	No	Yes

Section numbers in Chapter 1[1]	Nutrients (1.2)		Pesticides (1.3)		Energy (1.4)
	33. Nitrogen balance	34. Phos-phorus balance	35. Pesticide use	36. Pesticide risk	37. Farm energy consumption
Figure[2]	2	8	1	3-9	2
Policy relevance					
1. Number of countries[3]	30	30	26	7	30
2. Contribution of agriculture to environmental impact[4]	n.a.	n.a.	n.a.	n.a.	2
Analytically sound					
1. Science of calculation methodology[5]	Sound	Sound	Average	Average	Average
2. Certainty of indicator estimate[6]	High	High	Average	Average	Average
Measurable					
1. Number of years of data 1990-2004[7]	15	15	14 (to 2003)	10	14
2. Frequency of data collection[8]	Annual	Annual	Annual	Annual	Annual
3. Method of primary data collection[9]	Model	Model	Census	Model	Census
4. Data coverage (*i.e.* agriculture + forestry + fisheries)[10]	Agriculture	Agriculture	Agriculture, Forestry	Agriculture	Agriculture, Forestry, Fisheries
5. Institution collecting data[11]	Government	Government	Government	Government	Government
Interpretation					
1. Easy to interpret[12]	Average	Average	High	Low	Average
2. Cross-country comparability[13]	Yes	Yes	Yes	No	Yes

n.a.: Not available. n.r.: Not relevant. n.c.: Not calculated.

1. Section numbers shown in brackets refer to those included in Chapter 1.
2. Figure numbers refer to the figures in each respective section of Chapter 1.
3. "*Number of countries*" – the number of countries for which data are available in the indicators of each respective section of Chapter 1 (*e.g.* 28 of the 30 OECD member countries provided data in the report on agricultural soil water erosion).
4. "*Contribution of agriculture to environmental impact*" – the contribution of OECD agriculture to respective environmental impacts, where relevant, for example, OECD agriculture accounts for 45% of total water use in 2001-03.
5. "*Science of calculation methodology*" – a qualitative assessment – sound, average, weak – of the scientific rigour of each respective indicator's method of calculation.
6. "*Certainty of indicator estimate*" – a qualitative assessment – high, average, low – of the certainty of the estimate made for each indicator.
7. "*Number of years of data 1990-2004*" – the average number of years covered in the figures/tables of each respective section of Chapter 1. Where the time series covers a different period this is indicated.
8. "*Frequency of data collection*" – the frequency (*e.g.* annual to every 5 years) of primary data collection used in the calculation of the indicators.
9. "*Method of primary data collection*" – the method (*e.g.* survey, census) used to collect the primary data to calculate the indicators.
10. "*Data coverage* (i.e. *agriculture + forestry + fisheries*)" – the sectoral (*e.g.* agriculture or agriculture and forestry) coverage of the indicators.
11. "*Institution collecting data*" – the main institution with primary responsibility for collecting data to calculate the indicators.
12. "*Easy to interpret*" – a qualitative assessment – high, average, low – of the ease of interpreting the indicators by policy makers and the wider public.
13. "*Cross-country comparability*" – identification (yes or no) of whether the indicators are comparable across countries.

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Chapter 1

OECD Trends of Environmental Conditions related to Agriculture since 1990

1.1. AGRICULTURAL PRODUCTION AND LAND

KEY TRENDS

OECD countries are major world food suppliers. While projections (2007-16) indicate that the growth in farm production will be lower in OECD countries than for developing countries, the OECD's role as a leading world food exporter is projected to continue.

The projected increase in OECD cereal, meat and milk production is likely to mainly originate in Australia, Canada, Mexico, New Zealand, Turkey and the United States, while production in the EU15 is projected to grow at a rate slower than in the 1990s, and in Japan the farming sector could further contract.

Much of the projected expansion in OECD farm production is likely to originate from raising yields rather than expanding the area cultivated or increasing livestock numbers.

About half of all gains in crop yields over the past 20 years can be attributed to genetic improvement, the remainder is due to improved use of inputs, especially fertilisers, pesticides and irrigation water, and improved management.

OECD agricultural land area accounts for nearly 40% of the total land area, but for around half of OECD member countries farming is the dominant land user, with a share of over 50% in the national land area. Overall the OECD agricultural land area decreased by almost 4% (1990-92 to 2002-04), but increased notably in Belgium, Luxembourg, Mexico, Norway and Turkey.

OECD countries can be classified into four groups in terms of their respective trends in agricultural production, land area, input use (nutrients, pesticides, energy, water) and environmental pressures (1990-2004):

1. *Increasing production and expanding land area:* Mexico and Turkey – potential environmental pressure is increasing due to expanding production and land area, although these countries have a relatively low intensity farming system compared to many other OECD countries.
2. *Increasing production and reduced or near stable land area:* Most countries in this group – Australia, Canada, Korea, New Zealand, Spain, United States – have experienced the highest growth in production on a reduced land area with an overall increase in potential pressure on the environment. In contrast, some EU15 countries and Iceland have experienced slower production growth on less land, but the overall intensity of farming remains a source of high potential environmental pressures.
3. *Decreasing production and land area:* Notably the Czech and Slovak Republics, Hungary, Japan, the Netherlands, Poland and the United Kingdom – leading to an overall lowering of potential pressure on the environment.
4. *Decreasing production, but on an expanding land area:* Norway – with an overall reduction in input use the potential pressure on the environment is declining. However, some of the apparent rise in the area farmed for Norway is due to better reporting.

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1.1.1. Introduction

The OECD's ***Driving Force-State-Response (DSR) model***, outlined in Section II, *Background and Scope of the Report*, provides the organising framework for this chapter. The DSR components examined in this chapter include (numbers in brackets indicate the relevant sections in this chapter):

- **Driving forces** – *Farm inputs and outputs*: Agricultural production (1.1.2); Land use (1.1.3); Nutrient use (1.2); Pesticide use (1.3.1); Energy consumption (1.4); Water use (1.6.1).
- **State**
  - *i) Ecosystem:* Pesticide risks (1.3.2); Biodiversity (1.8).
  - *ii) Natural resources:* Soil quality (1.5); Water quality (1.6.2); Air quality (1.7); Biodiversity (1.8).
- **Responses** – *Farmer behaviour:* Farm management practices and systems (1.9).

To set the discussion in the rest of this chapter in a wider context, this section (1.1) examines the: ***driving forces*** of agricultural production and land use as they relate to other key driving forces, especially purchased farm input use (Sections 1.2 to 1.4 and Water use, 1.6.1), which play a major role in affecting the ***state*** of the environment related to agriculture, both on and off-farm (Sections 1.5 to 1.8), and which in turn lead to a ***response*** by farmers in terms of altering their farming practices and systems (Section 1.9).

1.1.2. Agricultural production

OECD countries are major producers of world food supplies. For the main traded agricultural commodities (excluding tropical products) – cereals, meat and dairy products – OECD countries are major global producers (except for rice) and exporters (Tables 1.1.1 and 1.1.2). While OECD agricultural projections from 2007 to 2016 indicate that production growth for crop (except wheat) and livestock products should be appreciably lower in OECD countries than for non-member OECD countries, nevertheless, the OECD's role as a leading world food exporter is projected to continue (OECD, 2007).

OECD agricultural projections for 2007 to 2016, indicate that production may not grow as rapidly as over the period 1990-2005, except for rice (Figure 1.1.1; the assumptions underlying these projections are outlined in OECD, 2006). The projections also suggest that much of the increase in agricultural production is likely to originate from the same countries that showed a rapid growth in production over the 1990s (Figure 1.1.2), mainly **Australia, Canada, Mexico, New Zealand, Turkey** and the **United States**. Overall

Table 1.1.1. **OECD and world agricultural production**

2002-04 (million tonnes)

	OECD	World	% share of OECD in world total
Cereals[1]	**770**	2 132	36
Rice[2]	**31**	587	5
Wheat	**243**	590	41
Milk (cow)	**290**	614	47
Meat[3]	**102**	254	40

StatLink http://dx.doi.org/10.1787/301364511648

1. Cereals: wheat, rice, coarse grains.
2. Only paddy rice production available.
3. Beef and veal, mutton and lamb, pigmeat, poultry and other meats.

Source: FAOSTAT (2006).

Table 1.1.2. **OECD and world agricultural exports**
2002-04 (million tonnes)

	OECD	World	% share of OECD in world total
Cereals[1]	**179**	277	65
Rice[2]	**2**	2	89
Wheat	**83**	116	72
Milk (equivalent)[3]	**69**	78	88
Meat total[4]	**21**	29	72

StatLink http://dx.doi.org/10.1787/301373360557

1. Wheat, rice, coarse grains.
2. Only paddy rice.
3. Milk equivalent of fresh milk, butter, milk powder, cheese and other dairy products.
4. Beef and veal, mutton and lamb, pigmeat, poultry and other meats.

Source: FAOSTAT (2006).

agricultural production in the **EU15** is projected to grow at about the same rate as that experienced over the 1990s, and in **Japan** the farming sector could further contract (Figure 1.1.2). However, production may expand for some **EU15** countries, notably **Spain**, and also for a few new **EU25** entrants, such as **Hungary**.

Much of the expansion in OECD agricultural production is likely to originate from raising yields rather than expanding the cultivated crop area or increasing livestock numbers. For ***crop production*** (*i.e.* coarse grains, wheat and rice), OECD projections reveal that growth in yields are expected to be appreciably higher than the growth in area harvested, and in many cases the area harvested is projected to remain unchanged or decrease while production expands (Figure 1.1.1). About half of all gains in crop yields over the past 20 years can be attributed to genetic improvement, the remainder is due to improved use of inputs, especially fertilisers, pesticides and irrigation water, and enhanced farm management practices (OECD, 2005; Wiebe, 2003).

In the case of ***livestock production***, higher productivity is likely to be achieved through improving feed conversion ratios, especially for pigs and poultry (OECD, 2003); increasing stocking densities per hectare of area grazed for dairy, beef and sheep; and from the greater concentration of livestock in single production units, already well advanced for pigs and poultry, but beginning to take hold in the dairy sector (OECD, 2004b). OECD stocking densities for cattle and sheep showed little change over the period 1990 to 2003, with the exception of an increase in cattle stocking densities in **Canada** and **New Zealand**, and a decline in sheep flocks in **Australia** and **New Zealand**. For most of the key OECD milk producing countries, including the **EU15**, projections (2007-16) indicate an increase in milk production but falling cow numbers, except for **Australia**, **Mexico** and **New Zealand** (Figure 1.1.1).

1.1.3. Agricultural land use

Changes in land use and land cover are among the most important driving forces in global as well as local environmental change. Agriculture is of particular significance in this context as it is for most OECD countries the major user of national land resources (Figure 1.1.3). The environmental implications of changes in agricultural ***land use*** are complex, because they involve changes to other land uses in the economy (*e.g.* to forest and urban use) and in some cases the change of other land uses to farming (*e.g.* from forestry). In addition, there are ***land cover*** changes within agriculture, involving changes in the mix

Figure 1.1.1. **Production, yields and area harvested and future projections for selected commodities and OECD countries**

Annual percentage growth rates

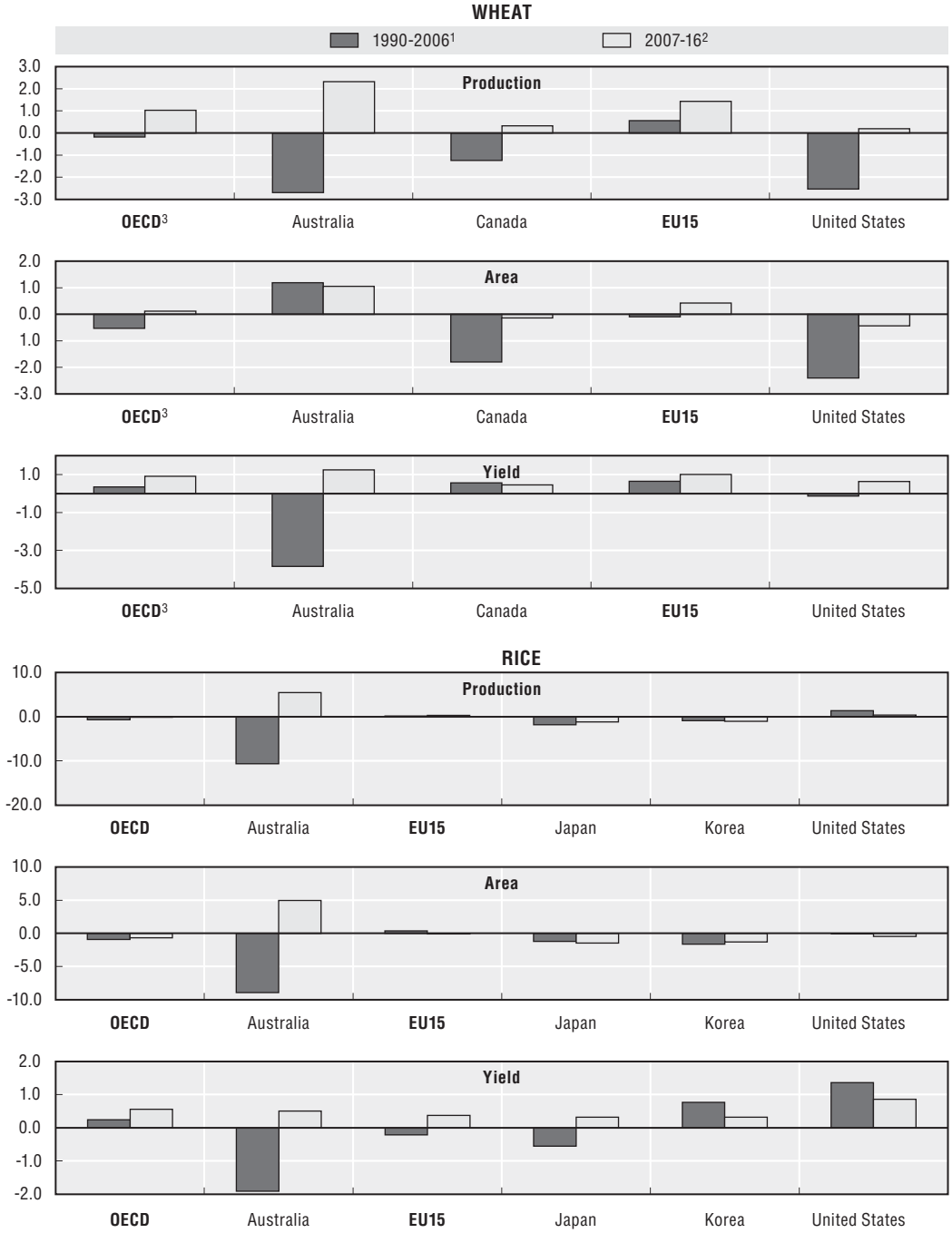
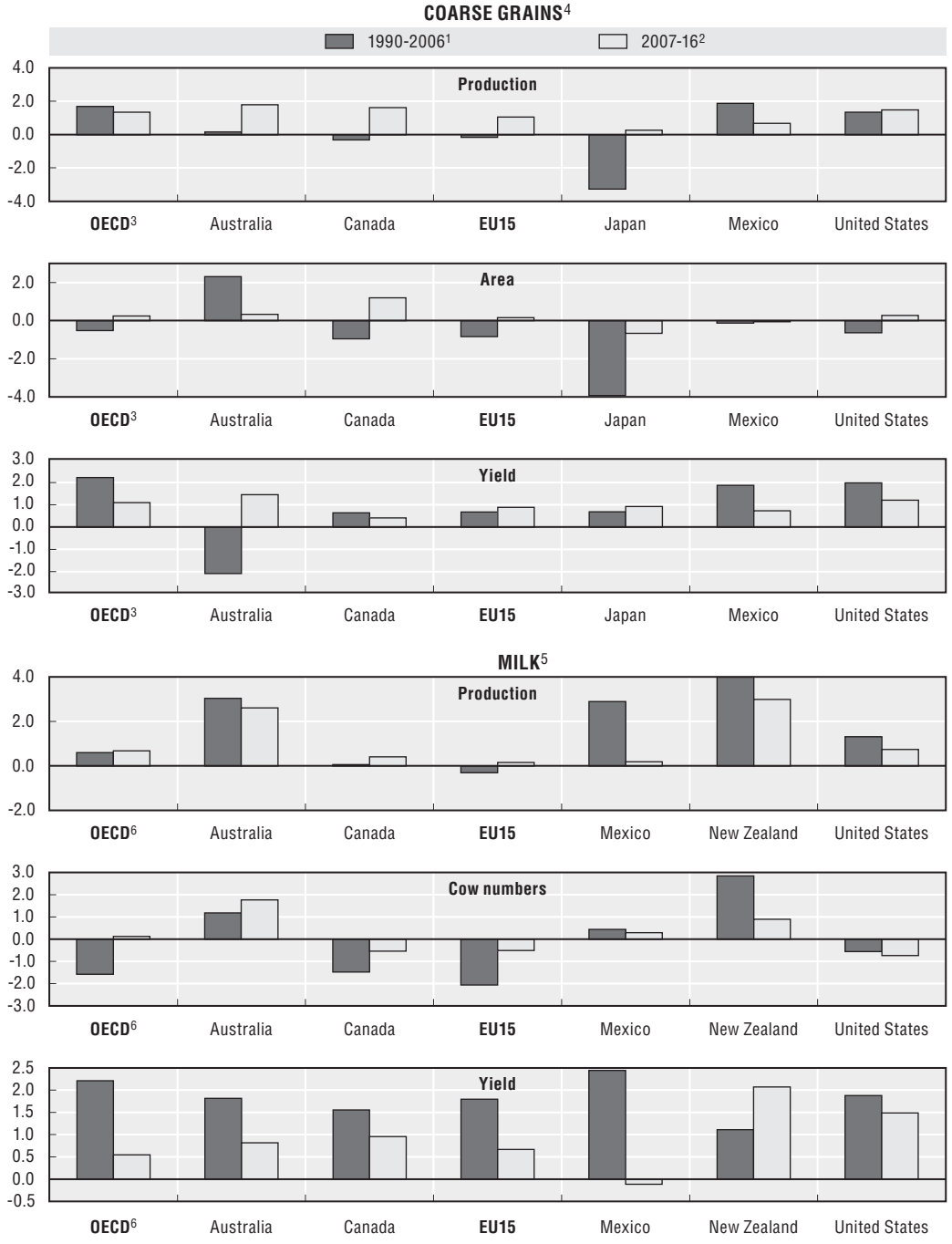


Figure 1.1.1. **Production, yields and area harvested and future projections for selected commodities and OECD countries** *(cont.)*

Annual percentage growth rates



StatLink http://dx.doi.org/10.1787/286154000604

1. 1990-2006, actual trends, 2006 estimate.
2. 2007-16, projections using the OECD Aglink model, OECD (2007).
3. OECD and country average 1990-2006 = average 1995-2006.
4. Coarse grains include: barley, rye, oats, millets, sorghum, buckwheat, quinoa, fonio, triticale, canary seed, mixed grain and cereals n.e.s.
5. Milk from dairy cows.
6. OECD and country average 1990-2006 = average 1999-2006.

Source: OECD (2007).

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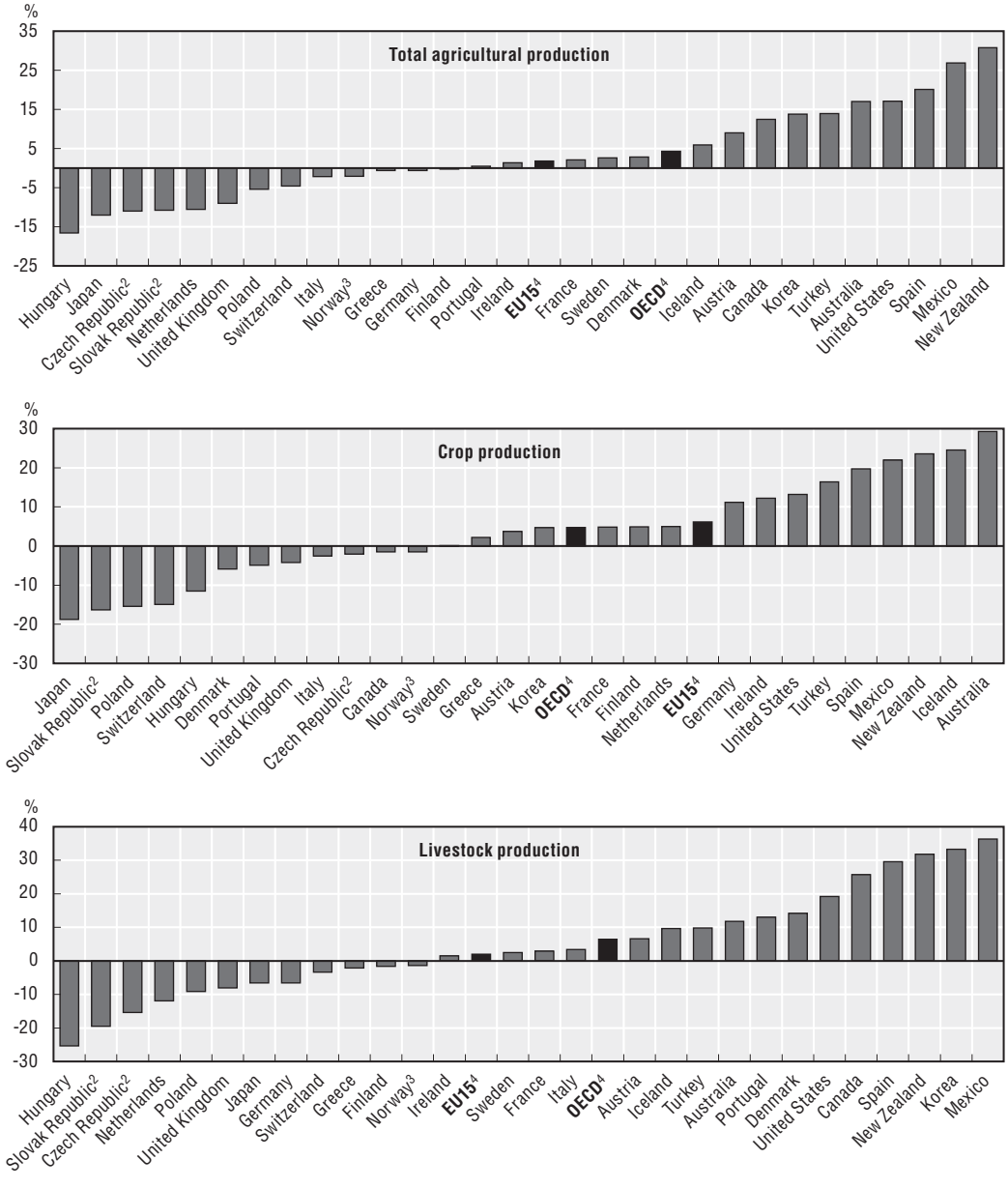
Figure 1.1.2. **Volume of total agricultural production**[1]

1990-92 to 2002-04
Base 1999-01 = 100



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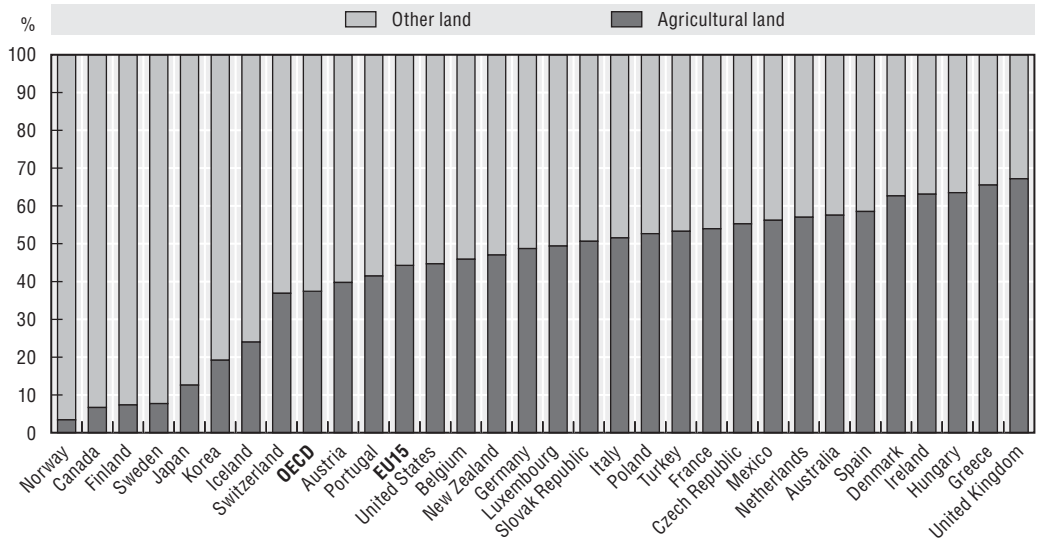
1. The FAO indices of agricultural production show the relative level of the aggregate volume of agricultural production for each year in comparison with the base period 1999-2001. They are based on the sum of price-weighted quantities of different agricultural commodities produced after deductions of quantities used as seed and feed weighted in a similar manner. The resulting aggregate represents, therefore, disposable production for any use except as seed and feed. All the indices at the country, regional and world levels are calculated by the Laspeyres formula. Production quantities of each commodity are weighted by 1999-2001 average international commodity prices and summed for each year. To obtain the index, the aggregate for a given year is divided by the average aggregate for the base period 1999-2001.
2. Czech Republic and Slovak Republic: average 1990-92 = average 1993-95.
3. National data for Norway.
4. OECD and EU15 excludes Belgium and Luxembourg as data for these countries are only available from 2000 to 2004.

Source: FAOSTAT (2006).

Figure 1.1.3. **Share of agricultural land use in the national land area**

Average 2002-04



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Note: National data for Austria, Belgium, Canada, Czech Republic, Denmark, France, Germany, Hungary, Ireland, Japan, Korea, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, and Turkey.

Source: FAOSTAT (2006); and national data.

of arable crops, permanent crops and pasture. But, agricultural land use changes are also complex because of the diversity of land:

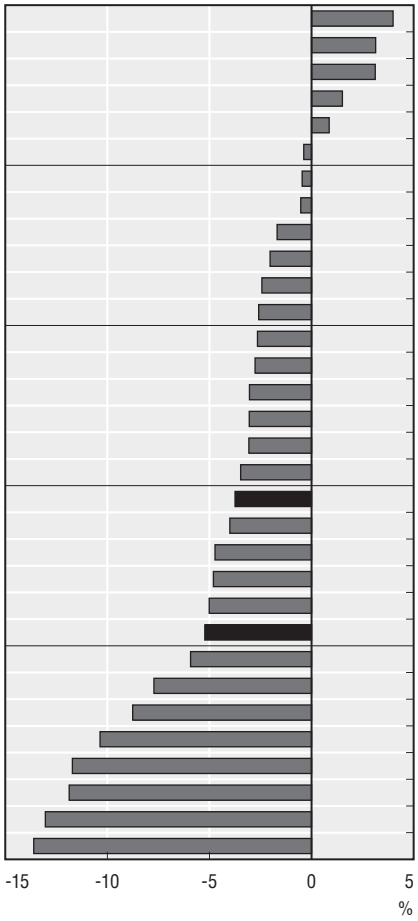
- ***Use***, in commodity production and provision of ecosystem services, such as biodiversity, carbon sequestration, water retention and flood control capacity; and cultural landscape.
- ***Ownership***, in particular, the property right issues related to land and water (OECD, 1997a).
- ***Policies***, that affect land use and management decisions, such as the use of agricultural land diversion programmes in the **EU** and **United States** (OECD, 1997b).

Agricultural land in OECD countries accounts for nearly 40% of the total land area (2002-04), but for around a half of OECD member countries farming is the dominant land user, with a share of over 50% in the national land area (Figure 1.1.3). Overall OECD agricultural land area decreased by almost 4% over the period 1990-92 to 2002-04 (Figure 1.1.4), but for some countries it decreased at over double the OECD average (**Finland, Hungary, Italy, Japan, Korea, Poland** and **United Kingdom**), with much of this land converted to forestry and urban use (Section 1.8).

For a few countries, however, the area farmed has increased, notably **Belgium, Luxembourg, Mexico, Norway** and **Turkey** (Figure 1.1.4). In these countries, except **Mexico** and **Turkey**, some of this increase was due to improved registration and reporting by farmers, in particular, related to stricter requirements with regards to the minimum area for manure spreading and the transition from a farm support system based on production to one based on area.

What are the likely future trends in agricultural land use that are important in terms of environmental effects? Projections for OECD ***crop production*** indicate a potential intensification of cropping, as for many countries the area harvested is expected to decrease while production expands, which could lead to the greater intensity of chemical

Figure 1.1.4. **Agricultural land area**



	Average		Change 1990-92 to 2002-04	
	1990-92	2002-04		
	'000 hectare		'000 hectare	%
Norway	1 002	1 042	40	4.0
Mexico	104 033	107 300	3 267	3.1
Belgium	1 351	1 393	42	3.1
Luxembourg	126	128	2	1.5
Turkey	40 662	41 014	352	0.9
Czech Republic	4 285	4 269	–16	–0.4
Slovak Republic	2 448	2 437	–11	–0.5
Iceland	2 416	2 403	–13	–0.5
Germany	17 288	16 996	–292	–1.7
Greece	8 621	8 446	–175	–2.0
Canada	62 373	60 852	–1 521	–2.4
Ireland	4 465	4 349	–116	–2.6
France	30 492	29 682	–809	–2.7
Austria	3 428	3 333	–95	–2.8
New Zealand	13 006	12 610	–396	–3.0
Switzerland	1 573	1 525	–48	–3.1
Netherlands	1 994	1 932	–61	–3.1
Spain	30 269	29 215	–1 054	–3.5
OECD	**1 301 453**	**1 252 552**	**–48 901**	**–3.8**
United States	426 442	409 367	–17 074	–4.0
Denmark	2 788	2 656	–132	–4.7
Australia	464 367	442 002	–22 364	–4.8
Portugal	3 992	3 792	–200	–5.0
EU15	**146 421**	**138 759**	**–7 662**	**–5.2**
Sweden	3 375	3 175	–200	–5.9
Hungary	6 357	5 865	–491	–7.7
Japan	5 204	4 747	–457	–8.8
United Kingdom	18 143	16 260	–1 883	–10.4
Finland	2 542	2 244	–298	–11.7
Poland	18 686	16 465	–2 221	–11.9
Korea	2 179	1 895	–284	–13.1
Italy	17 546	15 156	–2 390	–13.6

StatLink http://dx.doi.org/10.1787/286243741425

Note: National data for Austria, Belgium, Canada, the Czech Republic, Denmark, France, Germany, Hungary, Ireland, Japan, Korea, Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain and Turkey.

Source: FAOSTAT (2006); and national data.

inputs per hectare cropped (Figure 1.1.1). Projections for grazing livestock suggest that the pressure to stock pasture more intensively or expand the area for grazing is likely to remain stable or even diminish. While beef production is projected to rise over the next decade, this may be offset by lower sheep and dairy cow numbers. Linking possible land use changes to the higher demand for feed from the projected rise in ***pig and poultry*** production is more complex, as it will critically depend on improvements in feed conversion ratios (*i.e.* kilos of feed to produce a kilo of meat/eggs), and how much feed requirements are imported from outside the OECD area.

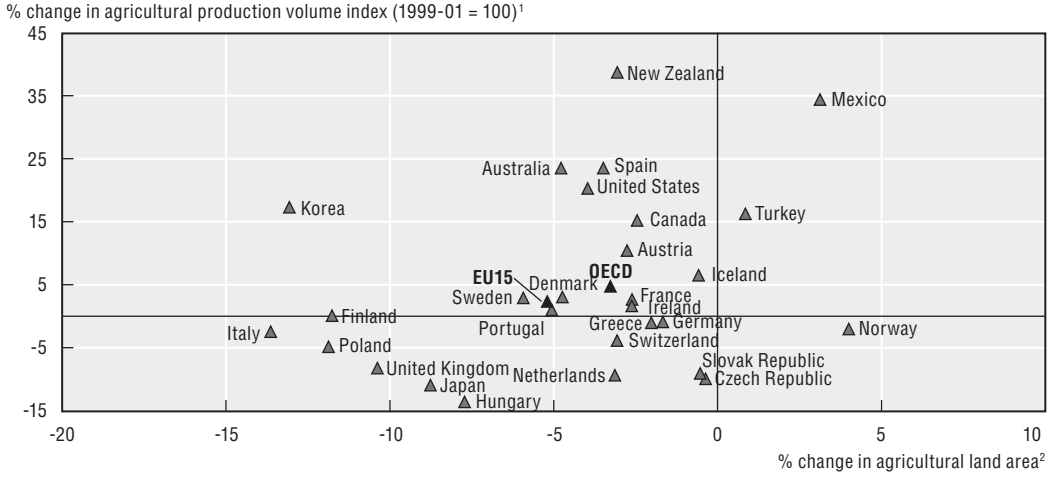
Changes in the overall size and composition of livestock inventories have important implications for discharges of nutrients into soil, water and the air, while changes in stocking densities can have effects on soil erosion and biodiversity. Also the production systems to rear livestock can have varying environmental impacts, such as the increasing trend toward large intensive operations for pigs and poultry and more recently dairy cows.

1.1.4. Linkages between agricultural production and land use

The expansion of agricultural production can be achieved by expanding the land area under production (especially for crops and beef cattle), raising crop and livestock yields through technological improvements, or a combination of both. Based on trends in farm production and land area over the period 1990-92 to 2002-04, OECD countries can be categorised into four broad groups (Figure 1.1.5). Grouping countries in this way helps to identify the implications for the environment. This provides background for the remaining sections of this chapter.

Figure 1.1.5. **Agricultural production volume index and agricultural land area**

1990-92 to 2002-04



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1. The agricultural production index is a volume index of total crop and livestock production, see definition Figure 1.1.2. The data included in the figure are averages for 2002-04, with 1999-01 as the base period = 100. Czech Republic and Slovak Republic: Average 1990-92 = average 1993-95. Belgium and Luxembourg are excluded as data are available only from 2000 to 2004.
2. Percentage change in the total national agricultural land area expressed in thousand hectares, 1990-92 to 2002-04.

Source: OECD Secretariat, based on FAOSTAT (2006); and national data.

Group 1: *Increasing production and expanding land area.* For **Mexico** and **Turkey**, the only countries in this group, the potential pressure on the environment from an expanding agricultural sector is increasing. Although Mexico and Turkey are not the most intensive farming systems in the OECD area, there is a risk of an increasing use of environmentally fragile land.

Group 2: *Increasing production, but on a reduced or near stable land area.* Most OECD countries fall under this group, having over the past decade expanded agricultural output by raising productivity and intensifying production on a reduced land area. However, within this group it is possible to discern two broad sub-categories:

- **Australia, Canada, Korea, New Zealand, Spain** and the **United States** have experienced the largest increase in production on a reduced or stable land area. However, with the exception of **Korea**, the overall intensity of production for these countries is lower than for many other OECD countries.

- Some **EU15** member states and **Iceland** have experienced intensification of farm production on a reduced farmed area. However, for most **EU15** countries and **Iceland**, production increases have been considerably lower than for the previous sub-category in the group. Nevertheless, the overall intensity of input use has in most cases been above OECD average levels.

Group 3: *Decreasing production and land area.* The agricultural sectors for this group of countries – notably the **Czech** and **Slovak Republics, Hungary, Japan, the Netherlands, Poland** and the **United Kingdom** – contracted significantly. For **Japan, the Netherlands** and the **United Kingdom**, the overall intensity of input use has been above OECD average levels. However, for the **Czech** and **Slovak Republics, Hungary** and **Poland** agricultural production levels and input use fell sharply (following the transition to a market economy in the early 1990s, but as these countries moved toward EU membership in the late 1990s production levels and input use begun to rise.

Group 4: *Decreasing production, but on an expanding land area.* For **Norway** the only country in this group, while agricultural production has declined over the past decade, the area farmed has increased. However, some of the apparent expansion in area farmed is, in part, due to improvements in the land registration system linked to changes in agri-environmental policies, which also applies to **Belgium** (not shown in Figure 1.1.5 as production data are not available) where the area of agricultural land rose by 3% over the past decade.

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1.2. NUTRIENTS

KEY TRENDS

Overall the quantity of OECD agricultural nutrient balance surpluses declined between 1990-92 and 2002-04, by –4% for nitrogen and –19% for phosphorus, potentially reducing the environmental pressures on soil, water and air. OECD nutrient use efficiency (*i.e.* the ratio of nutrient outputs to nutrient inputs) has also improved, but more markedly for phosphorus than nitrogen. In part this trend reflects the increase in the OECD total use of inorganic nitrogen fertilisers by 3% over the period 1990-92 to 2002-04 compared to a reduction of –10% for phosphate fertilisers, although livestock manure is also an important source of nutrient surpluses for most countries.

While the intensity of nutrient balance surpluses per hectare of agricultural land across the OECD declined by 17%, for nitrogen, the reduction was larger at 37% for phosphorus. Despite the greater reduction in phosphorus compared to nitrogen surpluses from agriculture, the accumulation of phosphorus in agricultural soils is a concern (because of its physical interaction in the environment), particularly the future potential pollution of water bodies.

Nutrient balance surpluses increased mainly in non-European OECD countries, including Australia, Canada, New Zealand, and the United States, although Spain was an exception to this trend, as well as Hungary, Ireland and Portugal where nitrogen surpluses (but not phosphorus) have risen. But in most countries where nutrient surpluses have been rising they mostly had an intensity of nutrient surplus per hectare of farmland well below the OECD average in 2002-04. At the same time for countries where nutrient surpluses have sharply decreased some of them continue to have the highest intensities of nutrient surpluses across the OECD, notably Belgium, Japan, Korea, and the Netherlands.

Where increases in nutrient surpluses into the environment have been the highest over the period 1990-92 to 2002-04 this is largely linked to an overall expansion in agricultural production, especially leading to a greater use of fertilisers and growth in livestock numbers. For Australia and to a lesser extent Hungary, however, it has been the very high rates of growth in fertiliser use that has mainly driven the rising nitrogen surpluses, as overall livestock numbers have declined, although for Canada, New Zealand, Portugal, Spain and the United States, both fertiliser use and livestock numbers have increased.

Overall where ***adoption of nutrient management plans*** and environmental farm plans has been high relative to most other OECD countries, this has had an impact in reducing nutrient surpluses. Even so, for many such countries there is further potential to reduce nutrient surpluses to levels that are not environmentally damaging. Also for some countries where nutrient use efficiency is low by average OECD levels (Japan, Korea), their nutrient surplus intensity per hectare is higher than the OECD average and they have a poor uptake by farmers of nutrient management plans.

The ***principal sources of nutrient inputs*** into OECD farming systems derive from inorganic fertilisers and the nutrient content of livestock manure, which together comprise around 67% of nitrogen inputs and 97% of phosphorus inputs for the OECD on average in 2002-04. In some countries, however, inputs of nitrogen from atmospheric deposition and biological nitrogen fixation can be important. For nutrient outputs, or the uptake of nutrients by harvested crops and pasture, this varies greatly across countries depending on different agro-ecosystems, for example, largely pasture based in Ireland and New Zealand but mainly cereals in Hungary and Japan.

In most countries there is ***considerable variation in the level and trends of regional nutrient balance surpluses*** around national average values. Regional variations are largely explained by the spatial distribution of intensive livestock farming and also cropping systems that require high nutrient inputs, such as maize and rice relative to wheat and oilseeds.

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Indicator definitions:

- Gross balance between the quantities of **nitrogen** (N) inputs (*e.g.* fertilisers, manure) into, and outputs (*e.g.* crops, pasture) from farming.
- Gross balance between the quantities of **phosphorus** (P) inputs (*e.g.* fertilisers, manure) into, and outputs (*e.g.* crops, pasture) from farming.

Concepts and interpretation

Inputs of nutrients, such as nitrogen and phosphorus, are important in farming systems as they are critical in raising crop and forage productivity, and a nutrient deficiency can impair soil fertility and crop yields. A build up of surplus nutrients in excess of immediate crop and forage needs, however, can lead to nutrient losses representing not only a possible cause of economic inefficiency in nutrient use by farmers, but especially a source of potential harm to the environment. This can occur in terms of water pollution (*e.g.* eutrophication of surface water caused by nutrient runoff and groundwater pollution by leaching), and air pollution, notably ammonia, as well as greenhouse gas emissions. An additional environmental issue concerns the sustainability of phosphorus resources, as world reserves are diminishing (Johnston and Steén, 1997).

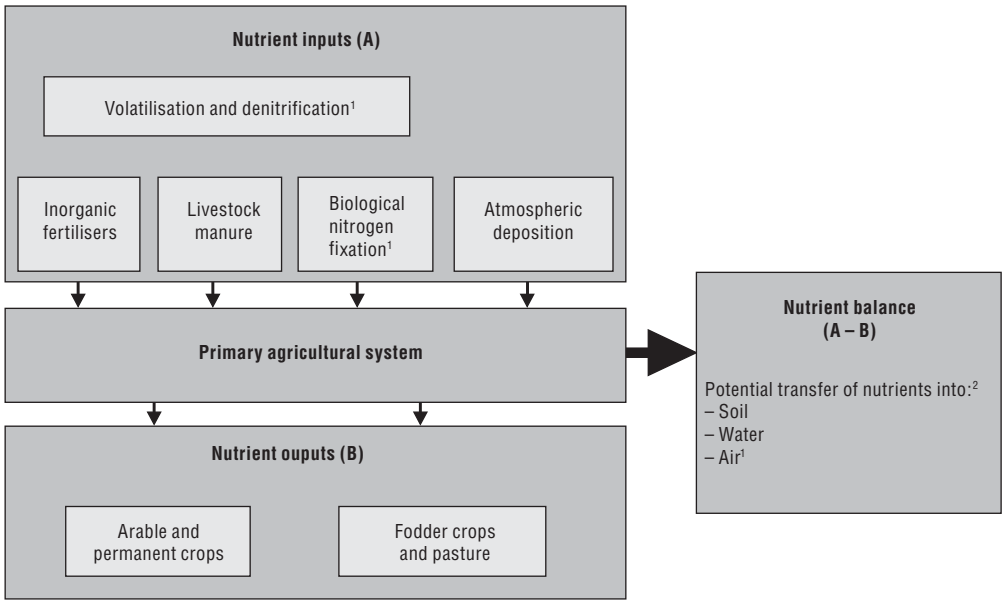
There are a complex range of physical processes that affect nutrient supplies in an agricultural system, illustrated by nutrient cycles (OECD, 2005a; 2005b). The extent to which these processes can harm the environment will depend on the: type of nutrients applied to crops; efficiency of crop nutrient use; type of crop and livestock systems; environmental assimilative capacity of an agro-ecosystem; farming practices; and economic and policy drivers (*e.g.* fertiliser prices and crop subsidies).

The OECD ***gross nutrient balances*** are calculated as the difference between the total quantity of nutrient inputs entering an agricultural system, and the quantity of nutrient outputs leaving the system (Figure 1.2.1). This calculation can be used as a proxy to reveal the status of environmental pressures, such as declining soil fertility in the case of a nutrient deficit, or for a nutrient surplus the risk of polluting soil, water and air. The methodology has been jointly developed by OECD country nutrient experts and the OECD and Eurostat Secretariats (OECD, 2007a; 2007b).

The nutrient balance indicator is expressed here in terms of the kilograms of nutrient surplus (deficit) per hectare of agricultural land per annum. This expression of nutrient balances facilitates the comparison of the relative intensity of nutrients in agricultural systems between countries (*e.g.* very high in **Korea** and very low in **Australia**, Figures 1.2.2 and 1.2.8), and also helps describe the main sources of nutrient inputs and outputs. In addition, the nutrient balances are expressed in terms of changes in the physical quantities of nutrient surpluses (deficits), which provide an indication of the trend and level of potential physical pressure of nutrient surpluses into the environment (*e.g.* rising in **Canada** and declining in **Finland**, Figures 1.2.2 and 1.2.8).

It should be stressed that the methodology is a gross balance calculation which takes account of all the total potential, not effective, losses of nutrients into the environment (*i.e.* soil, water and air). This includes for the ***nitrogen balance*** ammonia (NH_3) volatilisation during the process of manure accumulation and manure storage and nitrogen losses from the soil (leaching, denitrification, and ammonia volatilisation). Denitrification, which is the

Figure 1.2.1. **Main elements in the OECD gross nutrient (nitrogen and phosphorus) balance calculation**



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1. Applies to the nitrogen balance only.
2. Nutrients surplus to crop/pasture requirements are transported into the environment, potentially polluting soils, water and air, but a deficit of nutrients in soils can also occur to the detriment of soil fertility and crop productivity.

Source: OECD (2007a; 2007b).

conversion of soil nitrate to nitrogen gases, mainly occurs under anaerobic conditions (*e.g.* wet paddy rice and wet soil conditions). This process leads to the release of both dinitrogen gas (N_2) which is not harmful to the environment or human health, and also nitrous oxide (N_2O) which although released in small amounts is a very potent greenhouse gas (see Section 1.7.3). The components of the ***phosphorus balance*** are similar to the nitrogen balance, but exclude emission factors for volatilisation and biological nitrogen fixation.

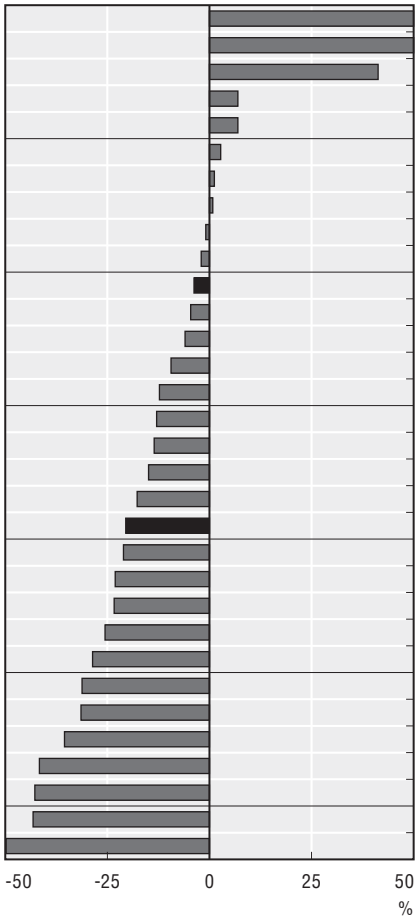
While the nutrient balances are calculated at the national level, the same methodology can be used to estimate regional (sub-national) balances. This is important given the significant spatial variation in balances around national average values. Hence, national values need to be interpreted with caution. At present, however, nutrient balances in this section are only provided at the national level, although some examples of regional balances are discussed for illustrative purposes at the end of the section (Figure 1.2.12).

Caution is required in linking trends in nutrient balances and environmental impacts, as the balances only reveal the *potential* for environmental pollution and are not necessarily indicative of actual resource depletion or environmental damage. The information provided by nutrient balances, however, is useful for analytical purposes, such as modelling the environmental effects of agricultural and agri-environmental policies. This is because of its input-output and whole farm system approach to nutrients, rather than the more limited value of a fertiliser use per hectare indicator which only provides a restricted view of nutrients in farming systems, especially as it excludes livestock manure.

Limitations of nutrient balances include the accuracy of the underlying nutrient conversion coefficients and also the uncertainties involved in estimating nutrient uptake by areas of pasture and some fodder crops. In addition, environmental events like droughts and

Figure 1.2.2. **Gross nitrogen balance estimates**

Change in the nitrogen balance (tonnes N)[1]



	Balance expressed as tonnes of nitrogen (N)				Balance expressed as kg nitrogen per hectare of total agricultural land		
	Average		Change		Average		Change
	1990-92	2002-04	1990-92 to 2002-04		1990-92	2002-04	1990-92 to 2002-04
	000' tonnes N		000' tonnes N	%	Kg N/ha		%
Canada[2]	1 168	2 101	934	80	19	35	85
Hungary[2]	136	217	82	60	21	37	74
New Zealand	407	576	169	41	31	46	46
Ireland	337	360	24	7	76	83	9
Portugal	168	180	12	7	42	47	13
United States	14 621	15 024	402	3	34	37	7
Spain	966	977	12	1	32	33	5
Australia[3]	7 574	7 636	62	1	16	17	5
Italy	588	582	–5	–1	33	39	16
Korea	465	456	–9	–2	213	240	13
OECD	**41 238**	**39 681**	**–1 557**	**–4**	**88**	**74**	**–17**
Switzerland	121	116	–6	–5	77	76	–1
Iceland	17	16	–1	–6	7	7	–5
Czech Republic	332	300	–31	–9	77	70	–9
Norway	92	81	–11	–12	92	77	–16
Japan	935	813	–121	–13	180	171	–5
Poland	922	797	–125	–14	49	48	–2
Mexico	2 768	2 354	–414	–15	27	22	–18
France	1932	1 589	–343	–18	63	54	–16
EU15	**9 989**	**7 935**	**–2 054**	**–21**	**113**	**83**	**–26**
Sweden	193	152	–41	–21	57	48	–16
Turkey	1 493	1 148	–346	–23	37	28	–24
Germany	2 515	1926	–589	–23	145	113	–22
Belgium	344	256	–88	–26	255	184	–28
Austria	226	161	–65	–29	66	48	–27
United Kingdom	1 022	702	–320	–31	56	43	–23
Denmark	493	338	–156	–32	178	127	–29
Netherlands	688	443	–245	–36	345	229	–34
Finland	211	123	–88	–42	83	55	–34
Luxembourg	29	16	–12	–43	229	129	–44
Slovak Republic	197	111	–85	–43	80	46	–43
Greece	278	130	–149	–53	32	15	–52

StatLink http://dx.doi.org/10.1787/286348038765

1. The gross nitrogen balance calculates the difference between the nitrogen inputs entering a farming system (*i.e.* mainly livestock manure and fertilisers) and the nitrogen outputs leaving the system (*i.e.* the uptake of nutrients for crop and pasture production).
2. For Canada, change in the nitrogen balance is +80%. For Hungary, change in the nitrogen balance is +60%. For Greece, change in the nitrogen balance is –53%.
3. Average for the period 2002-04 is an OECD estimate.

Source: OECD Secretariat (2007).

floods will affect the efficiency of plants to fix nutrients, the soil science of nutrients is not well understood (*e.g.* soils vary in their capacity to store nutrients), while there is limited information on the varietal mix of legumes in pastures to accurately estimate pasture uptake of nitrogen. While other approaches that estimate agricultural nutrient surpluses can overcome some of these problems, such as the farm gate balance method (van Eerdt and Fong, 1998) and the **New Zealand** Overseer model (Ledgard *et al.*, 2005), the data required to calculate such models are not widely available across most OECD countries.

As an environmental ***driving force***, nutrient balance indicators link to the ***state*** (or concentration) of nutrients in water bodies (Section 1.6.2) and ammonia, and greenhouse gas emissions (Section 1.7). ***Responses*** to these changes in the state of the environment are revealed through indicators of nutrient management and environmental farm planning, including organic farming (Section 1.9).

Recent trends

Overall OECD agricultural nutrient balance surpluses (tonnes) declined between 1990-92 and 2002-04, by 4% for nitrogen and 19% for phosphorus, potentially reducing the environmental pressures on soil, water and air (Figures 1.2.2, 1.2.8). OECD nutrient use efficiency (*i.e.* the ratio of nutrient outputs to nutrient inputs) has also improved, but more markedly for phosphorus than nitrogen (Figures 1.2.7, 1.2.11). In part this trend reflects the increase in the OECD total use of nitrogenous fertilisers by 3% over the past 15 years compared to a reduction of 10% for phosphate fertilisers (Figure 1.2.5), although livestock manure is also an important source of nutrient surpluses for most countries. Moreover, while the intensity of nitrogen surpluses per hectare of agricultural land across the OECD declined by 17%, for phosphorus the reduction was larger at 37% (Figures 1.2.2, 1.2.8). Despite the greater reduction in phosphorus compared to nitrogen surpluses from OECD agriculture, the accumulation of phosphorus in agricultural soils is a concern (because of its physical interaction in the environment), particularly for the future potential pollution of water bodies.

1.2.1. Nitrogen balance

Total tonnes of OECD nitrogen (N) balance surplus declined by 4% over the period 1990-92 to 2002-04 (Figure 1.2.2). N surpluses showed the largest increases mainly in non-European countries (**Canada, New Zealand**), but also rose in **Australia** and the **United States**, and in Europe for **Hungary, Ireland, Portugal** and **Spain**. But despite the increases in nitrogen surpluses in these countries, with the exception of **Ireland**, they had an intensity of kgN/ha of agricultural land well below the OECD average in 2002-04 (Figure 1.2.2). At the same time for many countries where tonnes of N surpluses have shown large reductions over the past 15 years some of them continue to have the highest intensity of kgN/ha of agricultural land across the OECD area, notably **Belgium, Denmark, Germany, Luxembourg** and the **Netherlands** (Figure 1.2.2).

Where increases in N surpluses into the environment have been the highest over the period 1990-92 to 2002-04 this is largely linked to an overall expansion in agricultural production, especially leading to a greater use of fertilisers and growth in livestock numbers (Figures 1.2.3, 1.2.4). For **Australia** and to a lesser extent **Hungary**, however, it has been the very high rates of growth in nitrogen fertiliser use (Figures 1.2.4, 1.2.5) that has mainly driven the rising nitrogen surpluses, as overall livestock numbers have fallen in these countries over the past 15 years, although for **Canada**, **New Zealand**, **Portugal**, **Spain** and the **United States**, both nitrogen fertiliser use and livestock numbers have increased.

Problems of N surplus disposal are also associated with rising animal stocking densities and structural changes in the livestock industry toward large confined operations, especially for pigs, poultry and to a lesser extent dairy cattle (OECD, 2003; 2004). In the **United States**, for example, with the growing number and size of confined livestock operations, over 60% of manure is produced on farms that have insufficient land on their properties to fully absorb the waste (Chapter 3). In addition rising fertiliser demand and growth in N surpluses is, in part, explained in some countries by the expansion in crop production

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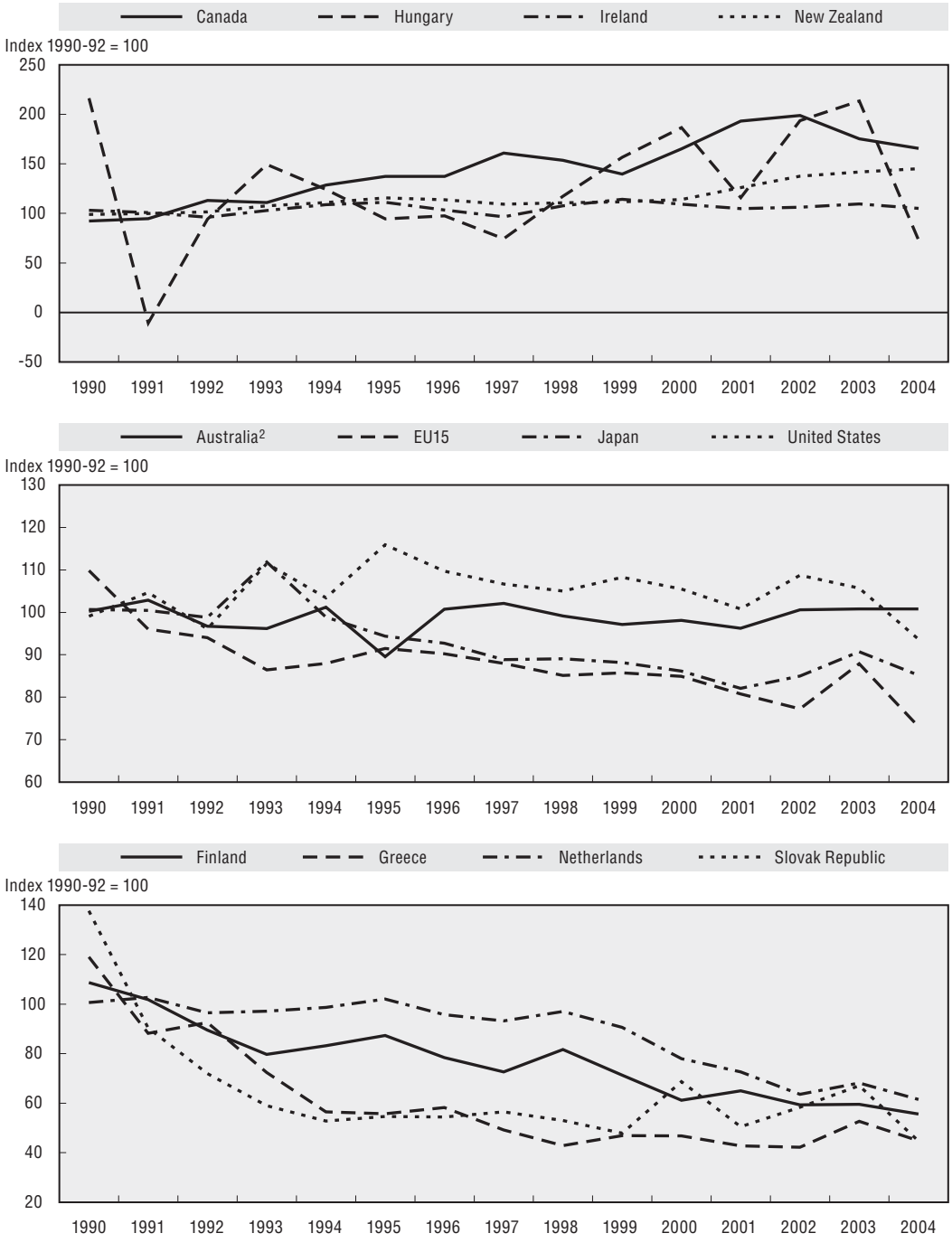
Figure 1.2.3. **Gross nitrogen balances[1] for selected OECD countries**



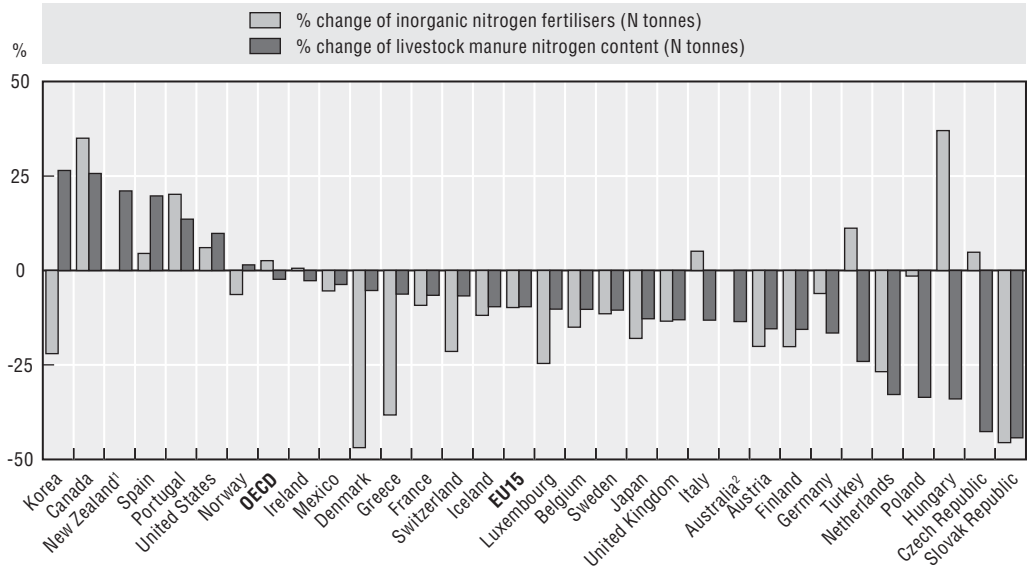
StatLink http://dx.doi.org/10.1787/286360472513

1. The gross nitrogen balance calculates the difference between the nitrogen inputs entering a farming system (*i.e.* mainly livestock manure and fertilisers) and the nitrogen outputs leaving the system (*i.e.* the uptake of nutrients for crop and pasture production).
2. The period 2002-04 is an OECD estimate.

Source: OECD Secretariat (2007).

Figure 1.2.4. **Inorganic nitrogen fertilisers and livestock manure nitrogen input in nitrogen balances**

1990-92 to 2002-04



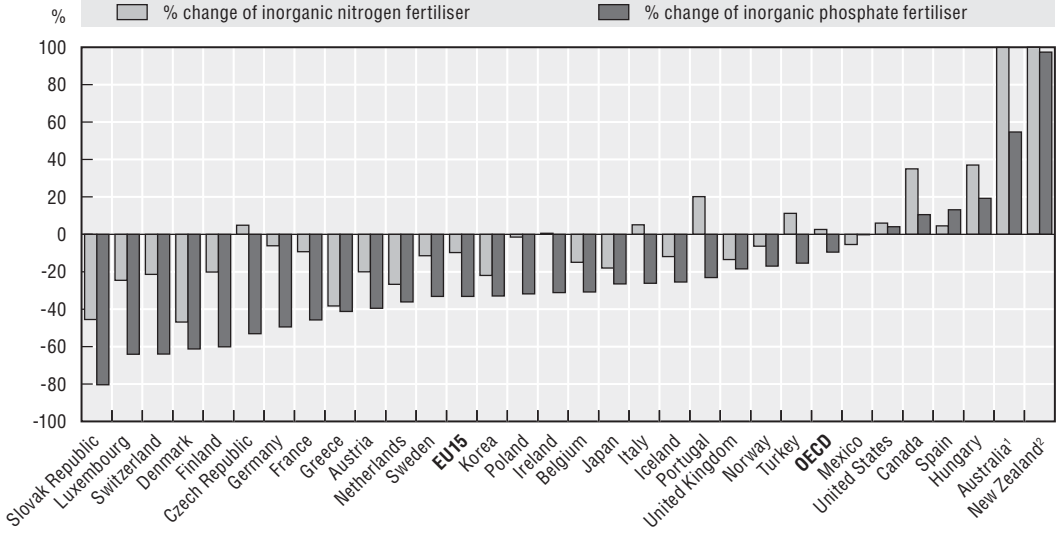
StatLink http://dx.doi.org/10.1787/286364526277

1. For New Zealand, the change in inorganic nitrogen fertilisers is +421%.
2. For Australia, the change in inorganic nitrogen fertilisers is +113%.

Source: OECD Secretariat (2007).

Figure 1.2.5. **Agricultural use of inorganic nitrogen and phosphate fertilisers**

In tonnes product weight % change 1990-92 to 2000-04



StatLink http://dx.doi.org/10.1787/286372021120

1. For Australia, the change in nitrogen fertiliser is 113%.
2. For New Zealand, the change in nitrogen fertiliser is 421%.

Source: OECD Secretariat (2007).

together with a shift in cropping patterns to crops requiring higher fertiliser inputs per kg of output (*e.g.* from wheat to maize, see OECD, 2005, Figure 1.2.2, Section 1.1), such as in **Australia, Canada** and the **United States**. But changes in nitrogen fertiliser use are also because of different agricultural systems between countries (*e.g.* the reduction in rice production in Korea and Japan, but higher use of fertiliser to increase pasture yield in **New Zealand**), restrictions on using fertilisers (**Denmark, Netherlands, Norway**), and relatively greater improvements in N fertiliser use efficiency compared to reducing N emissions from livestock in some cases.

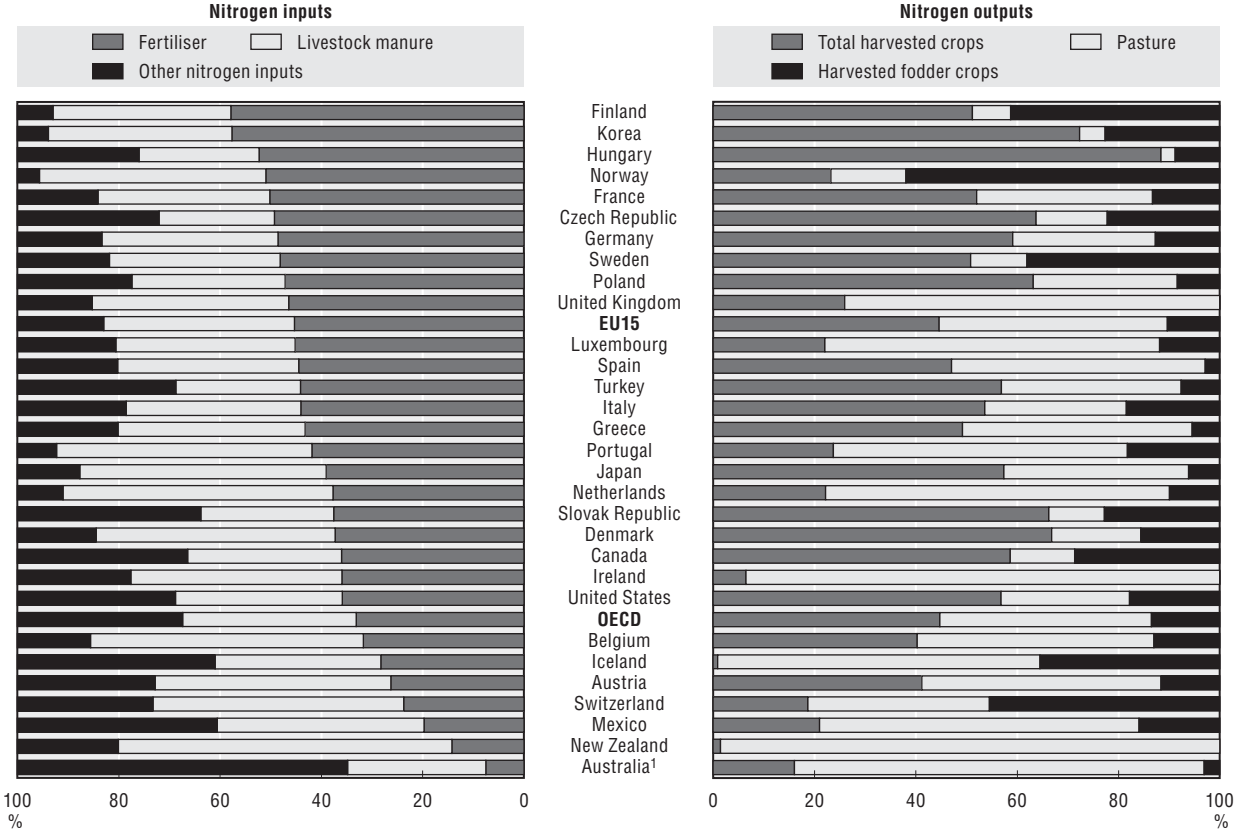
For some countries where N surpluses have risen over the past decade, the uptake of nutrient management plans (NMPs) has been relatively low (**Ireland, New Zealand, Spain**), but for **Canada, Korea** and the **United States** while the uptake of NMPs has been also been relatively low, adoption rates have risen over the 1990s (Section 1.9). Overall where adoption of nutrient management plans and environmental farm plans has been high relative to the OECD average, this has had an impact in reducing N surpluses. Even so, for many such countries there is further potential to reduce agricultural N surpluses to levels that are not potentially environmentally damaging (**Belgium, Denmark, Finland, Germany, Netherlands, Norway, Switzerland**). Moreover, in those countries (**Czech** and **Slovak Republics, Hungary, Poland**) which experienced a sharp reduction in N surpluses following the collapse in farm support levels after the transition to a market economy in the early 1990s, their N surpluses are beginning to rise as they integrate into the **EU25**, markedly so for **Hungary** (Figures 1.2.2, 1.2.3).

The principal sources of N inputs into OECD farming systems derive from nitrogen fertilisers and the nitrogen content of livestock manure, which together comprise around two-thirds of N inputs for the OECD on average (Figure 1.2.6). In some countries, however, other inputs of N, especially from atmospheric deposition (**Australia, Belgium, United Kingdom**) and biological nitrogen fixation can be important (**Ireland, Japan, New Zealand**) (Figure 1.2.6). For certain countries increasing quantities of sewage sludge are being recycled on agricultural land as a fertiliser. Use of sewage sludge in the **EU15** rose by 7% (1995-2000), with larger increases reported for **Ireland, Italy** and **Spain** (EEA, 2005). While the use of sewage sludge as a source of farm nutrients can bring agronomic benefits, its use raises a number of environmental and health concerns (*e.g.* risks of pollution from heavy metals and pathogens) which require careful monitoring (EEA, 2005; Chapter 3). This was the reason why **Switzerland** has decided to forbid the sewage sludge recycling on farmland from 2006 (Chapter 3). ***N output***, or the uptake of N by crops and pasture, varies greatly across countries depending on different agro-ecosystems, for example, largely pasture based in **New Zealand** but mainly harvested crops in **Hungary** (cereals) and **Japan** (rice) (Figure 1.2.6).

Trends in overall N use efficiency (*i.e.* the ratio of N output to N input in an agricultural system, Figure 1.2.7) indicate that a considerable number of countries have improved N use efficiency over the period 1990-92 to 2002-04 (notably for **Belgium, Finland, Greece, Germany, Luxembourg** and **Turkey**). This is partly linked to improvements in reducing inorganic fertiliser input use per unit volume of crop output. In a number of countries, nutrient surpluses from livestock have fallen through altering feeding patterns, storing manure in closed storage systems rather than spreading waste on fields, and also by changing the timing and technologies used to spread manure on fields (OECD, 2003; 2004). But performance is variable across OECD countries. For example, in **Australia** the management of captured manure systems on dairy farms is poor (Chapter 3), while in **Switzerland** most livestock manure is usually stored in some form or other (OECD, 2004).

Figure 1.2.6. **Contribution of the main sources of nitrogen inputs and outputs in nitrogen balances**

Average 2002-04



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1. The average for the period 2002-04 is an OECD estimate.

Source: OECD Secretariat (2007).

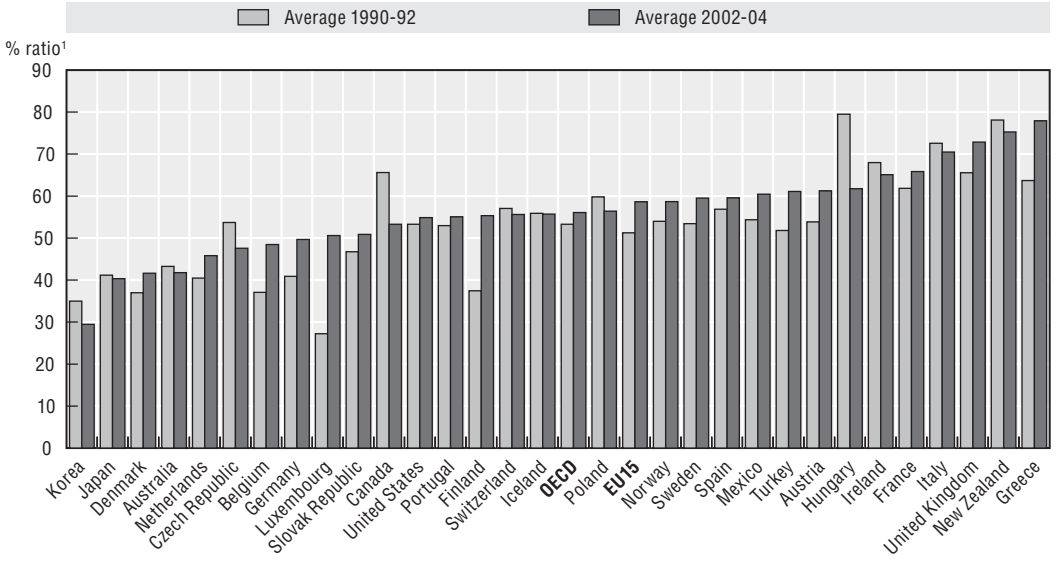
Also for some countries where N use efficiency is low by average OECD levels (**Japan, Korea**) they are also countries with higher than the OECD average intensity of kgN/ha of farmland and poor uptake by farmers of nutrient management plans (Section 1.9).

For a few countries N use efficiency has declined over the past 10 years (mainly **Canada, Hungary** and **Korea**), largely due a combination of a substantial rise in fertiliser use and livestock manure relative to reduced N uptake from crops and forage (Figure 1.2.7). In **Canada**, for example, the decline in N use efficiency over the period 1996 to 2001 was attributed to an increase in pulse crop acreage (*i.e.* greater biological nitrogen fixation) without a concurrent decrease in fertiliser application, lower crop yields, and growing livestock densities in some areas (Lefebvre *et al.*, 2005).

1.2.2. Phosphorus balance

There was a –19% reduction in the OECD total agricultural phosphorus (P) balance surplus (tonnes) over 1992-92 to 2002-04 (Figures 1.2.8, 1.2.9). This was a much larger percentage reduction than for OECD nitrogen surpluses, mainly because of the substantial decrease in phosphate fertiliser use by 10% (Figure 1.2.5). For a considerable number of countries P surpluses (tonnes) declined by more than 50% over the past 15 years (Figure 1.2.8).

Figure 1.2.7. **Nitrogen efficiency[1] based on gross nitrogen balances**



StatLink http://dx.doi.org/10.1787/286407852618

1. Nitrogen efficiency measured as the percentage ratio of total nitrogen uptake by crops and forage (tonnes) to the total nitrogen available from fertiliser, livestock manure, and other nitrogen inputs (tonnes).

Source: OECD Secretariat (2007).

However, the intensity of kgP/ha of agricultural land for some of these countries still remain among the highest across the OECD, notably for the **Netherlands** (Figure 1.2.8). This is in contrast to many of the countries where tonnes of P surpluses have risen although their intensity of kgP/ha of agricultural land was well below the OECD average in 2002-04, notably **Australia, Canada** and the **United States**. For **New Zealand** where the tonnes of the P surplus (tonnes) rose by nearly 130 %, the P intensity level is higher than the OECD average partly reflecting the over 420% rise in phosphate fertiliser use (Figure 1.2.5).

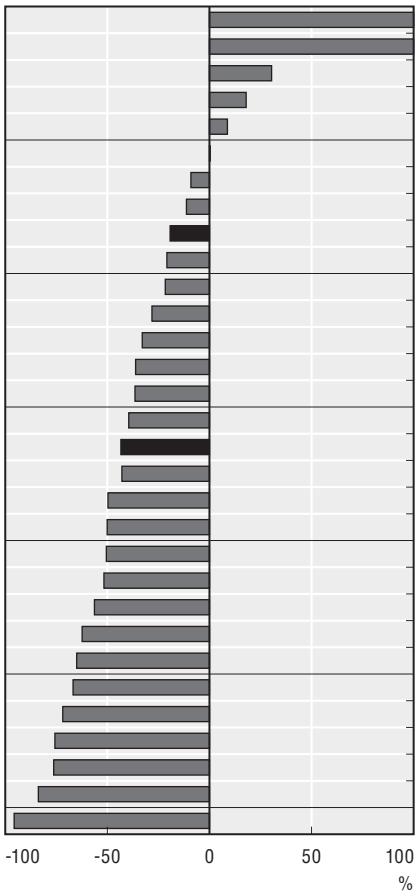
Nearly all the ***P inputs*** into OECD farming systems derive from phosphate fertilisers and the phosphorus content of livestock manure, comprising together well over 90% of P inputs for almost all OECD countries (Figure 1.2.10). As with nitrogen, ***P output***, or the uptake of P by crops and pasture, varies greatly across countries depending on different agro-ecosystems (Figure 1.2.10).

The decline in OECD phosphate (P_2O_5) fertiliser use by 10% over the period 1990-92 to 2002-04 (Figure 1.2.5), largely explains the marked improvement in ***P use efficiency*** (*i.e.* the ratio of P output to P input) over the past 15 years compared to N use efficiency changes (Figures 1.2.7 and 1.2.11). In addition, the improvement in P use efficiency and reduction in P surpluses (tonnes) for most OECD countries is partly because P is more stable in the soil than N and hence, more likely to remain in the soil over longer periods. Thus, repeated phosphorus application to agricultural soils (both from fertilisers and spreading manure) over past decades has led to the gradual accumulation of P in farmed soils for many OECD countries as readily available reserves for crops to harness or to leach into water bodies.

As farmers have become aware of the build-up of P in their soils through more widespread use of soil nutrient tests (Section 1.9), this has led them to reduce P_2O_5 application rates, although this has been reinforced in some cases with government

Figure 1.2.8. **Gross phosphorus balance estimates**

Change in the phosphorus balance (tonnes P)[1]



	Balance expressed as tonnes of phosphorus (P)				Balance expressed as kg phosphorus per hectare of total agricultural land		
	Average		Change		Average		Change
	1990-92	2002-04	1990-92 to 2002-04		1990-92	2002-04	1990-92 to 2002-04
	000' tonnes P		000' tonnes P	%	Kg P/ha		%
New Zealand[2]	76	174	98	128	6	14	136
Canada[3]	37	82	45	123	1	1	137
Australia	309	403	94	30	1	1	35
Spain	194	229	36	18	6	8	23
United States	1 300	1 415	115	9	3	3	13
Portugal	59	59	0	0	15	15	5
Norway	15	14	–1	–9	15	13	–13
Korea	103	92	–12	–11	47	48	2
OECD[4]	**4 743**	**3 829**	**–914**	**–19**	**16**	**10**	**–37**
Iceland	4	3	–1	–21	2	1	–21
United Kingdom	274	215	–59	–22	15	13	–13
Japan	339	243	–95	–28	65	51	–21
Italy	242	162	–80	–33	14	11	–22
Denmark	47	30	–17	–36	17	11	–33
Ireland	44	28	–16	–37	10	6	–35
Turkey	354	214	–140	–39	9	5	–40
EU15	**1 844**	**1 043**	**–800**	**–43**	**18**	**10**	**–48**
Belgium	55	31	–24	–43	41	23	–45
Greece	69	35	–34	–50	8	4	–49
Poland	89	45	–45	–50	5	3	–43
Netherlands	75	37	–38	–51	38	19	–49
Mexico	176	85	–91	–52	2	1	–53
Switzerland	19	8	–11	–56	12	5	–55
Austria	26	10	–16	–62	7	3	–61
Finland	51	18	–33	–65	20	8	–60
Sweden	18	6	–12	–67	5	2	–65
France	404	114	–290	–72	13	4	–71
Germany	281	68	–212	–76	16	4	–75
Luxembourg	6	1	–5	–76	48	11	–77
Czech Republic	43	7	–36	–84	10	2	–84
Slovak Republic	36	2	–35	–96	15	1	–96
Hungary[5]	–9	–1	n.a.	n.a.	–4	–1	n.a.

StatLink http://dx.doi.org/10.1787/286525166013

n.a.: Not available.

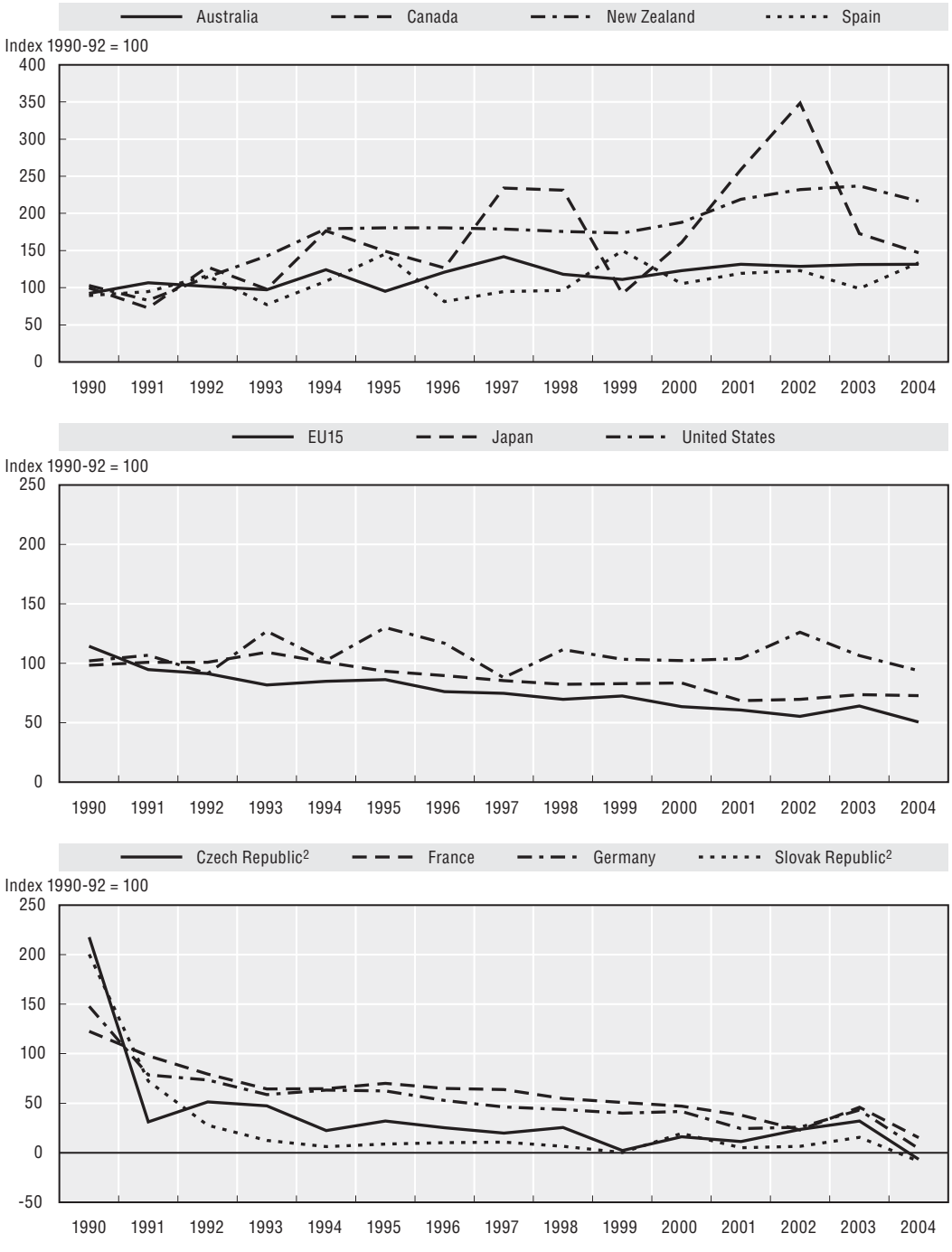
1. The gross phosphorus balance calculates the difference between the phosphorus inputs entering a farming system (*i.e.* mainly livestock manure and fertilisers) and the phosphorus outputs leaving the system (*i.e.* the uptake of phosphorus for crops and pasture production).
2. For New Zealand, change in the phosphorous balance (tonne P) is +128%.
3. For Canada, change in the phosphorous balance (tonne P) is +123%.
4. OECD excludes Hungary.
5. The phosphate (P) balance for Hungary was in deficit over the period and is not shown in the figure. But between 1990-92 to 2002-04 the P deficit was reduced, moving closer towards a balance between P inputs and P outputs. Over the period 1985-90 the Hungarian P balance was in surplus.

Source: OECD Secretariat (2007).

measures to limit the use of P_2O_5 (Johnston and Steén, 1997; USDA, 2003). Gains in P use efficiency have also been achieved through changing livestock husbandry practices, especially by altering animal feed dietary composition (OECD, 2003; 2004).

The physical properties of P in the environment are different compared to N, but ***the accumulation of P in farm soils beyond crop needs in many OECD countries is a growing environmental concern***. The retention of particulate P in soils is generally high compared

Figure 1.2.9. **Gross phosphorus balance[1] for selected OECD countries**



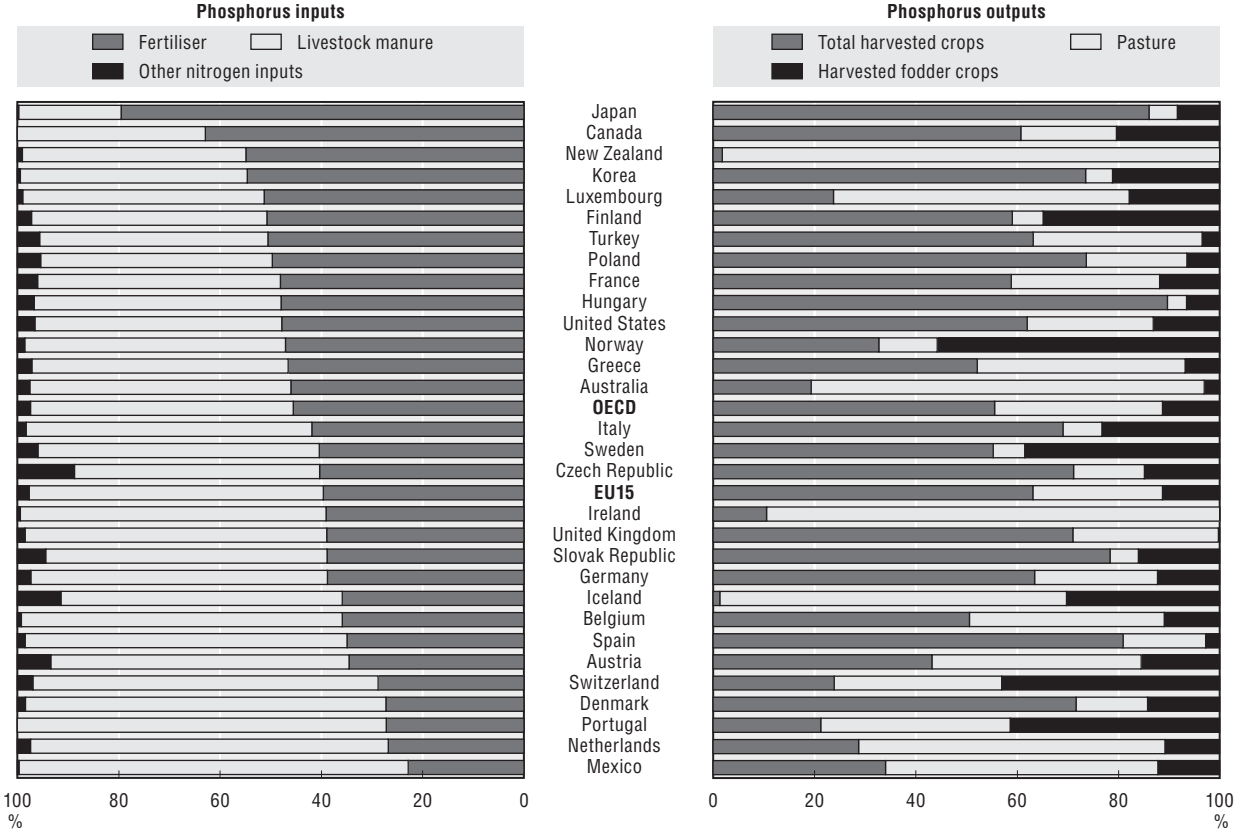
StatLink http://dx.doi.org/10.1787/286545884853

1. The gross phosphorus balance calculates the difference between the phosphorus inputs entering a farming system (*i.e.* mainly livestock manure and fertilisers) and the phosphorus outputs leaving the system (*i.e.* the uptake of phosphorus for crops and pasture production).
2. The P balances for the Czech and Slovak Republics were in deficit for 2004.

Source: OECD Secretariat (2007).

Figure 1.2.10. **Contribution of the main sources of phosphorus inputs and outputs in phosphorus balances**[1]

Average 2002-04



StatLink http://dx.doi.org/10.1787/286656618516

1. The gross phosphorus balance calculates the difference between the phosphorus inputs entering a farming system (i.e. mainly livestock manure and fertilisers) and the phosphorus outputs leaving the system (i.e. the uptake of phosphorus for crops and pasture production).

Source: OECD Secretariat (2007).

to N, hence, it is usually transported with long time lags into surface water through soil erosion rather than leaching into groundwater, unlike the more rapid transport of N from soils into water bodies (dissolved phosphorus, however, can leach more rapidly, while varying geological and soil conditions can also affect phosphorus absorption and run-off). Therefore, it is likely that there will be a considerable time lag for many countries between reductions in P surpluses leading to lower P concentrations in water supplies. Indeed, P concentrations in rivers and lakes could continue to rise for the foreseeable future, while the implications for groundwater are unclear (Section 1.6.2). In addition, the increasing uptake of low and conservation tillage practices as part of soil management practices in many countries (Section 1.9) is also aggravating P accumulation in soils, as soils are less easily eroded and hence, the P remains in the soil for longer periods. Moreover, the field application of livestock manure to balance fertiliser needs can result in the over application of phosphorus.

1.2.3. Regional (sub-national) nutrient balances

National nutrient balance indicators can mask important regional (sub-national) variations across a country, especially where more intensive agricultural production

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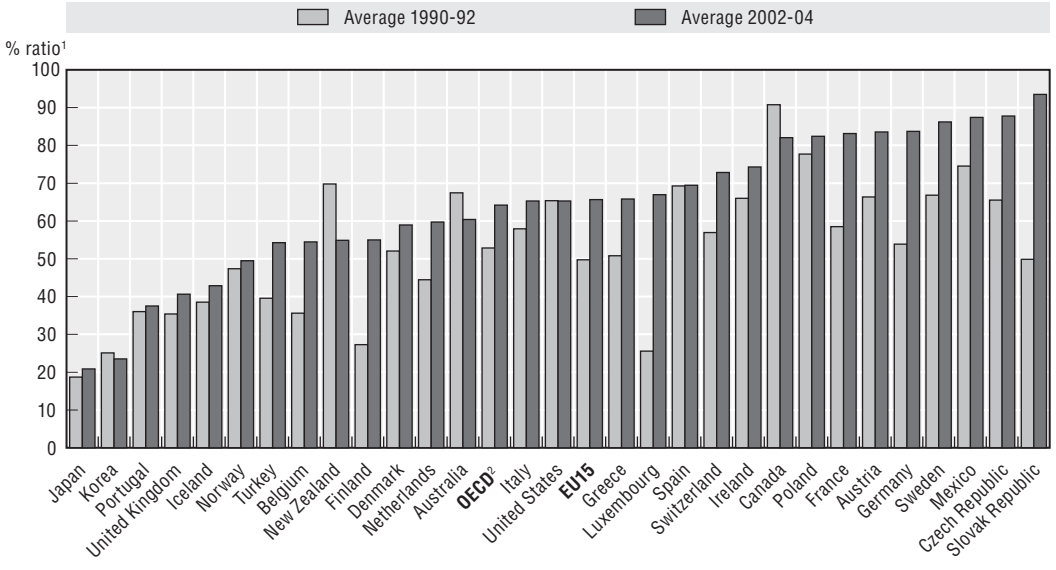
Figure 1.2.11. **Phosphorus efficiency[1] based on phosphorus balances**



StatLink http://dx.doi.org/10.1787/286668251868

1. Phosphorus efficiency measured as the percentage ratio of total phosphorus uptake by crops and forage (tonnes) to the total phosphorus available from fertiliser, livestock manure, and other phosphorus inputs (tonnes).
2. OECD average and figure excludes Hungary, because the phosphate (P) balance for Hungary was in deficit over the period shown in the figure. But between 1990-92 to 2002-04 the P deficit was reduced moving closer toward a balance between P inputs and P outputs. Over the period 1985-90 the Hungarian P balance was in surplus.

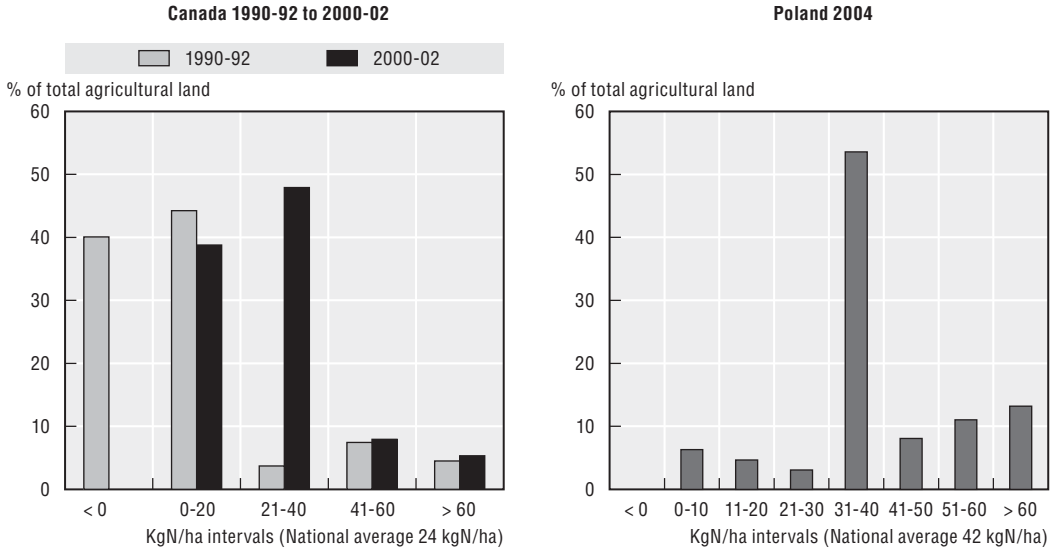
Source: OECD Secretariat (2007).

systems are spatially concentrated in a small part of the overall agricultural land area. While **Australia**, **Canada**, **Mexico**, and the **United States**, for example, are amongst OECD countries with the lowest nutrient surplus intensities (expressed as kgN/P/ha of agricultural land) there are regions within these countries where excess nutrients place a considerable pressure on the environment or where nutrient deficits are undermining crop productivity (Figures 1.2.2, 1.2.8).

In **Canada**, for example, the national N balance spatially disaggregated reveals some important developments not revealed by the average national value (Figures 1.2.2 and 1.2.12). In 1990-92 about 40% of the agricultural area had a N deficit, but a decade later this situation had improved with no land reported as having a N deficit. However, with the gradual increase in N surpluses over the 1990s there was a substantial increase in the share of farmland with a N surplus between 21-40 kgN/ha, and 10% of farmland with a surplus over 41 kgN/ha by 2000-02, compared to a national average of 28 kgN/ha, largely due to increased acreages of legume crops, higher livestock numbers and a decrease in crop output through lower yields (Lefebvre *et al.*, 2005). Similarly, in **Poland**, where the national average N surplus in 2002-04 was 46 kgN/ha, nearly one-quarter of agricultural land had a surplus greater than 50 kgN/ha (Figure 1.2.12).

The spatial variations in nutrient balances are usually explained by regional differences in farming systems. In **Italy**, for example, the Northern regions have a N surplus twelve times higher than Southern regions, due to the concentration of livestock production and maize cultivation (requiring high fertiliser inputs) in the North compared to the South (Chapter 3). Also in **Germany**, for those areas where livestock are concentrated, N surpluses are more than double the national average (Chapter 3).

Figure 1.2.12. **Spatial distribution of nitrogen balances in Canada and Poland**



StatLink http://dx.doi.org/10.1787/286670438537

Source: Lefebvre *et al.* (2005). Polish Ministry of Agriculture and Rural Development.

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1.3. PESTICIDES

KEY TRENDS

Overall OECD pesticide use has declined by 5% over the period 1990-92 to 2001-03, but marked by a large variation in trends between countries (measured in terms of the quantity of active ingredients). While pesticide use has increased in some countries, pesticides have changed over time and many of them are today less environmentally harmful. But the persistence in the environment of some older pesticides (*e.g.* DDT, atrazine and derivatives) remains a concern, although these products are now banned in some countries.

Among the ***largest users of pesticides*** across the OECD pesticide use increased in Italy, Mexico and Spain and decreased in France, Japan and the United States. Together these countries accounted for around three quarters of total OECD pesticide use in 2001-03.

For ***countries where pesticide use increased*** by over 20% (Greece, Mexico, Poland, Portugal, Turkey), this can be largely explained by the expansion in crop production (especially Mexico and Turkey) and substitution of labour for pesticides, as these countries have a relatively large but contracting agricultural labour force.

Where ***pesticide use decreased*** by over 20% (Austria, Czech Republic, Denmark, Hungary, Japan, Netherlands, Norway, Switzerland), this is related to a combination of factors which vary in importance between countries, including: for most countries a decline in crop production; the use of incentives and taxes; the adoption of pest management practices; the use of new pesticide products used in lower doses and more targeted; the expansion in organic farming; and the sharp reduction in support for agriculture in the those countries that experienced the transition to a market economy (Czech Republic and Hungary), but since around the year 2000 pesticide use for these countries has begun to rise in the period towards EU membership.

For a limited number of OECD countries indicators over the past decade reveal that in most cases ***human health and environmental risk from pesticide use are declining.*** These indicators also suggest a link between a decrease (increase) in pesticide use and decreasing (increasing) risks. Some studies show that risks are not quantified on a major share of farm land treated with pesticides.

1.3.1. Pesticide use

Indicator definition:

- Pesticide use (or sales) in terms of tonnes of active ingredients.

Concepts and interpretation

Agricultural pesticides contribute to raising agricultural productivity but also pose potential risks to human health and the environment. The risks vary greatly depending on pesticide's inherent toxicity (or hazard) and exposure. Exposure depends on a number of variables, such as the application method, the weather after application, its environmental mobility and persistence, and proximity to water courses.

This indicator provides a proxy of the potential pressure, and not actual impacts, that the use of pesticides by agriculture may place on the environment and human health. The indicator of pesticide use tracks trends over time in the overall quantity of pesticide used by agriculture (data refer to active ingredients of insecticides, fungicides, herbicides and other pesticides including plant growth regulators and rodenticides). Unlike many other indicators of pesticide use this indicator is not expressed in terms of the quantity of pesticide used per hectare of agricultural land (or crop land). This is because the application of pesticides varies widely for different crops, both within and across countries, and is sometimes used to cultivate forage crops, but limited cross country time series data exist in this regard (OECD, 2005a).

A limitation to the use of the indicator as a comparative index across countries is that the definition and coverage of pesticide use data vary across OECD countries. Only a few countries have data on actual pesticide use, but nearly all OECD countries report data on pesticide sales, which can be used as a proxy for pesticide use, although ideally it should be supported by representative samples of the use data. In **Sweden**, for example, farmer questionnaires over the 1990s show pesticide use to vary around 5% above or below sales, although in some years farmers used substantially less pesticide than was sold, such as in 1994 when a levy was introduced at the end of the year and farmers most likely stocked pesticides in anticipation of a price rise (Swedish Chemicals Inspectorate, 1999). For a number of countries pesticide use data series are incomplete, including **Australia**, **Canada** and **Iceland**. A further problem is to identify pesticide use specific to agriculture, net of uses such as forestry, gardens, and golf courses. In the **United States**, for example, agriculture accounts for 75% of pesticide use, and about 65-70% in **Belgium** (Chapter 3). The OECD, in co-operation with Eurostat, has launched a process to help improve the collection of pesticide use data (OECD, 1999).

Care is required when comparing absolute levels of pesticide use across countries, because of differences in climatic conditions and farming systems, which affect the composition and level of usage. Variability of climatic conditions (especially temperature and precipitation), may markedly alter annual pesticide use but is less important over the 14 year time series examined here, while changes in the mix of pesticides can reduce active ingredients applied but increase adverse impacts. The indicator does not recognise the differences among pesticides in their levels of toxicity, persistence and mobility. In addition, the greater use by farmers of pesticides with lower potential risk to humans and the environment because they are more narrowly targeted or degrade more rapidly, might not reveal any change in overall pesticide use trends, and possibly even show an increase. However, as revealed in Section 1.3.2 on pesticide environmental risk indicators, evidence from a limited number of OECD countries suggest correlation between a decrease (increase) in pesticide use and decreasing (increasing) risks.

As an environmental ***driving force*** the pesticide use indicator, including the indicator of the use of methyl bromide which has potential to deplete the ozone layer (Section 1.7.2), is linked to pesticide risk indicators (Section 1.3.2) and the ***state*** or presence/concentration

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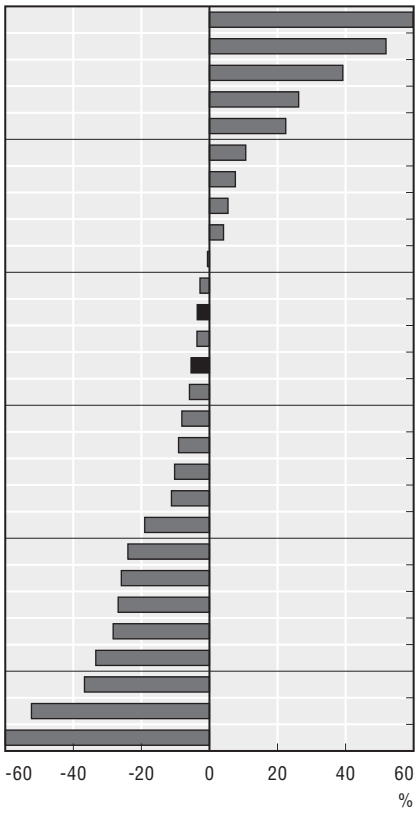
of *pesticides in water bodies* (Section 1.6.2). ***Responses*** to these changes in the state of the environment are revealed through indicators of *pest management* and *environmental farm planning*, including organic farming (Section 1.9).

Recent trends

Overall OECD pesticide use has declined by 5% over the period 1990-92 to 2001-03, but marked by a large variation in trends between countries (Figure 1.3.1). This reflects, in

Figure 1.3.1. **Pesticide use in agriculture**

Change in tonnes of active ingredients (%)



	Average[1, 2]		Change	
	1990-92[3]	2001-03	1990-92 to 2001-03	
	Tonnes		Tonnes	%
Turkey	11 967	19 128	7 161	60
Poland	6 507	9 882	3 375	52
Greece	8 337	11 605	3 268	39
Portugal	13 200	16 661	3 461	26
Mexico	31 551	38 621	7 070	22
Spain	36 849	40 783	3 933	11
Italy	79 844	85 920	6 075	8
Ireland	2 043	2 154	111	5
New Zealand	3 635	3 785	150	4
Slovak Republic	3 694	3 673	–22	–1
Sweden	1 897	1 844	–53	–3
EU15[4]	**339 515**	**327 372**	**–12 144**	**–4**
United States	325 226	313 281	–11 944	–4
OECD[5]	**867 588**	**820 826**	**–46 762**	**–5**
United Kingdom	34 060	32 064	–1 996	–6
Korea	28 097	25 821	–2 276	–8
Finland	1 727	1 570	–157	–9
France	95 281	85 531	–9 750	–10
Germany	32 629	28 982	–3 646	–11
Belgium	6 750	5 467	–1 283	–19
Austria	4 206	3 199	–1 008	–24
Norway	912	676	–236	–26
Japan	89 112	65 211	–23 900	–27
Switzerland	2 120	1 521	–600	–28
Czech Republic	6 699	4 462	–2 237	–33
Denmark	4 948	3 131	–1 817	–37
Netherlands	17 744	8 461	–9 283	–52
Hungary	18 554	7 394	–11 159	–60

StatLink http://dx.doi.org/10.1787/286683827028

Note: Caution is required in comparing trends across countries because of differences in data definitions, coverage and time periods. The following countries are not included in the figure: Australia, Canada, Iceland (time series are incomplete) and Luxembourg is included in Belgium.

1. For all countries the data represent pesticide sales except for the following countries: Korea and Mexico (national production data).
2. Pesticide use covers agriculture and non-agricultural uses (*e.g.* forestry, gardens), except for the following countries which only include agriculture: Belgium, Denmark and Sweden.
3. Data for 1990-92 average equal the: 1991-93 average for Greece and the Slovak Republic; 1993-95 average for Mexico, New Zealand and Turkey; 1995-97 average for Italy; 1996-98 average for Portugal.
4. The EU15 includes the 1996-98 average value for Portugal and OECD Secretariat estimated values for the following countries and years: Ireland: 2002 and 2003; Greece: 1991-93; Italy, Germany and Spain: 2003.
5. The OECD total includes OECD Secretariat estimated values for the following countries and years: 1990 for Greece and the Slovak Republic; 1990-92 for Mexico, New Zealand, Turkey; 2002 and 2003 for Ireland, Turkey, United States; 2003 for Germany, Mexico, Poland, Spain.

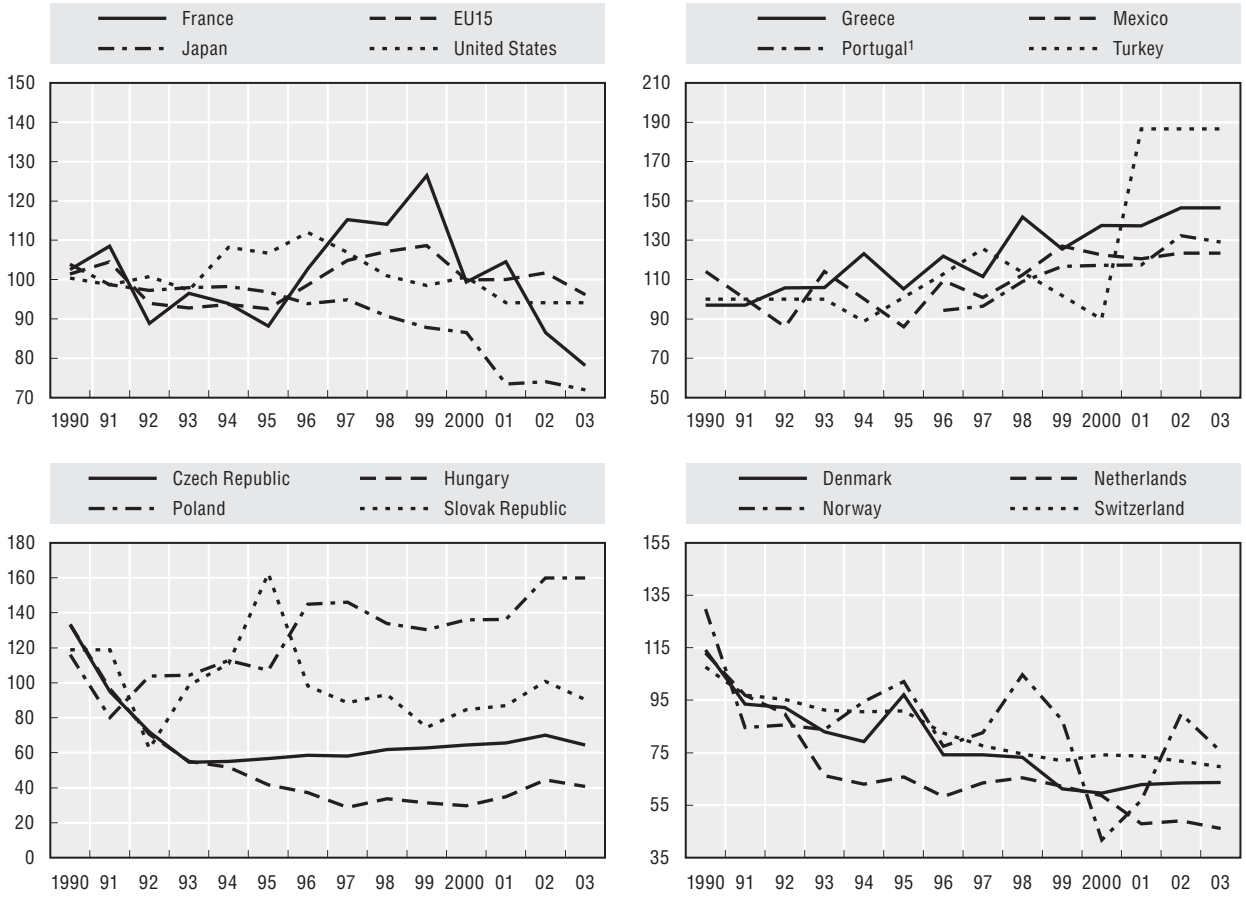
Source: OECD Environmental Data Compendium 2004, Paris, France; OECD Secretariat estimates; and national data sources.

particular, changes in the major OECD pesticide consuming countries, increasing for **Italy**, **Mexico** and **Spain**, and declining for **France**, **Japan** and the **United States**. Together, these countries account for around three-quarters of total OECD pesticide use.

Amongst ***major OECD pesticide users***, in the **United States**, the intensity of pesticide use in relation to crop production has declined, reflecting a 4% reduction in pesticide use (Figure 1.3.1) and a 13% rise in crop production over the period 1990 to 2003 (Figure 1.3.2, in Section 1.3.2). This was, in part, explained by pesticide regulations altering the mix of pesticides used by farmers, hence the rise in average pesticide prices to farmers (and in some years diminishing marginal returns to pesticide use), but also the high rate of adoption of non-chemical pest control management practices (Section 1.9). For **France** despite an overall downward trend in pesticide use the pattern was variable over the 1990s (Figure 1.3.2), although crop production expanded over this period (Figure 1.3.2, Section 1.1). In addition, French consumption of sulphuric and copper pesticide products declined by around 40% over the past decade, representing a 30% share of pesticide consumption, while there has been greater use of pesticides in lower doses. Despite the increase in **Italian** pesticide use, it has been declining over recent years, in part, because of

Figure 1.3.2. **Pesticide use for selected OECD countries**

Index 1990-92 = 100



StatLink http://dx.doi.org/10.1787/286706371517

Note: Caution is required in comparing trends across countries because of differences in data definitions, coverage and time periods.

1. Pesticide use index 1996-98 average = 100.

Source: *OECD Environmental Data Compendium 2004*, Paris, France; OECD Secretariat estimates; and national data sources.

the rapid growth in organic farming (Section 1.9). In **Japan**, pesticide use declined by 27% (Figure 1.3.2), while crop production declined by nearly 19% (Figure 1.3.2, Section 1.1), suggesting greater efficiency in pesticide use. However, less than 2% of Japanese farms use non-chemical pest control methods and under 1% of the agricultural land area is farmed organically (Section 1.9).

For those ***OECD countries revealing the highest growth rates in pesticide use*** over the 1990s (*i.e.* over 20%), this can be largely explained by the substantial expansion in crop production, for example, in **Greece** and **Turkey** (Figure 1.3.2, Section 1.1). In **Poland** although overall crop production declined the growth in horticultural output and yields plus the substitution of labour for pesticide inputs, especially since the mid-1990s, resulted in a major increase in pesticide use (Figure 1.3.2). For **Portugal** the rise in pesticide use is largely due to the growth in the horticultural sector, although the productivity of pesticide use per hectare has improved. While pesticide use volume data are not available for **Australia** given the rapid growth in crop production over the 1990s (Figure 1.3.2, Section 1.1), especially horticultural products (*e.g.* viticulture), it is likely that pesticide use has also risen.

A significant reduction in pesticide use occurred for the **Czech** and **Slovak Republics**, **Hungary** and **Poland in the early 1990s**, largely explained by their transition to a market economy (Figure 1.3.2), which led to: a collapse in agricultural support levels; the elimination of subsidies for pesticides; and increasing debt levels in the farm sector limiting farmers' ability to purchase inputs (OECD, 1998). However, in the more recent transition period towards EU membership, especially since around the year 2000, pesticide use for these countries has begun to rise (Figure 1.3.2).

For some other OECD countries where the reductions in pesticide use over the past 10 years have been significant (*i.e.* over 20%, Figure 1.3.2), this can be explained by a combination of factors. Frequently crop production has declined (*e.g.* **Denmark** and **Switzerland**); targets have been set to reduce usage (*e.g.* **Denmark**, the **Netherlands**); and taxes applied to dissuade pesticide use (*e.g.* **Denmark** and **Norway**). It can be difficult, however, to disentangle the effects of pesticide taxes from other policy effects on pesticide use (Pearce, 2003). Pesticide reduction has also been linked, in some countries, to the increasing area of crops under some form of pest management control, such as using less but better targeted pesticides and growing pest resistant crop varieties (*e.g.* **Austria**, **Norway** and **Switzerland**, Section 1.9). Also the rapid expansion in organic farming for some countries has reduced demand for pesticides. In **Austria, Denmark, Finland** and **Switzerland**, over 6% of the agricultural area is now under organic farming (Section 1.9).

1.3.2. Pesticide risk indicators

Indicator definition:

- Risk of damage to terrestrial and aquatic environments, and human health from pesticide toxicity and exposure.

Concepts and interpretation

A change in pesticide use may not be equivalent to a change in the associated risks because of the great variance in risks posed by different products. Changes in the herbicide

market seen in the 1980s provide an illustration, as new herbicide products came on to the market that were much more biologically active than their predecessors and were therefore used in much smaller quantities. Pesticide use indicators for this period showed a substantial reduction in herbicide use. By contrast, risk indicators might show no change, or perhaps even an increase, in the environmental and human health risks associated with herbicide use. The greater use of pesticides which carry a lower risk to humans and the environment because they are more narrowly and accurately targeted or degrade more rapidly, might also not reveal any change in overall pesticide use trends, and possibly even an increase.

The OECD Pesticide Programme, which started in 1997, completed a project that analysed and compared six models that can be used to derive pesticide risk indicators (OECD, 2005b). All of the models evaluated in the OECD project are designed to report pesticide risk trends at the national level and five of the six models use the same basic formula:

exposure/toxicity (or toxicity/exposure) × total amount used

The sixth model uses a similar basic formula:

(amount sold/dose)/total arable land treated

The pesticide risk indicator models evaluated in the OECD project share a similar underlying structure. However, the models differ in how they estimate exposure and in how they weight different variables. These differences reflect the circumstances and understanding of risk in different countries. In this sense, pilot testing of these indicators conducted in the OECD project has provided information on evaluating possible widespread use of these indicators (OECD, 2005b).

Lack of data is one of the most important obstacles to using pesticide risk indicators (OECD, 2005b). Data on pesticide properties are generally available in national pesticide registration files, but the OECD project found that data in some areas, most notably long-term (chronic) toxicity, are incomplete. Moreover, even for short-term (acute) toxicity, the data show widely varying values. The OECD project concluded that use of a consistent approach from year to year was important for always selecting the highest, lowest, or average value, for example. Data on pesticide use (*e.g.* from farmer surveys), rather than sales data, are also lacking in many countries, although momentum is building to collect such data (Section 1.3.1). It was also concluded that distributing the national sales of a given pesticide among various crops on which it is registered (as most indicators require) can be difficult and time-consuming, and may require using a 3-year rolling average and limit analysis to major pesticides or crops to keep the project viable.

Recent trends

Evidence from a limited number of OECD countries shows that human health and environmental risk from pesticide use has declined over the past decade in most cases. These indicators also suggest a link between a decrease (increase) in pesticide use and decreasing (increasing) risks, however, some studies show that risks are not quantified on a major share of farm land treated with pesticides. These conclusions are drawn from information on pesticide risk indicator trends reported by: **Denmark, Netherlands, Norway** for risks to terrestrial organisms; **Belgium** and the **United Kingdom** for aquatic organisms; and **Germany** for both terrestrial and aquatic organisms (OECD, 2003). In addition, **Sweden** has completed a national project that has developed two pesticide risk indicators with the main objective to monitor the impact of pesticide policies nationally

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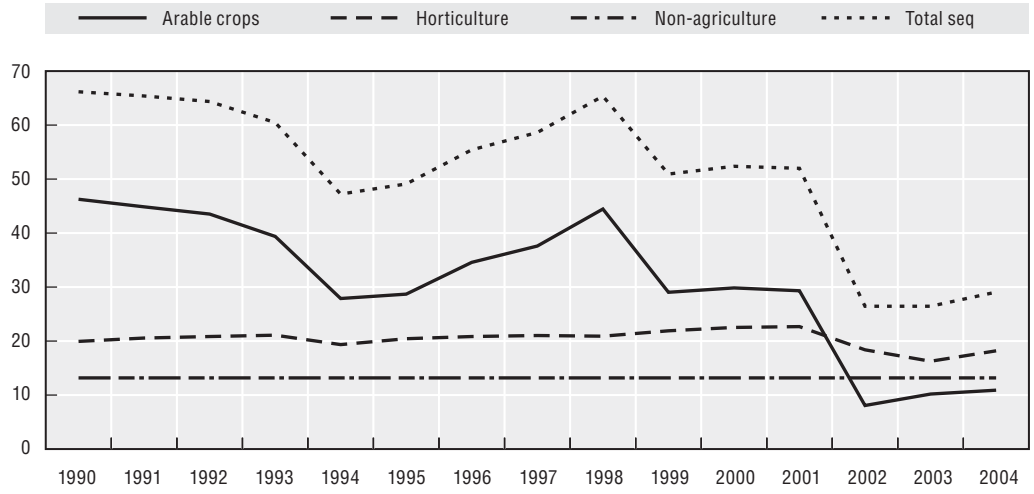
and follow up the trends at individual farm level. It should be noted, however, that these country examples cannot be used for cross country comparisons as the indices are relative not absolute values.

Belgium. A risk assessment of the use of pesticides for aquatic species has been made for Belgium (de Smet *et al.*, 2005). Pesticide use is weighted according to eco-toxicity and persistence in the environment because use in kilogrammes of active substances does not sufficiently represent environmental risks. The pressure on aquatic ecosystems, to be viewed as risk to aquatic species, is expressed as the sum of the spread (dispersion) equivalents (Σ Seq). The aquatic risk index (Σ Seq) for agriculture declined by 55% between 1990 and 2004 (Figure 1.3.3), *inter alia* because of the decreasing use of lindane (an insecticide) and paraquat (a herbicide). The Flemish Environmental Policy Plan, sets a 50 % reduction goal for Σ Seq in 2005 compared to 1990 for all pesticide users, including agriculture. With the prohibition of lindane in 2001 and some 40 other pesticide active ingredients (compared to an authorised total of 375) from 2003, the 50% reduction goal has been achieved since the sharp decline in 2002 of Σ Seq, especially that of arable crops (de Smet *et al.*, 2005).

Figure 1.3.3. **Belgium: Risk for aquatic species due to use of pesticides in arable land, horticulture and outside of agriculture**

Spreads equivalents in billions

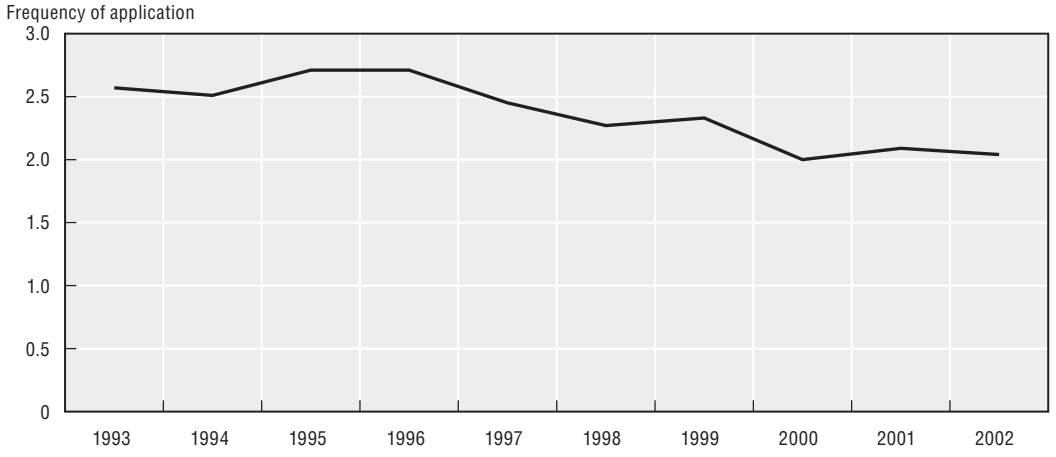


StatLink http://dx.doi.org/10.1787/286707848675

Source: Department of Crop Protection, University of Gent.

Denmark. The Danish indicator of frequency application, an indicator of spraying intensity and overall environmental impact of pesticides, has declined since 1993 (Figure 1.3.4), in parallel to a large reduction in pesticide use (Figure 1.3.2). The Danish Load Index is also used as a risk indicator, and reflects changes in inherent properties of pesticides such as toxicity to fish, birds, mammals, which may not be directly reflected in the Frequency of Application Index. Denmark has used the Load Index to track changes in pesticide load on a given organism as a result of the re-evaluation of pesticides carried out in the 1990s. The Load index showed a clear reduction with respect to acute and chronic toxicity for mammals, while values also declined for acute toxicity for birds and crustaceans, but for fish remained unchanged.

Figure 1.3.4. **Denmark: The annual trend in frequency of pesticide application**



StatLink http://dx.doi.org/10.1787/286736745071

Source: Gravesen (2003).

Germany. In Germany, the pesticide risk indicator model SYNOPS is used to assess and to analyse the environmental risk caused by pesticide use in agriculture (Table 1.3.1). To characterize the status quo, the risk potential (without consideration of risk mitigation measures as required by pesticide registration authority) of the mostly recently used pesticides for the crop years 2000, 2002, and 2004, is compared with corresponding risk indices caused by pesticides used in 1987. Table 1.3.1 shows the change of risk indices in per cent from the base year 1987 = 100.

Table 1.3.1. **Germany: Percentage risk indices**

1987 to 2004 (1987 = 100)

	Acute risk (%)					Chronic risk (%)			
	Earthworms	Daphnia	Fish	Algae	Bees	Earthworms	Daphnia	Fish	Algae
Herbicides	37	44	45	36	46	31	47	51	35
Fungicides	60	33	66	131	55	81	22	52	76
Insecticides	11	8	36	7	14	20	24	93	6

StatLink http://dx.doi.org/10.1787/301374302758

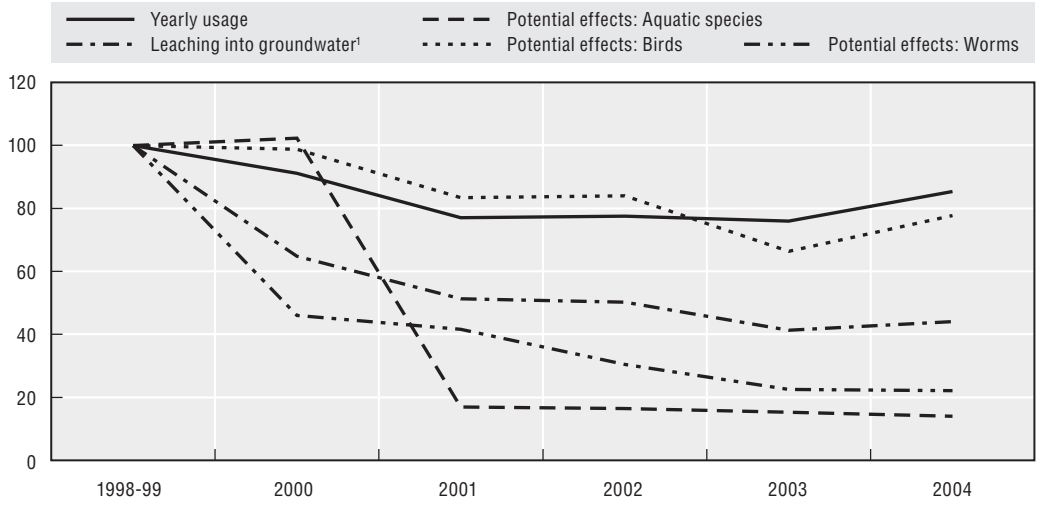
Source: Federal Biological Research Centre for Agriculture and Forestry, Berlin-Braunschweig.

To describe the status quo of the intensity of pesticide use in agricultural practice, the project NEPTUN was established in Germany. NEPTUN is a randomised and regionally stratified survey based on voluntary co-operation with farmers. The following crops were surveyed: arable crops (1999/2000), hops (2001), orchards (2001 and 2004), and vineyards (2003). In the future additional crops will be surveyed. *Inter alia* the survey results facilitate the calculation of normalised application indices for crops in terms of the number of pesticides used in a crop and normalised to the area treated and the ratio between the application dose used and the registered application dose. NEPTUN results also feed the risk indicator model SYNOPS and serve to analyse regional differences in the risk potential caused by the different use of pesticide as well as the different application conditions (landscape attributes) and crops.

Netherlands. The trend of pesticide risks for groundwater and organisms, developed in the Netherlands, was calculated for the period 1998-99 to 2004 (Figure 1.3.5). The yearly usage of pesticides shows a gradual decline over the entire period, except for a small increase in 2004 (Figure 1.3.2). The indicator values for potential chronic *toxic effects on birds and worms* also show a gradual decrease over the entire period. This decrease is somewhat larger than would be expected on the basis of the reduction of pesticide usage, which reflects the disappearance of some of the more toxic pesticide compounds from the market. Groundwater leaching and the potential chronic toxic effects towards *aquatic species*, after rising in 2000, showed a gradual decline in common with the other indicator scores (Figure 1.3.5).

Figure 1.3.5. **The Netherlands: Potential chronic effects scores for aquatic and terrestrial organisms and leaching into groundwater**

Index 1998-99 = 100



StatLink http://dx.doi.org/10.1787/286766744540

1. Groundwater leaching index is with reference to drinking water limits.

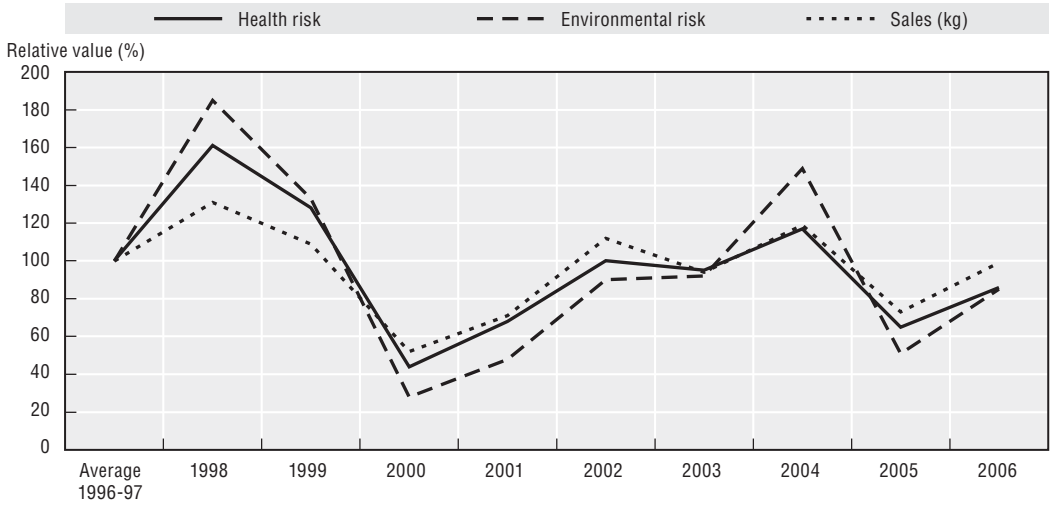
Source: Deneer *et al.* (2003) and RIVM.

Norway. The Norwegian environmental risk indicator is based on the toxicity of each pesticide to non-target species (birds, earthworms, bees and aquatic species). In addition, it takes into account leaching, persistence, bioaccumulation and formulation type, and uses scores (weighting factors) that are added together and multiplied (scaled) by the treated area. Since the sales data for the years 1996 to 2006 are strongly influenced by other factors than change in actual use (stockpiling to avoid increased taxes), it is difficult to use this as a basis for conclusions about risk. Compared to the sales curve, the risk indicators showed higher values for 1998 and 1999, which corresponds to the stockpiling of pesticides with the highest health and environmental risk (highest tax classes). For succeeding years the risk values are lower, reflecting both reduced imports/sales and less risk associated with the pesticides purchased by farmers (Figure 1.3.6).

A working group in Norway submitted, in 2003, its final evaluation of the *Action Plan for Pesticide Risk Reduction (1998-2002)* including an evaluation of the pesticide levy system, as this was one of the measures in the Plan. Comparing the average for 1996-97 with that of 2001-02, there was a slight drop in pesticide sales (8%), but a marked reduction in the risk to health (33%) and the environment (37%).

Figure 1.3.6. **Norway: Trends of health risk, environmental risk and sales of pesticides**

Average 1996-97 = 100



StatLink http://dx.doi.org/10.1787/286810015086

Source: The Norwegian Food Safety Authority.

Although care is required not to place too much weight on these data, the trend is still clear with a marked reduction in risk during the period of the Action Plan, both in terms of health and environmental risks. Changes to the pesticide levy system from 1999, with differentiated charges conditional on health and environmental properties, seems to have had the desired effect of moving users away from using hazardous pesticides to less harmful preparations.

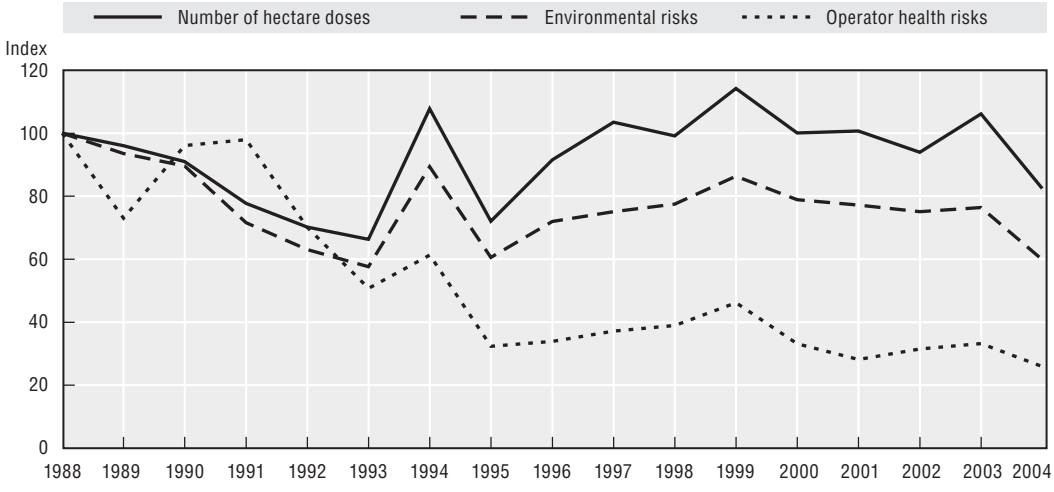
Even though trends are moving in a positive direction, the results from the monitoring programmes on foodstuffs and the environment indicate that the situation is still not entirely satisfactory. Between 2000 and 2006, pesticide sales steadily rose (allowing for some annual fluctuations) and as a consequence health and environmental risks also increased (Figure 1.3.6). The evaluation group emphasises the need for targeted efforts to further reduce the risk of damage to health and the environment through the use of pesticides and advises a new *Action Plan for Pesticide Risk Reduction* (2004-08) built on the equivalent main elements contained in the previous Plan.

Sweden. Sweden has developed two pesticide risk indicator systems to monitor the impact of pesticide risk reduction policies: at the national level (PRI-Nation) and at the individual farm level (PRI-Farm). Both models are based on the same approach, where data on hazard and exposure are scored based on field data where available, expert judgements or policy assessments, combined with data on use intensity (Bergkvist; 2004). Both PRI-Nation and PRI-Farm comprise two indicators that cover environmental risks and farm operator health risks respectively. The results are aggregated to a single score for each substance or treatment with the intention to indicate environmental and operator health risks respectively.

For PRI-Nation, Figure 1.3.7 indicates a clear downward trend in both environmental and operator health risks, while pesticide use intensity (*i.e.* the total number of doses per hectare) has been near stable since 1997. These improvements in pesticide risks are largely due to farm advisory services focusing on integrated and need based crop protection, successful regulatory activities and also pesticide product development (Bergkvist; 2004; Swedish Chemicals Inspectorate, 1999).

Figure 1.3.7. **Sweden: National level pesticide risk indicators and the number of hectare doses**

Index 1988 = 100

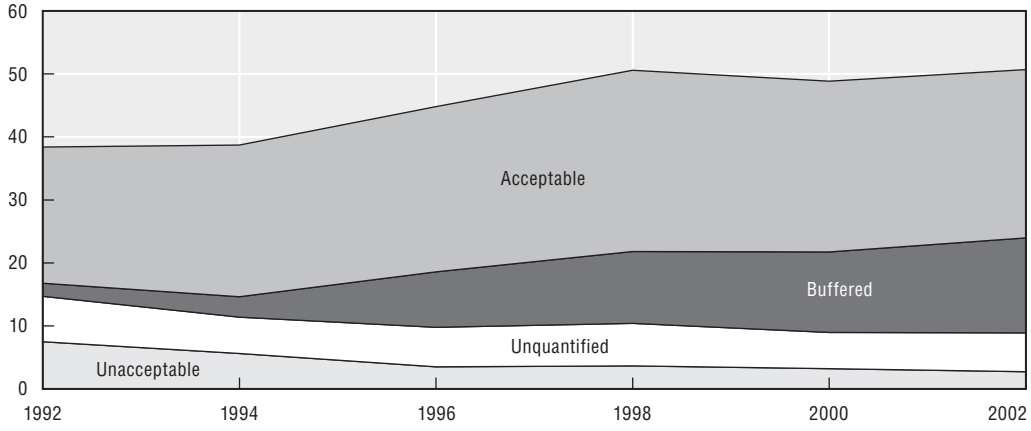


StatLink http://dx.doi.org/10.1787/286827123563

Source: Bergkvist, 2005.

United Kingdom. The United Kingdom has developed a "threshold" approach, which makes use of risk to aquatic life thresholds used in the regulatory assessment of pesticides. The threshold approach divides the total area of pesticide applications into different risk categories, and shows how these change over time. The results shown in Figure 1.3.8 indicate that the total area of pesticide applications increased steadily from 1992 to 2002. Over half of the area on which pesticides were applied qualifies as "acceptable risk", based on EU criteria. Since the early 1990s, if complied with, buffer zones are making an increasing contribution to reducing risks, but a large area is treated with pesticides for which the risk is unquantified and needs further assessment.

Figure 1.3.8. **United Kingdom (England and Wales): Total area of pesticide applications**



StatLink http://dx.doi.org/10.1787/286851221782

Notes: ***Total area of pesticide applications*** for arable crops in England and Wales was obtained from the UK Pesticide Usage Survey. Multiple applications are added together, *e.g.* spraying one hectare with two pesticides counts as two spray hectares.

Acceptable risk: Pesticides either have toxicity-exposure ratios (TERs) for fish, daphnia and algae which fall within the thresholds defined in EU regulations, or have been subjected to a higher-tier assessment which shows they pose no unacceptable risks.

Buffered: Pesticides subject to buffer zones have TERs outside the EU thresholds, but have been assessed by the UK Pesticides Safety Directorate as posing acceptable risk provided no spray is applied within 6 metres of water bodies such as streams, ponds and ditches.

Unacceptable risk: Refers to the use of pesticides which have been shown by higher-tier assessment to pose unacceptable risk. In practice this applies to the historical use, without buffer zones, of pesticides now considered to require them.

Unquantified risk: Refers to pesticides which have TERs outside the EU thresholds, and have not yet been assessed under current regulations, or lack the necessary data for calculating TERs. It is therefore not known whether the risk they pose is acceptable or unacceptable by modern standards.

Source: Hart *et al.* (2003).

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1.4. ENERGY

KEY TRENDS

OECD wide, on-farm energy consumption increased by 3% compared to 19% for all sectors (1990-92 to 2002-04), but nearly a half of the member countries reduced their energy consumption. The share of farming in total OECD energy consumption is around 2% (2002-04). While the EU15 and the United States accounted for nearly 60% of OECD on-farm energy consumption, their growth in consumption has been below the OECD average.

Much of the expansion in on-farm energy consumption has occurred in Australia, Korea, Mexico, New Zealand Poland, Spain and Turkey, which by 2002-04 accounted for about a quarter of OECD on-farm energy consumption. The growth in energy consumption in these countries is largely explained by a combination of rising agricultural production over the 1990s, continued expansion of mechanisation and increasing machinery power, and the substitution of labour for machinery, although the relative importance of these different factors varied between countries.

The Czech and Slovak Republics and Hungary experienced a significant reduction in agricultural production and on-farm energy consumption, as a consequence of the removal of farm and input subsidies, in the transition from a centrally planned to a market economy. But since around the year 2000 on-farm energy consumption for these countries has begun to stabilise or rise slightly in the period towards EU membership.

Petrol and diesel, are the ***main sources of on-farm energy consumption*** in most OECD countries, accounting for over 50% in both the EU15 and the United States. With the expansion in renewable energy production across an increasing number of countries, its share in on-farm energy consumption, though small, has risen, notably in Austria, Denmark and Finland. There has also been a trend in many countries toward an increasing share of electricity in on-farm energy consumption to power machinery, partly reflecting the substitution of labour for machinery.

Trends in on-farm energy consumption largely reflect farmer response to energy prices, agricultural energy subsidies, and energy consumption efficiency. Real crude oil prices showed a declining trend from 1990 up to 1997-98, after which prices began to rise. OECD on-farm energy consumption increased up to the mid-1990s followed by a decline to 2004.

Agricultural energy subsidies, mainly for fuel, are widespread across OECD countries, and are usually provided by reducing the standard rate of fuel tax for on-farm consumption, but also for power and heat in some cases. These subsidies act as a disincentive to reduce on-farm energy consumption and use energy more efficiently, and also, by stimulating higher energy use, put pressure on the environment by leading to increased greenhouse gas emissions and other air pollutants from agriculture.

Improvements in on-farm energy consumption efficiency – on-farm energy consumption growing at a lower rate than growth in farm production – are apparent for many countries. For example, on-farm energy consumption declined in Austria, Denmark and France, despite an increase in agricultural production. In Canada, on-farm energy efficiency decreased slightly over the 1990s due to an increase in diesel fuel consumption (replacing petrol), and an increase in fertiliser use, with a corresponding decrease in high energy output crop production.

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Indicator definition:

- Direct on-farm energy consumption in national total energy consumption.

Concepts and interpretation

Agriculture can play a double role in relation to energy, both as a consumer and producer of energy. Farming is a direct energy consumer for crop and livestock production, and also consumes energy indirectly in terms of the energy required to produce fertilisers, pesticides, machinery and other inputs. But agriculture can also produce energy and raw materials through biomass production as a feedstock to supply bioenergy and biomaterials (*e.g.* cotton, plastics), which includes in the case of bioenergy, biofuels, such as bioethanol, and biopower in the form of heat and electricity (OECD, 2004).

Purchased energy is essential to provide power for modern agricultural production systems. From an environmental perspective, however, agricultural energy consumption can lead to air pollution through emission of greenhouse gases (principally carbon dioxide, CO_2); emissions of nitrogen oxides (NO_x), sulphur dioxide (SO_2), particulate matter; as well as emissions of ozone depleting precursors. While energy produced from fossil fuel combustion is non-renewable, renewable energy derived from agricultural biomass feedstock has the potential to provide environmental benefits, for example, some feedstocks are carbon neutral from a climate change perspective (OECD, 2004).

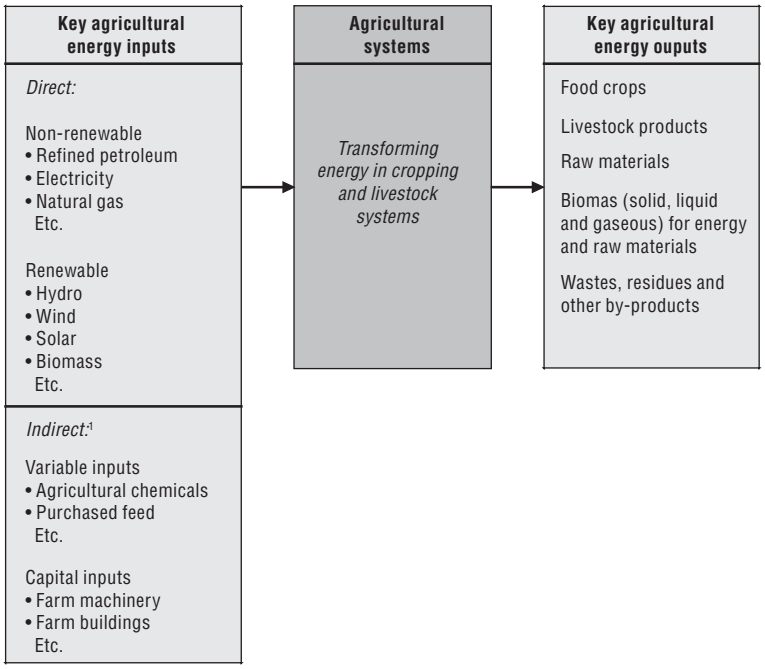
Energy indicators have been in use for some time both at the national and international level (Cleveland, 1995; EEA, 2005; IEA, 2002; OECD, 2002; Wells, 2001; World Bank, 2002). A simple model for energy consumption in agriculture is shown in Figure 1.4.1. *Direct* on-farm energy consumption by primary agriculture covers consumption for irrigation, drying, horticulture, machinery and livestock housing. *Indirect* energy, on the other hand, refers to energy consumption for the production, packaging and transport of fertilisers and pesticides and in the production of farm machinery.

The OECD agricultural energy indicator in this section focuses on *direct* on-farm energy consumption by primary agriculture, and draws on data and definition of energy consumption from the International Energy Agency (IEA, 2004). A limitation of the indicator for most countries, concerns the difficulty of separating agricultural energy consumption data from data for energy consumption by hunting, forestry and fisheries. Also, the extent to which farm household consumption is included in the data is unknown. Therefore, caution is required when comparing agricultural energy consumption trends across countries.

The indicator here makes no distinction between either the sources of energy consumption by agriculture, non-renewable or renewable, or the production of energy from agricultural biomass feedstocks. The IEA is currently in the process of collecting information on renewable energy by various sectors, including agriculture, as part of its focus on renewable energy supply and demand. Hence, in the future it may be possible to develop the agricultural energy consumption indicator to take account of agriculture's production and consumption of renewable energy.

Direct on-farm energy consumption acts primarily as a ***driving force*** on the ***state*** of climate change through greenhouse gas emissions (Section 1.7.3), although there are secondary environmental concerns related to air pollution from burning fossil fuels, such

Figure 1.4.1. **Simplified energy "model" of an agricultural system**



StatLink http://dx.doi.org/10.1787/286855521384

1. Indirect energy consumption is not included in the indicator covered in this section.

Source: OECD Secretariat, 2007, adapted from Uhlin, 1999; and Wells, 2001.

as particulate matter and ozone depletion. Agriculture's ***response*** to reducing energy consumption is largely through improving energy efficiency and also substituting the consumption of non-renewable for renewable energy sources.

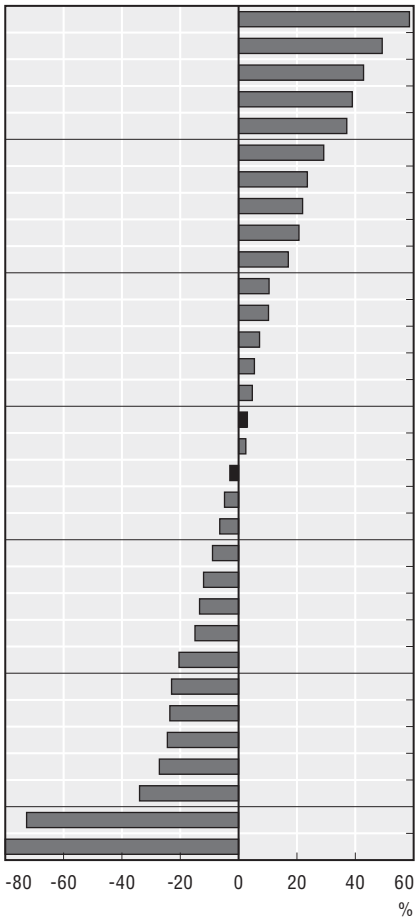
Recent trends

OECD on-farm energy consumption over the period 1990-92 to 2002-04 increased by 3% compared to 19% for all sectors, but nearly a half of the member countries reduced their energy consumption (Figure 1.4.2). But the share of agriculture in total OECD energy consumption was only 2% in 2002-04 (Figure 1.4.2). While the **EU15** and the **United States** accounted for nearly 60% of OECD on-farm energy consumption, their change in energy consumption (2002-04) has been below the OECD average at –3% and +2% respectively during 1990 to 2004 (Figure 1.4.3).

Instead much of the expansion in OECD on-farm energy consumption has occurred in **Australia, Korea, Mexico, Poland, Spain** and **Turkey**, which by 2002-04 accounted for about a quarter of OECD on-farm energy consumption (Figures 1.4.2, 1.4.3). The growth in energy consumption in these countries is largely explained by a combination of rising agricultural production over the 1990s, continued expansion of mechanisation and increasing machinery power, and the substitution of labour for machinery, although the relative importance of these different factors varied between countries (Figures 1.4.2 and 1.4.4; Hatirli *et al.*, 2004; OECD, 1999).

On-farm energy consumption may also be linked in some countries to the requirement for farmers to field spread manure in an effort to reduce nutrient surpluses, necessitating greater use of farm machinery (*e.g.* **Netherlands**). In other cases the rapid expansion of organic production may have required more mechanical weeding raising energy demand.

Figure 1.4.2. **Direct on-farm energy consumption**[1]



	Average[1]		Change in on-farm energy consumption		Change in total energy consumption	Share in national total energy consumption	Share in total OECD on-farm energy consumption
	1990-92	2002-04	1990-92 to 2002-04		1990-92 to 2002-04	2002-04	2002-04
	Ktoe[2]		Ktoe[2]	%	%		
Turkey	1 997	3 167	1 170	59	44	5	5
Australia	1 339	1 998	659	49	25	3	3
Korea	1 878	2 682	805	43	96	2	4
Spain[3]	1 818	2 525	707	39	54	3	4
Ireland	222	304	82	37	53	3	0
Poland	3 454	4 463	1 009	29	–4	8	7
Norway	657	812	155	24	17	4	1
New Zealand	261	318	57	22	38	2	0
Mexico	2 299	2 774	476	21	10	3	4
Luxembourg	13	15	2	17	31	0	0
Italy	3 011	3 326	315	10	13	2	5
Greece	1 075	1 186	110	10	36	6	2
Iceland	287	308	21	7	40	13	0
Canada	3 408	3 593	184	5	22	2	5
Netherlands	3 752	3 927	175	5	16	6	6
OECD	**63 262**	**65 259**	**1 997**	**3**	**19**	**2**	**100**
United States	15 007	15 377	370	2	20	1	23
EU15	**22 568**	**21 927**	**–640**	**–3**	**13**	**2**	**34**
Japan	6 968	6 629	–339	–5	19	2	10
Belgium[4]	850	795	–55	–6	20	2	1
France	3 313	3 017	–297	–9	11	2	5
Finland	870	765	–104	–12	18	3	1
Austria	715	619	–96	–13	29	2	1
Sweden	653	554	–99	–15	10	2	1
Germany	3 349	2 664	–686	–20	1	1	4
Portugal	586	452	–135	–23	50	2	1
United Kingdom	1 309	1 000	–309	–24	8	1	2
Denmark	1 031	779	–252	–24	7	5	1
Switzerland	203	148	–55	–27	6	1	0
Hungary	956	631	–325	–34	–2	3	1
Slovak Republic	666	182	–484	–73	–21	2	0
Czech Republic[5]	1 314	250	–1 064	–81	–16	1	0

StatLink http://dx.doi.org/10.1787/286880402436

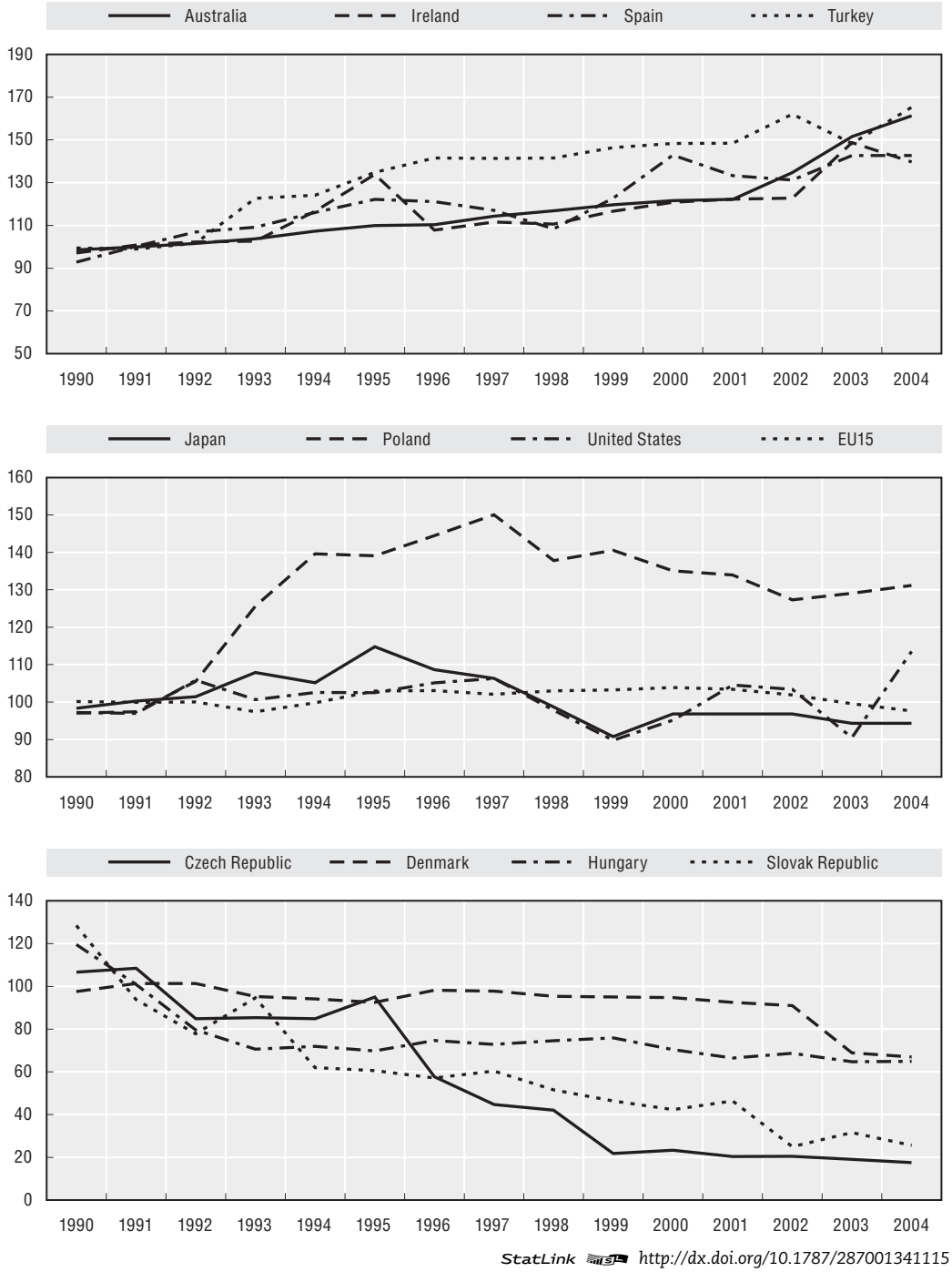
1. Data cover total on-farm energy consumption by primary agriculture (for irrigation, drying, horticulture, machinery and livestock housing), forestry, fishing and hunting, except Belgium, Italy, Switzerland and the United Kingdom, where data only include agriculture.
2. Ktoe equals thousand tonnes of oil equivalent.
3. Data energy are drawn from national sources. Data for the year 2004 refer to the year 2003.
4. The average 1990-92 and 2002-04 covers 1990 and 1999-01, respectively.
5. For the Czech Republic, the change in on-farm energy use is –81%.

Source: IEA (2006); national data for Portugal, Spain and Sweden.

For those countries that experienced the transition from a centrally planned to a market economy, such as the **Czech Republic**, **Hungary** and **Slovak Republic**, they experienced a significant reduction in agricultural production and on-farm energy consumption, as a consequence of the removal of output and input-linked subsidies. But since around the year 2000 on-farm energy consumption for these countries has begun to stabilise or rise slightly in the period towards EU membership (Figure 1.4.3). In other countries experiencing a marked reduction in on-farm energy consumption (*e.g.* **Germany**, the **United Kingdom**) this was to a large extent due to declining levels of agricultural

Figure 1.4.3. **Direct on-farm energy consumption[1] for selected OECD countries**

1990-92 = 100



StatLink http://dx.doi.org/10.1787/287001341115

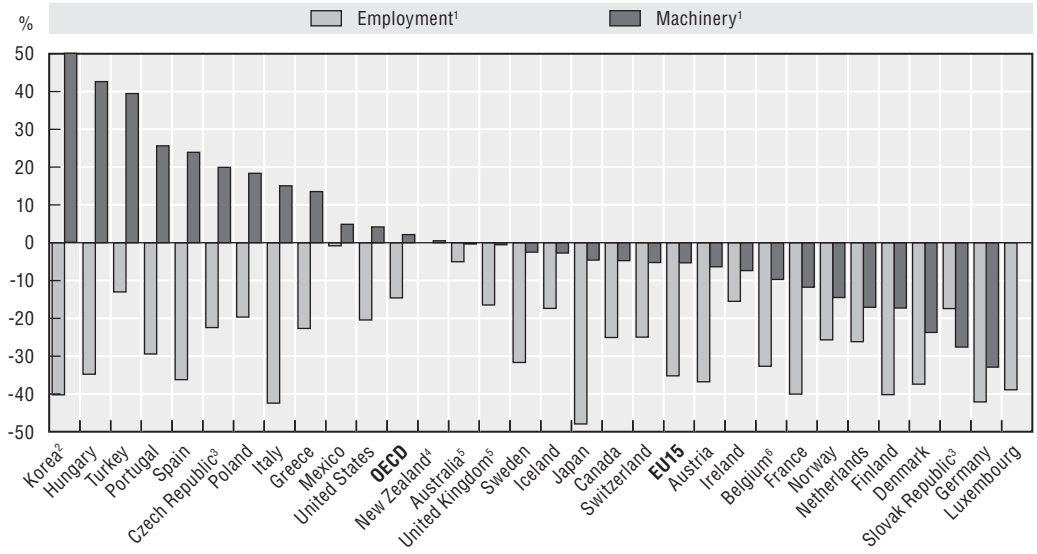
1. Data cover total on-farm energy consumption by primary agriculture (for irrigation, drying, horticulture, machinery and livestock housing), forestry, fishing and hunting.

Source: IEA (2006); and national data for Spain.

production (Section 1.1) but also improvements in energy efficiency, although the Eastern part of **Germany** was also affected by the transition to a market economy and a reduction in input subsidies (Figure 1.4.4).

Figure 1.4.4. **Agricultural employment and farm machinery use**

1990-92 to 2002-04



StatLink http://dx.doi.org/10.1787/287016550645

1. Employment refers to economically active population in agriculture, and for some countries includes hunting, fishing and forestry. Farm machinery refers to tractors and combined harvester-threshers in use.
2. For Korea, change in agriculture machinery use is +181%.
3. Czech Republic and Slovak Republic: average 1990-92 = average 1993-95 percentage change for employment and machinery.
4. For New Zealand, change in agriculture machinery use is +0.5% and employment is 0%.
5. For Australia, change in agriculture machinery use is –0.3% and United Kingdom is –0.5%.
6. Including Luxembourg for machinery.

Source: FAOSTAT (2007).

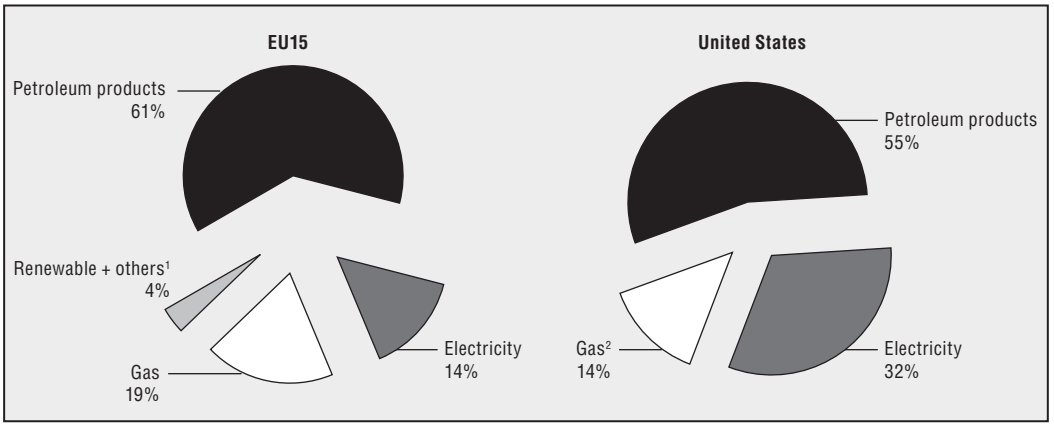
Petroleum products, mainly petrol and diesel, provide the main sources of on-farm energy consumption, accounting for over 50% in both the **EU15** and the **United States** (Figure 1.4.5), and over 80% in some countries (*e.g.* **Belgium**, **Ireland**, and **Portugal**). With the expansion in renewable energy production across many OECD countries, its share in on-farm energy consumption has risen, notably in **Austria, Denmark** and **Finland** (EEA, 2005). There has also been a trend in many countries toward replacing petrol by diesel, mainly due to lower prices for diesel relative to petrol, and an increasing share of electricity in on-farm energy consumption to power machinery, which partly reflects the gradual substitution of labour by these inputs (*e.g.* the **United States**, USDA, 1997).

There are many variables that explain trends in on-farm energy consumption, but three important elements include, first, the crude oil price; second, agricultural energy subsidies; and third, energy consumption efficiency. ***Trends in oil prices*** over the period 1990 to 2004, measured in real terms, showed a declining trend up to 1997-98, after which prices again begun to rise. To some extent this has been reflected in the trends in on-farm energy consumption across OECD countries, where on-farm energy consumption peaked around the mid-1990s, followed by a subsequent decline in consumption to 2004 (Figure 1.4.3).

Agricultural energy subsidies, mainly provided for fuel, are widespread across OECD countries, but also for power and heat in some cases (OECD, 2005; Chapter 3). Typically fuel subsidies are provided to farmers by reducing the standard rate of tax on petrol and/or diesel for machinery used only on-farm. In some cases support is also provided for other

Figure 1.4.5. **Composition of on-farm energy consumption in the EU15 and the United States**

2002



StatLink http://dx.doi.org/10.1787/287063358613

1. "Others" includes derived heat and solid fuel.
2. Natural and liquefied petroleum gas.

Source: EU: Eurostat, New Cronos (2007), US: Miranowski (2004).

energy sources, for example, energy to heat greenhouses in the **Netherlands** and electricity in **Mexico** (Chapter 3). The extent of the budget revenue foregone through these tax exemptions on fuel can be large, for example, nearly USD 1 billion in **France** and over USD 2.3 billion in the **United States**, annually (2004-06). In addition, energy subsidies to agriculture have in a number of countries lowered pump costs for extracting water, especially from groundwater sources, increasing the risk of depleting groundwater reserves beyond natural replenishment rates (Section 1.6.1).

Provision of fuel tax exemptions and other energy subsidies act as a disincentive to reducing on-farm energy consumption and using it more efficiently (OECD, 2005). Energy subsidies put pressure on the environment by increasing CO_2 emissions and other harmful air pollutants (UNEP/IEA, 2002).

Improvements in energy consumption efficiency by agriculture are apparent for many countries, *i.e.* the trend in on-farm energy consumption growing at a lower rate than growth in agricultural production. For example, energy consumption declined in **Austria**, **Denmark** and **France** despite an increase in agricultural production (Section 1.1). Calculation of an agricultural energy balance in **Switzerland** reveals that over the 1990s agricultural energy efficiency has been stable (Chapter 3). Similar research in **Canada** on agricultural input/output ratios showed that between 1989-95 and 1997-2001 energy efficiency declined by 12% due to the increase in diesel fuel (used as a substitute for petrol), and fertiliser use, with a corresponding decrease in high energy output crop production (Lefebvre *et al.*, 2005).

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1.5. SOIL

KEY TRENDS

Overall for the OECD there has been some improvement or stability in soil erosion, from both water and wind. An increase in the share of agricultural land within the tolerable erosion risk class has been accompanied by a reduction in areas at moderate to severe erosion risk.

Soil erosion from water for most OECD countries shows that the major share of agricultural land is within the tolerable erosion category and is not considered a concern. Almost a third of OECD member countries had more than 20% of agricultural land within the moderate to severe risk classes in the period 2000-02 (Greece, Hungary, Italy, Korea, Mexico, Portugal, Slovak Republic, Spain, Turkey). Over the average period 1990 to 2004 the share of land within these erosion risk classes, predominantly arable land, generally decreased or remained stable, although information on trends across OECD countries is limited.

Soil erosion from wind is also diminishing, although the number of countries for which wind erosion is a concern is smaller than for water erosion but cross country data are limited. Wind erosion is most prevalent in semi-arid areas or where soils exist in a very dry state for extended periods (Australia, Canada, Hungary, Iceland, Poland, United States).

Where ***risks of erosion remain,*** this is largely attributed to the: continued cultivation of fragile and marginal soils; overgrazing of pasture, especially in hilly areas; and poor uptake of soil conservation practices. In some regions erosion is aggravated by the increasing incidence and severity of droughts and/or heavy rainfall events, and in some countries land clearing (Mexico and Turkey). The reduction in agricultural land susceptible to moderate to severe risk of erosion is mainly linked to the growing uptake of soil conservation practices, such as the adoption of reduced or no tillage, and the conversion of agricultural land to forestry.

Estimates show that the ***costs of soil erosion damage can be considerable.*** On-farm costs correspond essentially to the agricultural production foregone as a result of soil degradation lowering crop productivity. Off-farm costs, resulting from off-farm sediment flows, include: extra expense to treat drinking water; costs of dredging rivers, lakes and reservoirs; damage to roads and buildings; and harmful effects on aquatic ecosystems, including recreational and commercial fishing.

Indicator definitions:

- Area of agricultural land affected by **water erosion** in terms of different classes of erosion, *i.e.* tolerable, low, moderate, high and severe.
- Area of agricultural land affected by **wind erosion** in terms of different classes of erosion, *i.e.* tolerable, low, moderate, high and severe.

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Concepts and interpretation

Soil erosion, principally by water and to a lesser extent wind, is considered to be the highest priority soil quality issue for some OECD countries. Other soil degradation processes, including compaction, acidification, toxic contamination and salinisation largely relate to specific regions in some countries and therefore it is not possible to provide an overview of OECD trends (Chapter 3).

Soil plays a key role in maintaining a balanced ecosystem and in producing quality agricultural products (OECD, 2003). There can be a significant time delay between recognising soil degradation and developing conservation strategies, in order to maintain soil health and crop productivity. The intensity of rainfall, degree of protective crop cover, slope and soil type are the controlling factors of water erosion. The process of wind erosion is also controlled by climate (soil moisture conditions), crop cover and soil type and involves detaching and transporting soil particles (mainly silt and fine sand) over varying distances. Loss of topsoil by erosion also contributes to the loss of nutrients. Soil tillage practices can also contribute to erosion by moving soil on hilly landscapes, *i.e.* removing soil from the slopes' top to the bottom (Lobb *et al.,* 2003; Torri, 2003).

Indicators for soil erosion from water are generated by models, most often variants of the Universal Soil Loss Equation (USLE). Although these models take account of soil type, topography, climate and crop cover, they are using generalized inputs that provide estimates of soil erosion risk rather than actual field measurement values. Some OECD countries have well established soil monitoring systems (*e.g.* the **United States**) that provide field observations to directly validate national risk estimates. Other OECD countries are in the early stages of implementing similar field measurement systems (*e.g.* **Australia**, **Canada** and **New Zealand**); while others, including several **European Union** countries, are in the process of designing such monitoring systems (EEA, 2005; Montanarella *et al*., 2003). It is important to stress that these trends only concern on-farm soil erosion.

While the USLE is commonly used by most OECD countries, the limits of risk of soil erosion classes reported from tolerable to severe vary between some countries (see OECD website database), but, a standardised scale has been used by OECD to present these data. Agricultural soils can "tolerate" a certain amount of erosion without adversely impacting on long-term productivity because new soil is constantly being formed to replace losses. The tolerable limit varies between different soil depths, types and agro-climatic conditions, but typically ranges from 1 tonne/hectare/year on shallow sandy soils to 6 tonnes/hectare/year on deeper well-developed soils. OECD's scale of soil erosion risk categories ranges from tolerable erosion (< 6 tonnes/hectare/year) through low, moderate, high and finally to severe erosion (> 33 tonnes/hectare/year). However, not all countries use these class limits as some consider tolerable erosion as less than 4 tonnes/hectare/year (*e.g.* the **Netherlands**, and the **Czech** and **Slovak Republics**).

Changes in agricultural land cover and use (Sections 1.1 and 1.8), farm production intensity (Section 1.1), and management practices and systems (Section 1.9) are the key ***driving forces*** covered by the soil erosion indicators which describe the ***state*** (or risk) of on-farm erosion. These indicators are useful tools for policy makers as they provide an assessment of the long-term environmental sustainability of management practices and the effectiveness of soil conservation measures. They can also be related to a range of soil quality issues including the loss of soil organic matter and soil biodiversity (Chapter 2). Changes in soil management practices (Section 1.9) are a ***response*** to improving soil quality and soil erosion risks.

Recent trends

The OECD trend shows some improvement or stability in most cases for soil erosion, from both water and wind. This is highlighted by an increase in the share of agricultural land within the tolerable erosion risk class relative to a reduction in areas at moderate to severe erosion risk, notably in those countries where soil erosion is a significant environmental issue, such as in **Canada** and the **United States**. The overall reduction in agricultural land susceptible to a high risk of erosion is mainly linked to both the increased uptake of soil conservation practices, such as the adoption of reduced or no tillage (Section 1.9), and also the conversion of agricultural land to forestry (Section 1.8). Where risks of erosion still remain a concern this is largely attributed to the: continued cultivation of fragile and marginal soils; overgrazing of pasture, especially in hilly/mountainous areas; and the poor uptake of soil conservation practices. Also, in some regions soil erosion is being aggravated by the increasing incidence and severity of droughts and/or heavy rainfall events (*e.g.* **Australia, Italy** and **Spain**), and in some countries clearing of native vegetation and forests (*e.g.* **Mexico** and **Turkey**).

Research shows that there are several costs associated with soil erosion damage, which can be considerable (*e.g.* see **Australia**, the **United Kingdom** and the **United States**, Chapter 3). On-farm costs refer mostly to the agricultural production foregone as a result of soil degradation lowering crop productivity. Off-farm costs, resulting from off-farm sediment flows, include: extra expense to treat drinking water; costs of dredging rivers, lakes and reservoirs; damage to roads and buildings; and harmful effects on aquatic ecosystems, adversely affecting recreational commercial fishing.

Soil erosion from water for most OECD countries shows that the major share of agricultural land is within the tolerable water erosion category and thus erosion is not considered a concern (Figure 1.5.1). Almost a third of OECD countries have more than 20% of agricultural land within the moderate to severe risk classes for the average period of 2000-02 (Figure 1.5.1). Over the period 1990 to 2004 the share of land within the moderate to severe erosion risk classes generally decreased or remained stable, although information on trends is limited (Figure 1.5.2, Chapter 3).

Soil erosion from wind depicts a similar trend, although the number of countries for which this is a serious problem is much smaller than for water erosion. Trends in the OECD agricultural land area within the modest to severe wind erosion risk categories are mainly stable or downwards over the 1990s, but cross country data are limited. Wind erosion is most prevalent in arid and semi-arid areas or where soils can exist in a very dry state for extended periods.

Soil erosion can originate from a number of economic activities (*e.g.* forestry, construction, off-road vehicle use) and natural events (*e.g.* fire, flooding and droughts). In most cases, however, the major share of soil erosion is accounted for by agricultural activities. In general, cultivated arable and permanent crops (*e.g.* orchards) are more susceptible to higher levels of soil erosion compared to pasture areas. This is because land under pasture is usually covered with vegetative growth all year. In **Spain** and the **United States**, for example, of agricultural land in the moderate to severe water erosion risk classes, arable and permanent cropland accounted for 75% and nearly 90%, respectively, over 1995-99 (OECD website database). However, where pasture is located on fragile soils with steep topography and subject to intensive grazing, problems of soil erosion can be more acute than on cultivated land, for example, in **Italy**, **New Zealand** and the **United Kingdom**.

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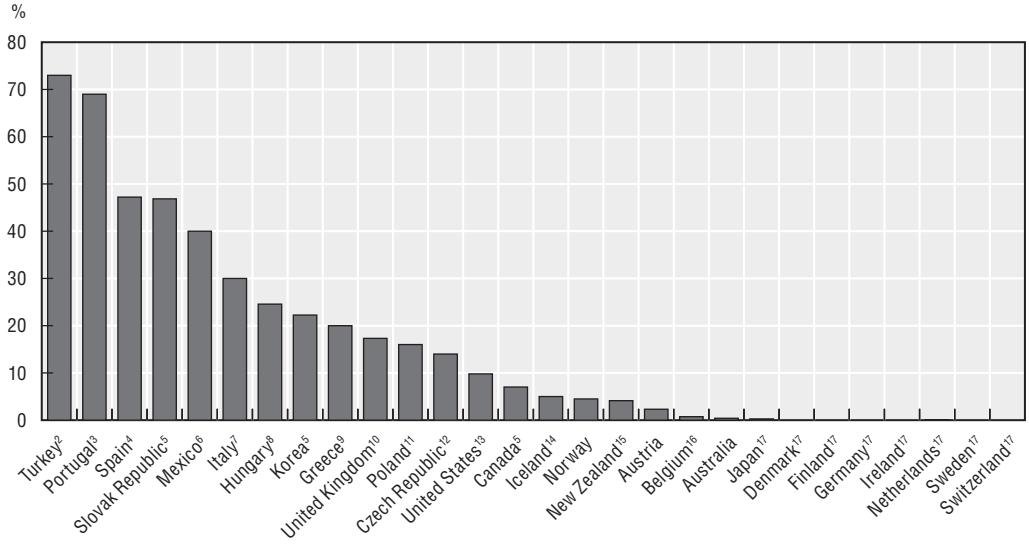
Figure 1.5.1. **Agricultural land area classified as having moderate to severe water erosion risk**[1]

Average 2000-02



StatLink http://dx.doi.org/10.1787/287065145113

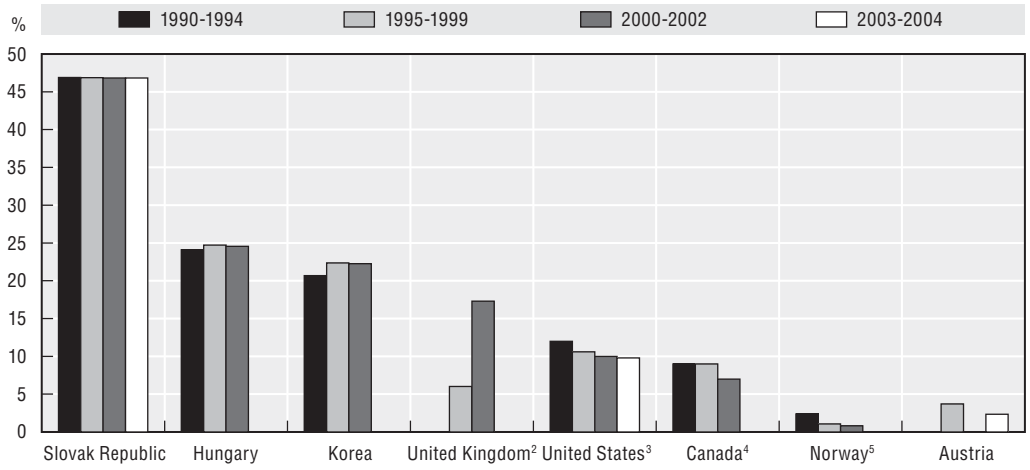
1. Risk of water erosion greater than 11 t/ha/y of soil loss, unless otherwise indicated.
2. Share of agricultural land of risk to elevated erosion rates, but t/ha/y not specified.
3. Covers all land including agricultural land, and covers high risks, but not defined source OECD (2001), Environmental Performance Review of Portugal.
4. Average 1987-2000 of actual area affected by erosion above 12t/ha/year.
5. Data for 2002-04.
6. *Source:* Chapter 3, Mexico country section.
7. Soil erosion risk greater than 10 t/ha/y, for all land, including agricultural land, 1999.
8. Data for 2000-02.
9. Covers all land, including agricultural land. *Source:* Montanarella *et al.* (2003).
10. For England and Wales. Data reported in terms of erosion events (not t/ha/y) occurring annually or every 3 years for moderate to severe erosion categories.
11. Data for 2005.
12. Data for 1999, severe risk classified as greater than 7.5 t/ha/y.
13. Water erosion on cropland, pasture land and Conservation Reserve Program land, above 11 t/ha/year for 2003.
14. Late 1990s, permanent grassland only, comprising 95% of the total agricultural land area. Moderate to severe erosion not classified by soil loss but by farmland.
15. No specific years provided.
16. Data for Flanders (1998) and Wallonia (1995-99).
17. These countries report that the risk of moderate to severe water erosion was between zero or less than 0.5%, of the total agricultural land area over the period 2000-02.

Source: OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France; and OECD Agri-environmental Indicators Questionnaire, unpublished; and national sources.

About 17% of the total land area in ***Europe*** is affected, to some degree, by soil erosion, but only 4% is affected by severe erosion. Soil erosion in Europe is mainly due to water (about 92% of the total) and less to wind, while it is becoming apparent that there is a trend towards shifting the balance from severe to tolerable erosion risk classes (EEA, 2005; Montanarella *et al.*, 2003). In 2002 the European Commission launched "*Towards a thematic strategy for soil protection*" aiming to consider, amongst other issues, soil protection measures as a way of addressing problems of soil erosion (EUROPA, 2003).

The Mediterranean region of Europe is particularly at high risk to soil erosion from water, mainly **Italy, Portugal, Spain, Turkey**, and to a lesser extent **Greece** (Figure 1.5.1). Frequent dry periods followed by outbreaks of rain increases the risk of severe soil erosion, particularly in areas of the Mediterranean with steep topography, fragile soils and little

Figure 1.5.2. **Trends in agricultural land area classified as having moderate to severe water erosion risk**[1]



StatLink http://dx.doi.org/10.1787/287073572653

Note: Finland, Germany, Ireland, Japan, Netherlands, Sweden and Switzerland report that the risk of moderate to severe water erosion over the period 1990-2004 (see Figure 1.5.1) was between zero to less than 0.5% of the total agricultural land area.

1. Risk of water erosion greater than 11 t/ha/y of soil loss, unless otherwise indicated.
2. For England and Wales. Data reported in terms of erosion events (not t/ha/y) occurring annually or every 3 years for moderate to severe erosion categories.
3. Water erosion on cropland, pasture land and Conservation Reserve Programme land for 1992, 1997, 2001 and 2003 greater than 11 t/ha/year.
4. Values for 1991, 1996 and 2001 respectively for cropland and summer fallow.
5. Only for severe erosion category classified as greater than 8 t/ha/y.

Source: OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France; and OECD Agri-environmental Indicators Questionnaire, unpublished.

vegetation cover. While other parts of Europe are less prone to severe cases of erosion, there is concern over erosion risks from water and wind in central Europe (the **Czech** and **Slovak Republics, Hungary, Poland**) and wind erosion in **Iceland** (Figures 1.5.1-1.5.3). Evidence for these countries suggests, however, that soil erosion risks are being exacerbated by the relatively poor uptake of soil management practices and limited area of land under protective cover over the year (Section 1.9 and Chapter 3).

In North America, **Canada** and the **United States** have experienced a decrease in the amount of land classified as belonging to the moderate to severe water erosion class (Figure 1.5.2). In **Mexico**, however, soil erosion is a key environmental concern, with around 40% of all land in the moderate to severe risk erosion classes (Figure 1.5.2). Mexican agriculture is estimated to account for nearly 80% of soil degradation from overgrazing, tillage burning, excess tilling and poor uptake of soil conservation practices (Chapter 3).

In the **United States**, concern over soil erosion has been influential in reducing the risk of erosion to agricultural soils over many decades. By 2003, areas under moderate to severe risk were under 10% of total agricultural land compared to 12% in 1992 (Figures 1.5.1-1.5.3). Soil conservation policy targets for *Highly Erodible Land* (HEL) requires farmers to implement conservation plans to protect the soil or risk losing Federal farm programme benefits. Payments for no tillage practices are generally higher than those for reduced tillage practices. Erosion processes vary between regions, for example, semi-arid western States suffer from wind erosion, while eastern States are more prone to water erosion (Claassen *et al.*, 2004; and Chapter 3).

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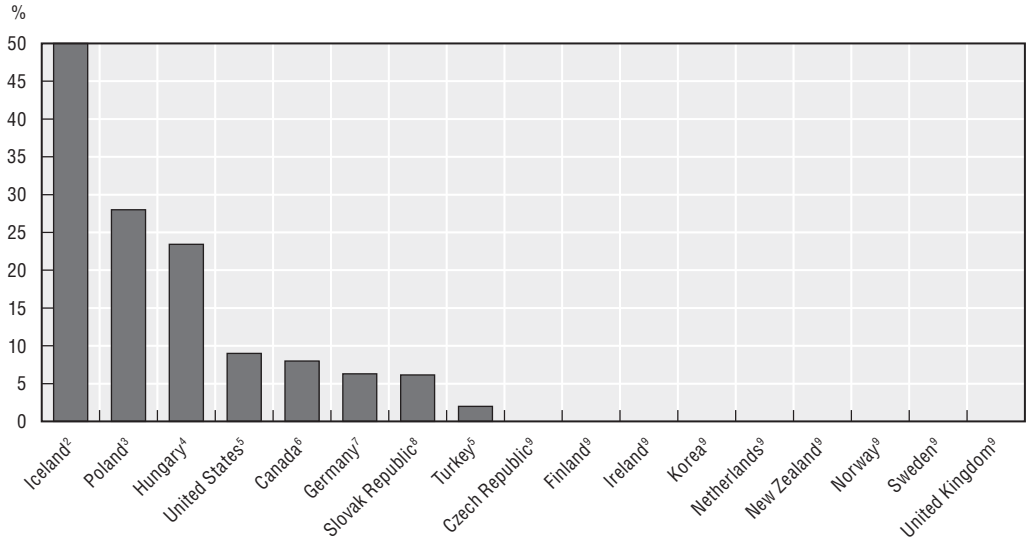
Figure 1.5.3. **Agricultural land area classified as having moderate to severe wind erosion risk**[1]

Average 2000-04



StatLink http://dx.doi.org/10.1787/287144865677

1. Risk of wind erosion greater than 11 t/ha/y of soil loss, unless otherwise indicated.
2. Late 1990s, permanent grassland only, comprising 95% of the total severe erosion not classified by soil loss but by farmland.
3. Data for 2005.
4. Data show agricultural land covered by all wind erosion risk categories from tolerable to severe erosion risk for 1995-99.
5. Share of agricultural land of risk to elevated erosion rates, but t/ha/y not specified.
6. Data for period 2000-02, for cropland and summer fallow only.
7. Data for 1995-99.
8. Data for 2003-04.
9. These countries report that the risk of moderate to severe wind erosion was very limited between zero and less than 0.5% of the total agricultural land area.

Source: OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France and OECD Agri-environmental Indicators Questionnaire, unpublished; and national sources.

Soil erosion from water in **Canada** has seen some reduction over the 1990s, declining to about 7% of cropland and summer fallow area with a moderate to severe risk of water erosion by 2000-02 compared to 9% in 1990-94 (Figure 1.5.2). This has been attributed to better management of soils and greater farmer awareness of minimising soil erosion. Research on wind erosion indicates that about 8% of the cropland and summer fallow area is at moderate to severe risk (Figure 1.5.3), which is a decrease from 11% in the early 1990s. Changes in management practices, such as an increase in vegetative protective cover (Section 1.9) are acknowledged as being the reason of this decrease (Lefebvre *et al.*, 2005).

For **Australia**, evidence from the late 1990s suggests that there may be some reduction in soil erosion rates (Hamblin, 2001). But, in 1999, some 11% of farmers experienced significant soil degradation caused by water erosion and 2% encountered severe wind erosion, while on average, 90% of Australia's soil erosion from agriculture comes from 20% of the agricultural land area (National Land and Water Resources Audit, 2002). Farming practices have exacerbated the extent and rate of soil degradation with up to a third of the total area of rangeland showing acute symptoms of soil degradation, and 50-65% of crop land at risk in any one season from wind erosion. Soil erosion studies in Australia have revealed high costs, estimated annually at AUD 80 million (USD 45 million) in infrastructure repairs

and AUD 450 million (USD 250 million) in water quality contamination as the result of soil erosion (Chapter 3). However, problems of soil degradation through salinity, acidity and sodicity are a much greater problem in Australia than soil erosion (Chapter 3).

New Zealand experiences high rates of natural erosion due to extremes of climate and topography, but soil quality has come under pressure from overgrazing. About two-thirds of pastoral land is sustained with improved land management practices, estimated to cost USD 12 million annually, which has included reforestation in some areas (Chapter 3). However, only about 4% of agricultural land is estimated to be in the moderate to severe risk classes for soil erosion from water (Figure 1.5.1).

In **Korea** the main process of soil erosion on agricultural land is water erosion, as over half the annual rainfall is concentrated in the summer months, with over 20% of farm land classified as having moderate to severe risks (Figure 1.5.1). During the period 1990 to 2002 the land classified as having moderate to severe water erosion risk decreased by around 15 000 hectares, but its share in the total agricultural land area rose, as the decrease in the area of agricultural land was greater by about 220 000 hectares over this period (Figure 1.5.2). Annual soil loss from dry crop land is 32 tons/hectare/year (26 million tons per year), contrary to paddy rice fields experiencing only 0.02 ton/hectare/year (0.02 million tons per year) (Hur *et al*., 2003). This is mainly because paddy fields may act as a buffer and prevent raindrops and water flow from directly affecting the soil's surface, and is also important in **Japan** where 55% of agricultural land is under paddy rice production (Chapter 3).

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1.6. WATER

KEY TRENDS

Overall OECD agricultural water use rose by 2% compared to no change for all water users over the period 1990-92 to 2001-03, but for over a third of OECD countries water use decreased. In total OECD agriculture accounted for 44% of total water use in 2001-03. Much of the OECD growth in agricultural water use has occurred in Australia, Greece, Portugal and Turkey

In aggregate the ***OECD area irrigated rose by 8%*** compared to a reduction of –3% in the total agricultural area between 1990-92 and 2001-03. Where irrigated agriculture accounts for a major share in the total value of agricultural production and exports, agricultural production projections over the next 10 years suggest that agricultural water demand could increase together with growing competition for water from other users. For some countries where irrigation plays a key role in the agricultural sector and farming is also a major water user in the economy, the growth in agricultural water use over the past decade has been above that compared to other water users (Australia, Greece, Portugal, Spain and Turkey).

Over-exploitation of some water resources by agriculture has damaged aquatic ecosystems, including harming recreational and commercial fishing activities. Monitoring minimum water flow rates in rivers is now a part of environmental planning in many countries. The growing incidence and severity of droughts over the past decade in some regions is an increasing pressure on irrigated farming in drier and semi-arid areas.

Although data are limited, farming is drawing an increasing share of its supplies from aquifers, and ***agriculture's share in total groundwater utilisation was above 30% in a third of OECD member countries*** in 2002. Use of groundwater by irrigators is substantially above recharge rates in some regions of Australia, Greece, Italy, Mexico and the United States, which is undermining the economic viability of farming in certain regions. Farming is now the major and growing source of groundwater pollution across many countries. This is of particular concern where groundwater provides a major share of drinking water supplies for both human and the farming sector (*e.g.* Greece, Mexico, Portugal, the United States).

Government support for irrigation is widespread across OECD countries, covering the totality or part of the irrigation infrastructure construction costs and those associated with water supply pricing. Energy subsidies to agriculture have in a number of countries significantly lowered costs for extracting water, especially from groundwater sources. But some countries use full cost recovery for water provision to farmers (Austria, Netherlands) or are beginning to implement water policy reforms (Australia, Mexico, Spain).

The low uptake of water efficient irrigation technologies, such as drip emitters, and the poor maintenance of irrigation infrastructure (*e.g.* canals) has led to inefficiencies in water use and water losses through leakages leading to an increase in water application rates per hectare irrigated. Even so, overall the OECD average water application rate per hectare irrigated has declined by –9% (1990-92 to 2001-03), notably decreasing in Australia, but also to a lesser extent in Mexico, Spain and the United States, but increasing for others, for example in Greece, Portugal and Turkey.

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KEY TRENDS *(cont.)*

The overall pressure of agriculture on water quality in rivers, lakes, groundwater and coastal waters eased over the period 1990 to mid-2000s due to the decline in nutrient surpluses and pesticide use for most OECD countries. Despite this improvement, absolute levels of nutrient and pesticide pollution remain significant in many countries and regions. Moreover, the share of farming in nutrient water pollution has risen as industrial and urban sources have decreased absolute levels of pollution more rapidly than for agriculture. However, only around a third of OECD countries monitor agricultural nutrient water pollution and even fewer monitor pesticide pollution.

Nearly a half of OECD member countries record that nutrient and pesticide concentrations in surface water and groundwater monitoring sites in agricultural areas exceed national drinking water recommended limits. Of concern is agricultural pollution of groundwater drawn from shallow wells and deep aquifers, especially as natural recovery rates from pollution can take many decades, in particular, for deep aquifers. But the share of monitoring sites in rivers, lakes and marine waters that exceed maximum recommended national limits for environmental and recreational uses is much higher with agriculture a major cause of this pollution in many cases. This is evident in the widespread eutrophication of surface water across OECD countries, and the damage to aquatic organisms from pesticides. Estuarine and coastal agricultural nutrient pollution is also an issue in some regions causing algal blooms that damage marine life, including commercial fisheries, in the coastal waters of Australia, Japan, Korea, United States, and Europe.

The economic costs of treating water to remove nutrients and pesticides to ensure water supplies meet drinking water standards are significant in some OECD countries. In the United Kingdom, for example, the cost of water pollution from agriculture was estimated to cost around EUR 345 million annually in 2003/04. Eutrophication of marine waters also imposes high economic costs on commercial fisheries for some countries (*e.g.* Korea, United States).

1.6.1. Water use

Indicator definitions:

- Agricultural water use in total national water utilisation.
- Agriculture's use of groundwater in total national groundwater utilisation.
- Area of irrigated land in total agricultural land area.

Concepts and interpretation

In many OECD countries there is growing competition for water resources between industry, household consumers, agriculture and the environment (*i.e.* aquatic ecosystems). The demand for water is also affecting aquatic ecosystems particularly where water extraction is in excess of minimum environmental needs for rivers, lakes and wetland habitats. However, some OECD countries possess abundant water resources and, as a result, do not consider water availability to be a significant environmental issue in terms of resource protection. There are also important social issues concerning water, such as access for the poor in rural areas, while in some societies water has a significant cultural value, for example, for the indigenous peoples of **Australia** and **New Zealand**, and in **Korea** and **Japan** (OECD, 2004).

Water use indicators provide information on the trends in agricultural water use, and the importance of the sector in total national water use (OECD, 2004). The indicators show that overexploitation of water resources, especially by agriculture, which is the major user in many cases, is becoming an increasing problem for a large number of regions across OECD. This is of concern for allocating water resources between different consumers in the context of depleting groundwater resources. Depletion of groundwater resources can also endanger aquatic ecosystems (Chapter 2) and in some cases cause land subsidence leading to damage to buildings (EEA, 2005).

A key driving force that affects agricultural water use is irrigated agriculture. Irrigation water prices also impact on water use, especially where water pricing for farmers do not cover delivery costs while those for other major water users do (*i.e.* industry, urban) (Chapter 2). Some OECD countries are promoting improved water management practices and technologies for more efficient uses of resources (Section 1.9) and to prevent over-extraction of water from surface water and aquifers where water levels may already be low. Water use can also be limited by reducing losses in water transport systems and varying the type of crop grown.

Calculations of water balances are complex and not all OECD countries use the same data collection methods, which is a limitation in using these indicators. A further limitation is that water use balances are not usually calculated annually, but derived from 5 or even 10 year surveys. Moreover, the extent of groundwater reserves and their rate of depletion are also not easily measured, and cross country time series data are lacking. An additional complication is that under some systems, agriculture has the potential to recharge groundwater (Chapter 2).

The term "agricultural water use" used in the text and figures in this section refers to "water abstractions" for irrigation and other agricultural uses (such as for livestock) from rivers, lakes, and groundwater, and "return flows" from irrigation but excludes precipitation directly onto agricultural land. "Water use" (*i.e.* water actually consumed by agricultural production activities), or in the technical literature "water withdrawals", is different from "water consumption" which only covers "water abstractions" and does not include "return flows" that occur in irrigated systems.

As environmental ***driving forces*** the agricultural water use and irrigated area indicators linked to the ***state*** of (changes in) groundwater reserves and competition over water resources with other major users. ***Responses*** to these changes in the sustainability of water use are revealed through indicators of water prices (Chapter 2) and uptake of more efficient irrigation management technologies and practices (Section 1.9).

Recent trends

Overall OECD agricultural water use rose by 2% compared to no change for all water users over the period 1990-92 to 2001-03, but for over a third of OECD countries water use decreased (Figure 1.6.1). Much of the growth in OECD agricultural water use has occurred in **Australia**, **Greece**, **Portugal** and **Turkey**. Moreover, for these countries the growth in agricultural water use has been higher than for other national water users, while agriculture's share in total water use is above 75% for these four countries (Figure 1.6.3). The growth in agricultural water use is also significant for other countries as farming accounts for 44% of total OECD water use (Figure 1.6.3). Even so, there are no cases of an overall national physical shortage of water, as the share of total water use in total availability of annual freshwater resources is low

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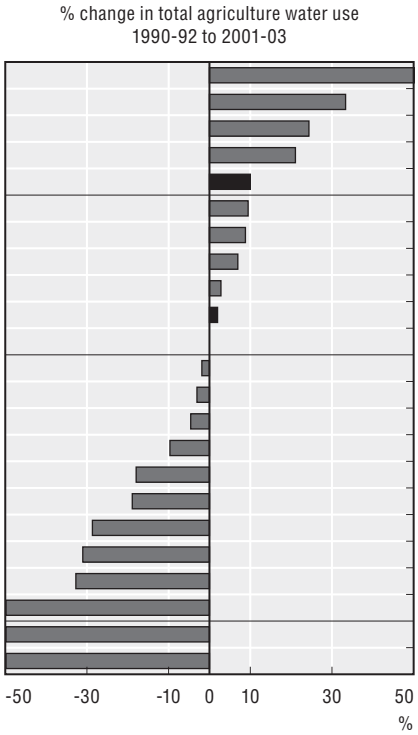
Figure 1.6.1. **Agricultural water use**[1]



	Total agriculture water use[1]		Change in total agriculture water use	Change in total water use[2]	Share of agriculture in total water use[2]
	1990-92	2001-03	1990-92 to 2001-03	1990-92 to 2001-03	2001-03
	Million m^3		%		
Turkey[3]	18 812	31 000	65	28	78
Greece[4]	5 694	7 600	33	24	87
Australia[5]	13 384	16 660	24	9	77
Portugal[6]	5 100	6 178	21	–2	75
EU15[7]	**38 961**	**42 877**	**10**	**–9**	**30**
United Kingdom[8]	1 347	1 476	10	16	10
Spain[9]	19 667	21 407	9	4	60
Korea[10]	14 700	15 800	7	33	48
Canada[11]	3 991	4 104	3	–6	10
OECD[12]	**409 088**	**417 190**	**2**	**0**	**44**
Iceland[13]	70	70	0	–1	43
United States[14]	195 200	191 555	–2	2	40
Japan[15]	58 630	56 840	–3	–3	66
France	4 901	4 676	–5	–14	14
Mexico	62 500	56 451	–10	0	77
Austria[16]	100	82	–18	–50	5
Sweden[17]	169	137	–19	–10	5
Germany[18]	1 600	1 140	–29	–21	3
Poland	1 527	1 052	–31	–18	9
Hungary	1 032	694	–33	–21	13
Denmark[19]	383	181	–53	–38	27
Slovak Republic[20]	188	72	–62	–41	7
Czech Republic[21]	93	15	–84	–45	1
Italy[22]	. .	20 140	. .	0	36

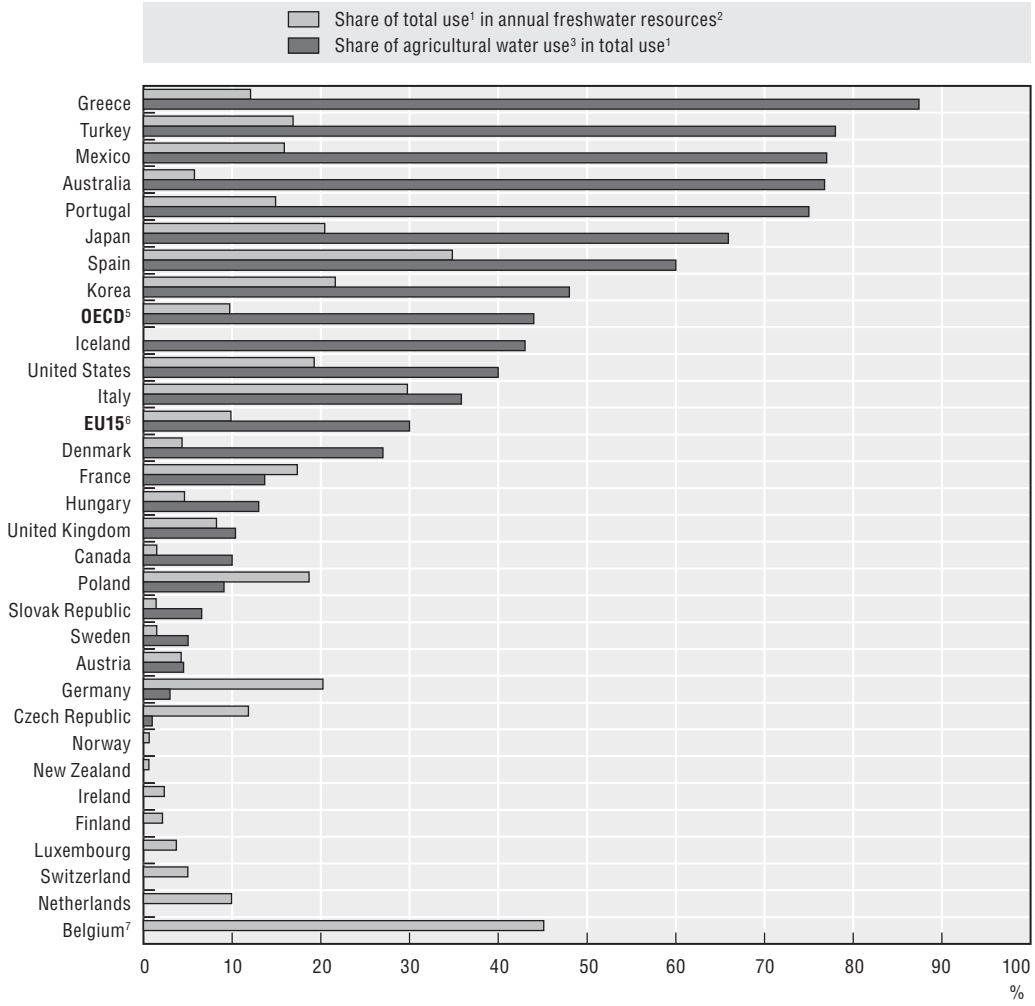
StatLink http://dx.doi.org/10.1787/287164711863

1. Agricultural water use is defined as water for irrigation and other agricultural uses such as for livestock operations. It includes water abstracted from surface and groundwater, and return flows from irrigation but excludes precipitation directly onto agricultural land.
2. Total water use is the total water abstractions for public water supply + irrigation + manufacturing industry except cooling + electrical cooling.
3. Data for the period 2001-03 refer to the year 2001. Data for irrigation are used because data for agricultural water use are not available. For Turkey, change in total agricultural water use is +65%.
4. Data for the period 1990-92 and 2001-03 refer to the year 1985 and 2001. Share of agriculture in total water use is for 1997.
5. Average 1990-92 = average 1993-95, average 2001-03 = (2000).
6. Data for the periods 1990-92 and 2001-03 refer to the years 1991 and 2001. Data for irrigation (year 1991) are used because data for agricultural water use are not available.
7. EU15 excludes: Belgium, Finland, Ireland, Italy, Luxembourg, Netherlands.
8. England and Wales only.
9. *Source:* "Libro Blanco del Agua" and "Plan Nacional de Regadios Horizonte 2008".
10. Data for the periods 1990-92 and 2001-03 refer to the years 1990 and 2002.
11. Data for the periods 1990-92 and 2001-03 refer to the years 1991 and 1996.
12. OECD excludes: Belgium, Finland, Ireland, Italy, Luxembourg, Netherlands, New Zealand, Norway, Switzerland.
13. Data for the period 1990-92 refer to the year 1992. Data include water use for fish farming.
14. Data for the periods 1990-92 and 2001-03 refer to the years 1990 and 2000.
15. Data for the periods 1990-92 and 2001-03 refer to the years 1990 and 2001.
16. Data for the period 2001-03 refer to the year 2003. *Sources: Austrian Federal Ministry for Agriculture, Forestry, Environment and Water Management, Facts and Figures 2006* and *Austrian Water, Facts and Figures,* see Chapter 3.
17. Data include water use for fish farming.
18. Data for the period 2001-03 refer to the year 2001. Data for irrigation are used because data for agricultural water use are not available.
19. Until 1999 abstraction for irrigation included abstraction for freshwater fish farms, accounting for approximately 40 million m^3/year.
20. For the Slovak Republic, the change in total agricultural water use is –62%.
21. For the Czech Republic, the change in total agricultural water use is –84%.
22. For 1990-92, data for agricultural water use are not available. Data for the period 2001-03 refer to the year 1999.

Source: OECD Environmental Data Compendium 2004, Paris, France; OECD Secretariat estimates; national data for Australia, Austria, Denmark, Hungary, Korea and Spain.

Figure 1.6.2. **Share of national water use in annual freshwater resources and share of agricultural water use in national use**

Average 2001-03[4]



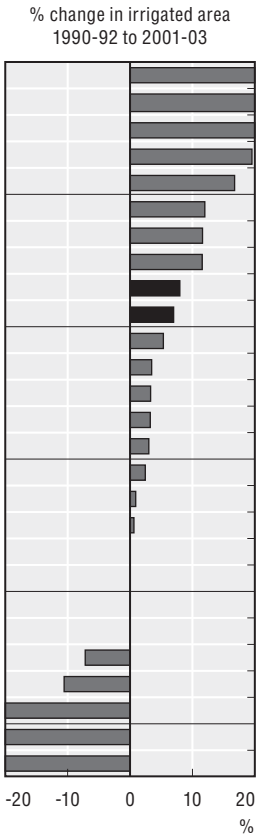
StatLink http://dx.doi.org/10.1787/287166280101

1. Total use (abstractions) of water by all users, including public water supply, agriculture, industry, and for power station cooling.
2. Annual freshwater resources include: Mean annual precipitation + transborder water flows – mean annual evapotranspiration (over-exploitation of groundwater resources was not included in the calculation).
3. Agricultural water use includes water abstracted from surface and groundwater, and return flows (withdrawals) from irrigation for some countries, but excludes precipitation directly onto agricultural land.
4. The average of 2001-03 equals: 1996: Canada. 1997: Greece. 1999: Italy. 2000: Australia and Korea. 2001: Japan. 2002: Czech Republic, Denmark, France, Portugal and Spain (*sources:* "Libro Blanco del Agua" and "Plan Nacional de Regadios Horizonte 2008"). 2003: Austria.
5. OECD excludes: Belgium, Finland, Ireland, Italy, Luxembourg, Netherlands, New Zealand, Norway, Switzerland.
6. EU15 excludes Belgium, Finland, Ireland, Italy, Luxembourg and Netherlands.
7. Only Flanders.

Source: OECD Environmental Data Compendium 2004, Paris, France.

(Figure 1.6.2). But the supply and demand for water resources varies greatly across regions in most countries, and as a result competition for water between agriculture, other users (*e.g.* industrial, urban) and for environmental purposes, especially in drier regions, is becoming a growing concern in many countries.

Figure 1.6.3. **Irrigated area, irrigation water use and irrigation water application rates**



	Irrigated area[1]		Change in irrigated area		Change in total agricultural area	Share of irrigated area in total agricultural area	Share of irrigation water use in total agricultural water use	Irrigation water application rates		
	'000 hectares		'000 hectares	%	%			Megalitres per hectare of irrigated land		
	1990-92	2001-03	1990-92 to 2001-03	1990-92 to 2001-03	1990-92 to 2001-03[2]	2001-03	2001-03	1990-92	2001-03	% change
New Zealand[2, 3]	250	475	225	90	–3	4	. .	. .	. .	. .
Belgium[4]	24	40	16	67	2	3	22	0.1	0.2	104
France[5]	2 150	2 632	482	22	–2	9	. .	. .	. .	. .
Canada[2, 6]	900	1 076	176	20	–3	2	94	3.5	3.6	1
Australia[2]	2 057	2 402	345	17	–6	1	90	8.7	4.3	–50
United States[2, 7]	19 994	22 384	2 390	12	–4	5	99	9.4	8.4	–10
Sweden[2, 8]	48	54	6	12	–6	2	70	2.1	1.7	–19
Spain	3 200	3 442	242	8	–2	9	100	7.4	7.0	–5
OECD[9]	**48 979**	**52 830**	**3 850**	**8**	**–3**	**4**	**. .**	**9.2**	**8.4**	**–9**
EU15[10]	**11 778**	**12 618**	**840**	**7**	**–3**	**9**	**. .**	**5.6**	**6.1**	**8**
Turkey	3 329	3 506	177	5	1	9	. .	5.7	8.8	56
Greece	1 383	1 431	48	3	0	17	100	5.5	5.9	7
Denmark	433	448	14	3	–5	17	93	0.7	0.4	–48
United Kingdom	165	170	5	3	–10	1	9	1.0	0.6	–43
Portugal	631	650	19	3	–4	17	100	8.1	9.5	18
Mexico	6 170	6 320	150	2	1	6	97	9.9	8.7	–12
Netherlands	560	565	5	1	–3	29	80	0.3	0.1	–59
Germany	482	485	3	1	–1	3	. .	3.3	0.3	–91
Austria	4	4	0	0	–3	0	5	12.5	2.5	–80
Italy[11]	2 698	2 698	0	0	–1	17	100	. .	7.7	. .
Poland	100	100	0	0	–8	0.6	8	3.7	0.9	–77
Switzerland	25	25	0	0	–3	2	. .	. .	. .	. .
Japan	2 846	2 641	–205	–7	–8	55	99	20.4	21.3	5
Korea	984	880	–104	–11	–12	46	. .	14.3	. .	. .
Hungary[12]	205	126	–79	–39	–8	2	21	2.1	1.2	–44
Slovak Republic[2, 13]	299	153	–146	–49	0	6	73	0.5	0.4	–31
Czech Republic[2, 14]	43	20	–23	–54	0	1	60	0.7	0.6	–21

StatLink http://dx.doi.org/10.1787/287167551181

. .: Not available.

1. Covers area irrigated and not irrigable area (*i.e.* area with irrigation infrastructure but not necessarily irrigated.) To be consistent, the years used for the average calculations are the same for irrigation water use and total agricultural water use, irrigated area and total agricultural area.
2. For some countries, data in brackets below are used to replace the average due to missing data: Australia: 1990-92 (1996), 2001-03 (2003). For total agriculture water use data are available in 2000. Canada: 1990-92 (1988), 2001-03 (2003). Czech Republic: 1990-92 (1994), 2001-03 (2003). New Zealand: 1990-92 (1985), 2001-03 (2003). Slovak Republic: 1990-92 (1994), 2001-03 (2003). Sweden: 1990-92 (1988), 2001-03 (2003). United States: 1990-92 (1992), 2001-03 (2002), and for irrigation water application rates data are available for 1990 and 2000.
3. New Zealand, share of irrigation water in total agriculture water use, for 2002, see Chapter 3. Change in irrigated area is +90%.
4. For Belgium, the change in irrigated area is +67%.
5. For France, the change in irrigated area is +22%.
6. For Canada, the source is the OECD questionnaire.
7. For the United States, the source is the Census of Agriculture.
8. For Sweden, the source is the questionnaire.
9. OECD excludes: Finland, Iceland, Ireland, Luxembourg, Norway, Switzerland.
10. EU15 excludes: Finland, Ireland, Luxembourg.
11. For Italy, share of irrigation water in total agriculture water use, for 1998.
12. For Hungary, the change in irrigated area is –39%.
13. For the Slovak Republic, the change in irrigated area is –49%.
14. For the Czech Republic, the change in irrigated area is –54%.

Source: FAOSTAT, 2006; OECD Agri-environmental Indicators Questionnaire (unpublished); *OECD Environmental Data Compendium 2004*, Paris, France. For Spain, the source is "Anuario de estadistica agroalimentaria".

In aggregate the OECD area irrigated rose by 8% compared to a reduction of 3% in the total agricultural area between 1990 and 2003 (Figure 1.6.3). For some countries where irrigation plays a key role in the agricultural sector and farming is also a major water user in the economy (**Australia, Greece, Korea, Portugal, Spain** and **Turkey**), the growth in agricultural water use over the past decade has been substantially above that compared to other water users (Figure 1.6.1).

The value of production from irrigated agriculture has a high and growing share in agricultural production value (in excess of 50%) and value of exports (more than 60%) in a number of OECD countries, *e.g.* **Italy, Mexico, Spain** and the **United States** (crop sales only). Agricultural production projections over the next 10 years (Section 1.1), suggest that demand for water from agriculture will increase together with growing competition from other water users. This has ramifications for those countries where irrigated agriculture is already important (**Australia, Mexico, Portugal, Spain**, the **United States**), but also for some countries which have not usually been concerned with water conservation. In **New Zealand**, for example, demand for irrigation water is projected to increase by nearly 30% between 2000 and 2010, which has raised concerns over maintaining water flows for environmental needs in drier regions (Chapter 3).

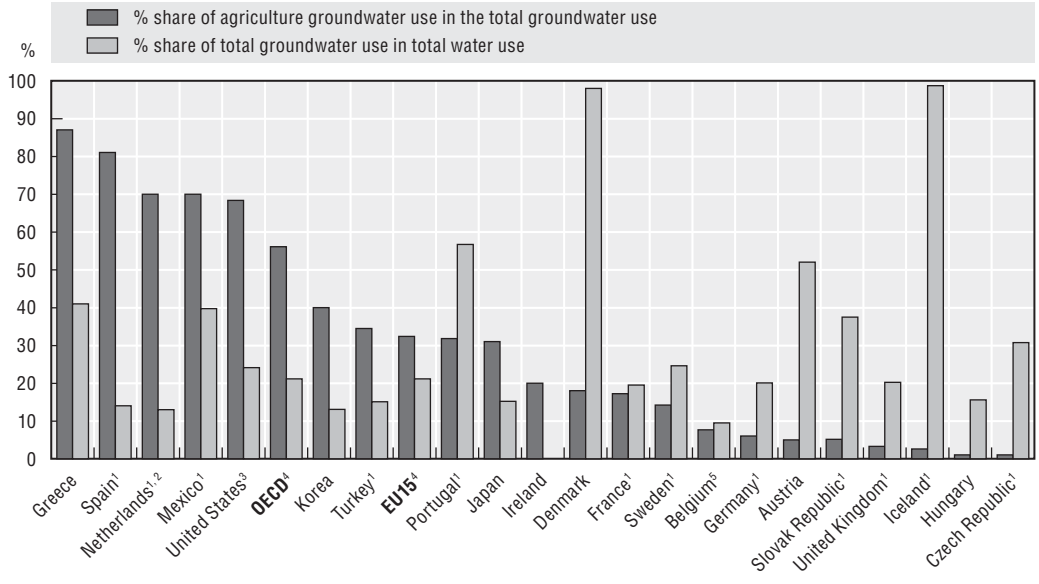
Trends and projections in agricultural water use are of particular concern for groundwater resources. Agriculture's share in total groundwater utilisation is above 30% in a third of OECD countries (Figure 1.6.4). While there is little cross country OECD data on trends in agricultural groundwater use, the information that does exist suggests that irrigated agriculture is drawing an increasing share of its supplies from aquifers rather than surface water. For example, groundwater provides around 40% of supplies for irrigated agriculture in the **United States**, and between 1995-2000 groundwater extraction for irrigation rose by 16% compared to a decrease of 5% from surface water (Chapter 3). The use of groundwater by irrigators is substantially above recharge rates in some regions (*e.g.* in **Australia, Greece, Italy, Mexico** and the **United States**) where it is impeding the economic viability of agricultural and rural economies in some of these regions. In most European countries surface water is the main source of agricultural water use, but the use of groundwater resources is increasing and accounts for over 30% of total groundwater use in, **Greece, Netherlands, Portugal, Spain** and **Turkey** (Figure 1.6.4).

Over exploitation of water resources by agriculture has damaged aquatic ecosystems, including harming recreational and commercial fishing activities, especially during periods of drought, although data on these impacts are limited. **Australia** and some OECD countries in **North America** and **Europe** have experienced problems in retaining minimum river flows as a result of overexploitation by irrigated agriculture (Chapter 2). In other cases, for example **Turkey**, irrigation projects have altered the ecology of entire regions (OECD, 1999). Therefore, monitoring minimum water flow rates in rivers is becoming a key part of environmental planning in river basins.

Government support for irrigation is widespread across OECD countries, covering the totality or part of the irrigation infrastructure construction costs and those associated with water supply pricing (Figure 1.6.3, Chapter 2; Chapter 3). However, some countries use full cost recovery for water provision to farmers (**Austria, Netherlands**, Figure 1.6.3, Chapter 2), or are beginning to implement water policy reform programmes that seek to reduce water subsidies (*e.g.* **Australia, Mexico, Spain**), and in some cases use water associations and voluntary measures (*e.g.* **Japan**). In addition, in a number of countries energy subsidies to agriculture

Figure 1.6.4. **Share of agricultural groundwater use in total groundwater use, and total groundwater use in total water use**

2002



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1. Data of 1994 are used to replace missing data of 2002 for: France, Ireland, Portugal. Data of 1995 are used to replace missing data of 2002 for: Germany, Netherlands, Spain and Sweden. Data of 1997 are used to replace missing data of 2002 for: Czech Republic, Greece, Iceland, Mexico, Slovak Republic and Turkey. Data for 2000 are used to replace missing data of 2002 for: United Kingdom.
2. *Source:* Chapter 3, Netherlands country section.
3. United States: groundwater for irrigation is used, as data on total agricultural groundwater are unavailable.
4. The EU15 and OECD data must be interpreted with caution, as they consist of totals using different years across countries, and do not include all member countries. EU15 excludes: Finland, Italy, Luxembourg. OECD excludes: Australia, Canada, Finland, Italy, Luxembourg, New Zealand, Norway, Poland, Switzerland.
5. Year 2000.

Source: OECD, *Environmental Data Compendium 2004*, Paris, France; OECD Agri-environmental Indicators Questionnaire, unpublished.

have lowered costs for extracting water, especially from groundwater sources (*e.g.* **Mexico**, Chapter 3). By subsidising irrigation infrastructure, water supply prices and the energy costs to power irrigation facilities, this can act as a disincentive to reducing water use and using water more efficiently (OECD, 1998). At the same time investment to rehabilitate and renew irrigation infrastructure can help reduce water loss and contribute to efficient water distribution.

The low uptake of water efficient irrigation technologies, such as drip emitters (Section 1.9), and the poor maintenance of irrigation infrastructure (*e.g.* canals) has, for some countries, led to inefficiencies in water use and water losses through leakages leading to an increase in water application rates per hectare irrigated. Estimates for **Mexico**, for example, show that only 45% of water extracted reaches irrigated fields (Chapter 3). Even so, overall the OECD average water application rate per hectare irrigated decreased by 9% over the period 1990-92 to 2001-03 (Figure 1.6.3). In the **United States**, for example, efficiency gains have been made in irrigation water use over the 1990s, with a decline in per hectare application rates by 10% (Figure 1.6.3, Hutson *et al*., 2004; Chapter 3). Reduction in water application rates per hectare irrigated have also been achieved in other countries where irrigated agriculture is important (notably in **Australia**, but also to a lesser extent in **Mexico**, **Spain** and the **United States** (Figure 1.6.3), but irrigation water use efficiency has deteriorated for others (**Greece, Portugal** and **Turkey**) (Figure 1.6.3).

The growing incidence and severity of droughts over the past decade in some regions, reflects climate change and climate variability with an increasing pressure on farming operating in drier and semi-arid areas. Climate change impacts are both a pressure to install irrigation to mitigate against droughts, and also as a pressure to use water more efficiently in areas already irrigated. In **Australia**, for example, use of water resources rose by 24% over the period 1993-95 to 2000 (Figure 1.6.1), a period during which average rainfall levels have declined in major farming regions (Chapter 3).

1.6.2. Water quality

Indicator definitions:

- Nitrate and phosphate contamination derived from agriculture in surface water and coastal waters.
- Monitoring sites in agricultural areas that exceed recommended drinking water limits for nitrates and phosphorus in surface water and groundwater (nitrates only).
- Monitoring sites in agricultural areas that exceed recommended drinking water limits for pesticides in surface water and groundwater.
- Monitoring sites in agricultural areas where one or more pesticides are present in surface water and groundwater.

Concepts and interpretation

Agricultural pollution of water bodies (rivers, lakes, reservoirs, groundwater and marine waters) relates to firstly, the contamination of drinking water, and secondly, the harmful effects on aquatic ecosystems, resulting in damage to aquatic organisms, and costs for recreational activities (*e.g.* swimming) and commercial fisheries in both fresh and marine waters.

The impact of farming practices on water quality can be significant as a "non-point" source of pollution (*i.e.* from spreading fertilisers and livestock manure across fields and small livestock farms), especially as industrial and urban sources of "point pollution" are declining in most cases, although some agricultural "point pollution" sources are of concern, such as large intensive livestock operations. Nutrients (mainly nitrogen and phosphorus from fertilisers and livestock), pesticides, soil sediments, salts and pathogens are the main pollutants transmitted to water bodies from agriculture, through soil run-off and leaching, but also discharges from livestock operations and irrigation systems.

Most OECD countries have monitoring networks to measure the actual state of water pollution of water bodies, while some countries use risk indicators which provide estimates, usually based on models of contamination levels. However, monitoring of agricultural pollution of water bodies is more limited with just over a third of OECD member countries monitoring nutrient pollution and even fewer countries tracking pesticide pollution (Annex II.A2, Section II, *Background and Scope of the Report*). Certain farm pollutants are recorded in more detail and with greater frequency (*e.g.* nutrients, pesticides), whereas an indication of the overall OECD situation for water pollution from pathogens, salts and other agricultural pollutants is unclear (Chapter 2). Moreover, pollution levels can vary greatly between OECD countries and regions depending mainly on soil and crop types, agro-ecological conditions, climate, farm management practices, and policy.

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The limitations to identifying trends in water pollution originating from agriculture are in attributing the share of agriculture in total contamination and identifying areas vulnerable to agricultural water pollution. In addition, differences in methods of data collection and national drinking and environmental water standards (OECD website database) hinder comparative assessments, while monitoring agricultural water pollution is poorly developed, especially for pesticides, in a number of countries (**Australia, Italy, Japan, New Zealand**). The extent of agricultural groundwater pollution is generally less well documented than is the case for surface water, largely due to the costs involved in sampling groundwater, and because most pollutants take a longer time to leach through soils into aquifers and, hence, critical drinking water and environmental standards have not yet been reached.

Changes in nutrient balances (Section 1.2) and pesticide use (Section 1.3.1) are the key ***driving forces*** that are linked to water quality indicators which describe the ***state*** of water quality in agricultural areas and define the contribution of nutrient and pesticide pollution originating from agricultural activities. Pesticide risk indicators (Section 1.3.2) are also important, especially as they relate to the toxic risks of pesticides on aquatic ecosystems. Adaptation of a range of farm management practices (Section 1.9) are the ***response*** by farmers to reduce pollutant run-off from farmland into water bodies.

Recent trends

The overall pressure of agriculture on water quality in rivers, lakes, groundwater and coastal waters eased over the period 1990 to mid-2000s due to the decline in nutrient surpluses and pesticide use for most OECD countries. Despite this improvement absolute levels of agricultural nutrient pollution remain significant in many cases. With point sources of water pollution (*i.e.* industrial and urban sources) falling more rapidly than for agriculture over the 1990s and effectively controlled in most situations, the share of agriculture (*i.e.* non-point source of pollution) in nutrient pollution of water has been rising even though absolute levels of pollutants have declined in many cases. Similarly for pesticides absolute levels of run-off remain high.

Nearly a half of OECD countries record that nutrient and pesticide concentrations in surface water and groundwater monitoring sites in agricultural areas exceed national drinking water limits for nutrients and pesticides. But the share of monitoring sites of rivers, lakes and marine waters that exceed recommended national limits or guidelines for environment and recreational uses is much higher, with agriculture a major cause of this pollution in many cases. This is evident in the widespread problem of eutrophication reported in surface water across OECD countries, and the damage to aquatic organisms from pesticides. Estuarine and coastal agricultural nutrient pollution is also an issue in some regions causing algal blooms (*i.e.* "red tides" or "dead zones"), damaging marine life, including commercial fisheries in coastal waters adjacent to **Australia, Japan, Korea**, the **United States**, and **Europe**, mainly the Baltic, North Sea, and Mediterranean (see country sections in Chapter 3).

With respect to groundwater, however, agriculture is now the major and growing source of pollution across many OECD countries, especially from nutrients and pesticides, largely because other sources of pollution have been reduced more rapidly than for agriculture, although evidence of groundwater pollution is limited (Chapter 3). This is a particular concern for countries where groundwater provides a major share of drinking water supplies for both human and livestock populations, for example, **Denmark**, and also as natural recovery rates from pollution can take many decades, in particular, for deep aquifers. There is also some

evidence of increasing pollution of groundwater from pesticides despite lower use in many cases, largely explained by the long delays pesticides can take to leach through soils into aquifers (Chapter 3).

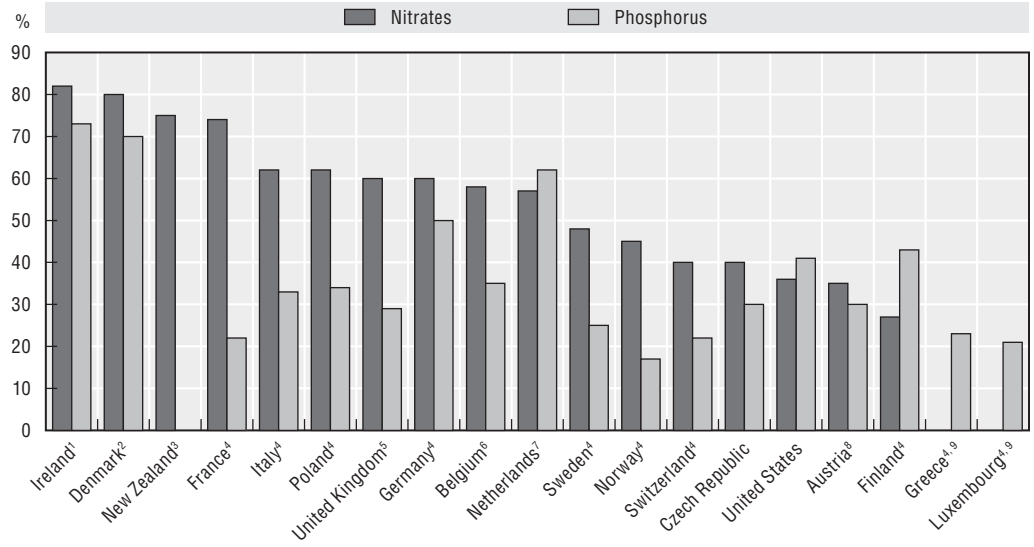
The economic cost of agricultural water pollution is high in many cases. Treating water to remove nutrients and pesticides to ensure water supplies meet drinking standards is significant in some OECD countries. In the **United Kingdom**, for example, the overall economic cost of water pollution from agriculture was estimated in 2003/04 to be around EUR 345 million annually contributing over 40% of all water pollution costs (Chapter 3). Eutrophication of marine waters also imposes high economic costs on commercial fisheries for some countries (*e.g.***Korea, United States**).

Nitrates

For many countries the share of agriculture in the total pollution of surface water by nitrates is over 40% (Figure 1.6.5). Evidence of the contribution of agriculture in groundwater pollution is limited, but some information suggests it may be lower than for rivers and lakes but increasing. Agriculture's contribution of nitrogen loadings into estuarine and coastal water is also above 40% for many countries, and often reported as the main cause of eutrophication

Figure 1.6.5. **Share of agriculture in total emissions of nitrates and phosphorus in surface water**

Mid-2000s



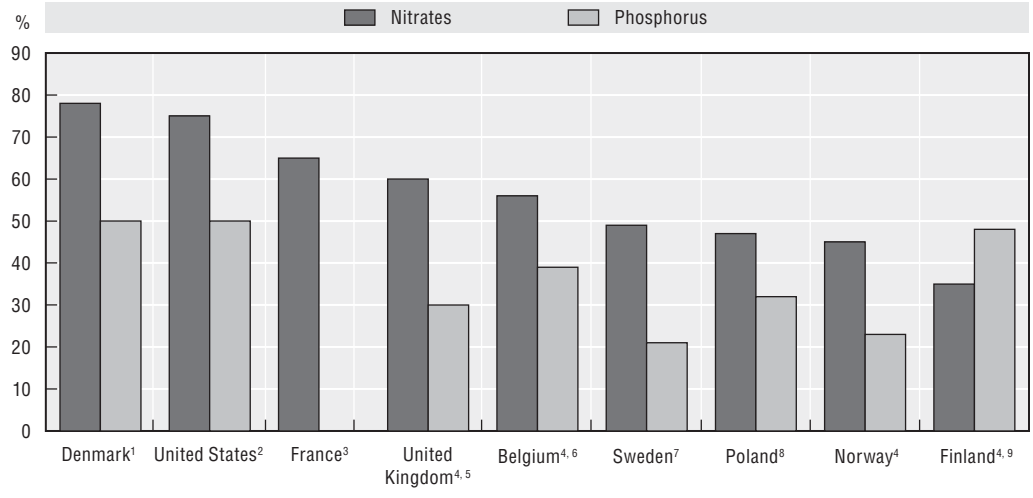
StatLink http://dx.doi.org/10.1787/287220150527

1. 2004, see Ireland, Chapter 3.
2. Phosphorus (2002), percentage refers to Danish lakes only.
3. Data for nitrate contamination of rivers and streams, total input to surface waters from agriculture non-point source pollution. Data for phosphorus not available. *Source:* New Zealand Parliamentary Commissioner for the Environment, "Growing for good, intensive farming, sustainability and New Zealand's environment", October 2004, p. 98, *www.pce.govt.nz*.
4. Data for mid-1990s for Finland, France, Germany, Greece, Italy, Luxembourg, Norway, Poland, Sweden, Switzerland. OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France.
5. *Source:* Chapter 3, United Kingdom.
6. Flanders only, 2001.
7. Chapter 3, Netherlands, 2002.
8. Value for 2000.
9. Data for nitrate emissions are not available.

Source: OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France; OECD Agri-environmental Indicators Questionnaire, unpublished.

Figure 1.6.6. **Share of agriculture in total emissions of nitrates and phosphorus in coastal water**[1]

Average 2000-02



StatLink http://dx.doi.org/10.1787/287242542570

1. Data refer to 2002.
2. Data refer to 2000.
3. *Source:* Chapter 3 represents nitrates discharged from the River Seine into "la Manche" (the Channel). Data refer to 2000.
4. Data on nitrates and phosphorus are from the OECD Agri-environmental Indicators Questionnaire, unpublished, for Belgium, Finland, Norway and the United Kingdom.
5. Nitrate estimated at between 50-70% and between 30-40% for phosphorus. *Source:* OECD Agri-environmental Indicators Questionnaire, unpublished.
6. Flanders only, year 2000.
7. Data refer to 2000 and to anthropogenic load, agriculture contributed to 21% of the total phosphorus load.
8. Includes a range of 45-50% for nitrogen and 30-35% for phosphorus.
9. Data refer to 1997-2001.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished; OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France.

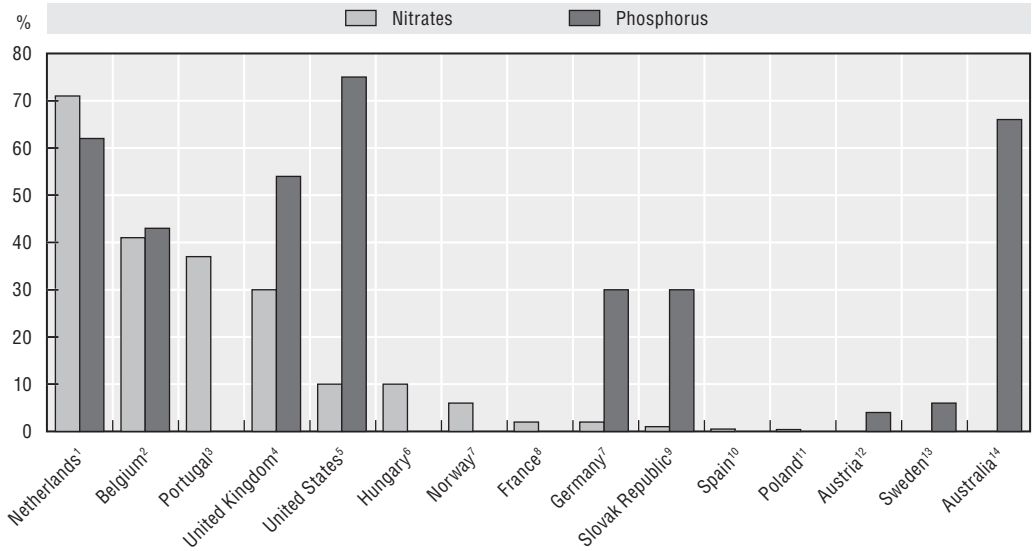
(Figure 1.6.6). But the share of agricultural nitrates in surface and coastal waters can reveal significant fluctuations depending on annual river flows, such as in the **United Kingdom** (Chapter 3).

The share of monitored sites in agricultural areas with nitrates in surface water and groundwater above national drinking water threshold values is for many countries below 10%, although for a few countries the share is above 25% (**Belgium, Netherlands, Portugal** and **United Kingdom**) (Figures 1.6.7 and 1.6.8). Also the share of monitored sites in agricultural areas with nitrates in groundwater above drinking water standards tends to be higher than for surface water, notably for **Austria, France, Germany, Slovak Republic, Spain** and the **United States**, but not for **Australia, Belgium, Hungary, Netherlands, Norway, Portugal** and the **United Kingdom** (Figures 1.6.7, 1.6.8).

There is a lack of consistent data to show OECD trends for agricultural nitrate pollution of water, but the limited information that exists (Chapter 3) suggests a declining number of monitoring sites in farming areas over the 1990s exceeding national drinking water threshold values (**Austria, Belgium, Germany, Norway, Sweden, Switzerland**), but a stable or rising trend for others (**France, Japan, New Zealand, Spain, the United Kingdom**). The overall decline in OECD nitrogen balances over the 1990s confirms these trends (Section 1.2), except in those cases where nitrogen surpluses are continuing to rise (**Canada, Hungary, Ireland,**

Figure 1.6.7. **Share of monitoring sites in agricultural areas exceeding national drinking water limits for nitrates and phosphorus in surface water**

Average 2000-02



StatLink http://dx.doi.org/10.1787/287246533608

1. Late 1990s. Data taken from OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France.
2. Flanders only, 2001-02.
3. Data refer to average 2000-03, see Chapter 3. Data for phosphorus not available.
4. Between 2000-02 around 30% of rivers in England and Wales have nitrate levels in excess of 30 mg NO_3/l, but below the EU drinking water standard of 50 mg NO_3/l. Data for phosphorus are for England and Wales.
5. United States: value applies to share of monitoring sites above Federal guidelines to prevent excess algal growth, and refers to average of 1995-2005.
6. Data refer to average 2000-02, applies to all surface water monitoring points. Data for phosphorus are not available.
7. Data refer to 2000. Data for phosphorus are not available.
8. Data refer to 2000-01, and data for phosphorus are not available.
9. Data for 2002.
10. For Spain the data refer to average 2001-03. Data for phosphorus are not available.
11. Monitoring data between 1990-99. See Chapter 3. Data for nitrates are 0.38%.
12. Data refers to 2000-01. Data for nitrates are not available.
13. Sweden: value for nitrates is not available and for phosphorus 6% for lakes in the national and regional environment monitoring programme for 2000.
14. *Source:* See Australian country section, Chapter 3, applies to a sample of river basins. Data for nitrates are not available.

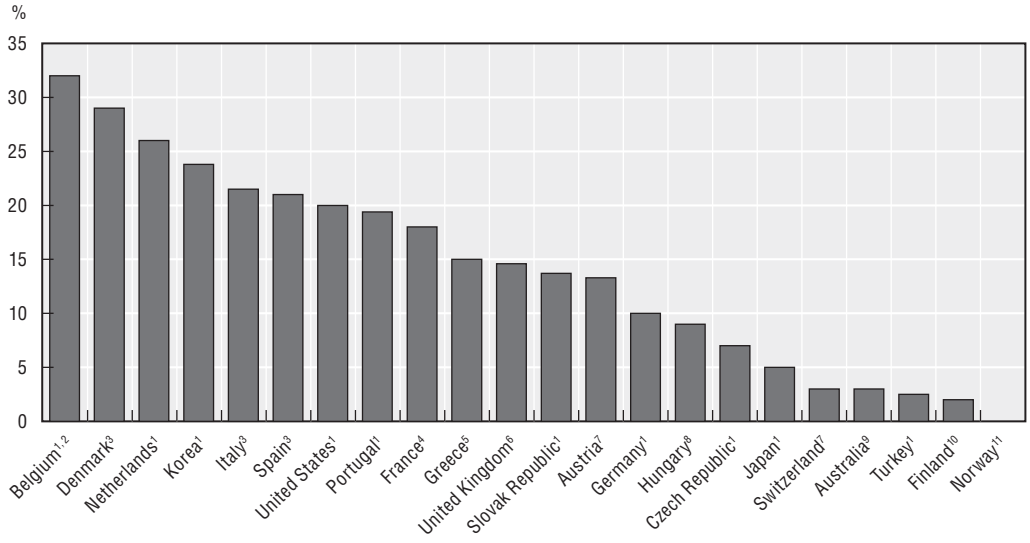
Source: OECD Agri-environmental Indicators Questionnaire, unpublished; OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France.

New Zealand, Portugal, United States). Also a number of **EU15** countries have at various times over the past decade contravened the 1991 EU *Nitrate Directive*, which seeks to reduce agricultural pollution in "nitrate vulnerable zones".

Monitoring of sites in agricultural areas in terms of detecting pollution above recommended environmental and recreational use limits is much poorer across OECD countries compared to monitoring of drinking water. Of the evidence that exists this reveals a much higher level of contamination of water compared to drinking water. For example, in the **United Kingdom** (England and Wales only) almost 80% of water catchments are affected by eutrophication, and over 80% of aquatic ecosystems designated as sites of special scientific interest show symptoms of being eutrophic with a loss of aquatic species (Chapter 3).

Figure 1.6.8. **Share of monitoring sites in agricultural areas exceeding national drinking water limits for nitrates in groundwater**

Average 2000-04



StatLink http://dx.doi.org/10.1787/287267751668

1. Data refer to average of 1995-2005.
2. Belgium (Flanders only).
3. Data refer to average 2002 and 2003.
4. Data refer to 2001.
5. Data refer to average 2001-02, with a range of 10-20%, see Chapter 3.
6. Data refer to 2004.
7. Data refer to 2002.
8. Data refer to average 2000-02 (Chapter 3) applies to all surface water monitoring points.
9. See Chapter 3 for Australia. Groundwater in intensively farmed areas of north-eastern Australia.
10. Data refer to 2002, estimated for shallow wells at 2% and for aquifers 1.5%.
11. Norway (National environmental monitoring programme) reported 0% for 1985-2002.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished; OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France.

Phosphorus

Overall OECD trends in agricultural phosphorus pollution of water bodies over the 1990s are similar to those for nitrates. Agriculture is a major source of phosphorus in surface water (Figure 1.6.5) and coastal waters accounting for a share of over 40% in some countries (Figure 1.6.6). In most cases, however, agriculture's contribution of phosphorus to water bodies is lower than for nitrates, markedly so for **Belgium, France, Italy, Norway, Poland, Sweden** and **Switzerland** (Figures 1.6.5 and 1.6.6).

For those countries reporting the number of monitored sites in agricultural areas that measure above drinking water standards for phosphorus, the number tends to be higher than for nitrates, significantly in the cases of **Germany**, the **Slovak Republic**, the **United Kingdom** and the **United States** (Figure 1.6.7). This might reflect the long time lags associated with phosphorus transport through soils into water relative to nitrogen, especially as overall trends in OECD agricultural phosphate balances imply a lowering of pressure on water bodies from this pollutant (Section 1.2). For example, the phosphorus surplus (P tonnes) from farming in the **United Kingdom** fell by over 20% between 1990 and 2004 (Section 1.2), however, concentrations in rivers did not change with a steady 54% of monitoring sites registered above drinking water standards (Chapter 3).

As with nitrates, there is poor information on OECD trends for phosphates in water supplies over the past decade. For a few countries, however, data indicate a variable picture of the number monitored sites in farming areas where phosphorus exceeded national drinking water threshold values, with improvement in **Austria** and **Belgium**, no clear trend in **Norway**, and a stable situation in the **United Kingdom** (Chapter 3).

Similarly, information of the share of monitored sites in agricultural areas above environmental and recreational use standards for phosphorus in water supplies is poor across OECD countries, as for nitrates. However, in the **United States**, for example, more than 75% of farmland rivers had phosphorus concentrations above recommended levels to prevent algal blooms.

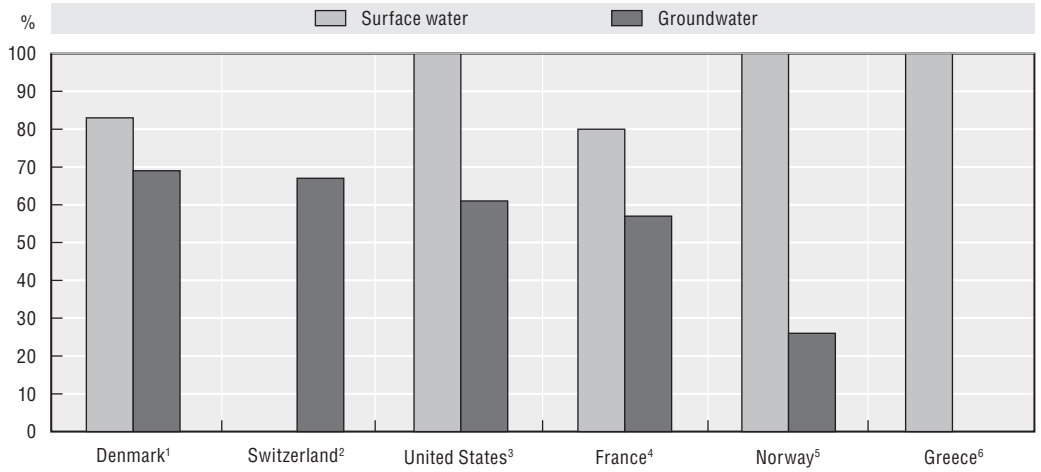
Pesticides

The presence of pesticides in surface water and groundwater is widespread across OECD countries, with the share of monitored sites with one or more pesticides above 60% of the total in most cases, and reaching a 100% for **Greece, Norway** and the **United States** for surface water (Figure 1.6.9). But less than a half of OECD countries monitor pesticides in water bodies.

The share of monitored sites where pesticide concentrations are above drinking water standards for surface and groundwater supplies are generally lower than for nutrients. But concerns remain for groundwater with shares above 10% for some countries, including

Figure 1.6.9. **Share of monitoring sites in agricultural areas where one or more pesticides are present in surface and groundwater**

Average 2000-03



StatLink http://dx.doi.org/10.1787/287348331384

1. Data refer to the period 1998-2003.
2. Data for 2002.
3. Data 1992-98. Value for surface water (figures in brackets apply to groundwater) show 1-2 pesticides present in 8% (29%) of monitoring sites; 3-4 pesticides in 18% (21%) of sites; and more than 5 pesticides in 74% (11%) of sites. For surface water (farmland streams) 80% of monitoring sites have concentrations above aquatic life water guidelines.
4. *Source:* French country section, Chapter 3, data 2002.
5. Data 1995-2002, with concentration levels for surface water declining in most locations. For groundwater share for pesticide presence applies to farmers' drinking water wells, while pesticide concentration in groundwater is 2% for those aquifers supplying more than 100 people.
6. Data 1999-2000.

Source: OECD, Agri-environmental Indicators Questionnaire, unpublished.

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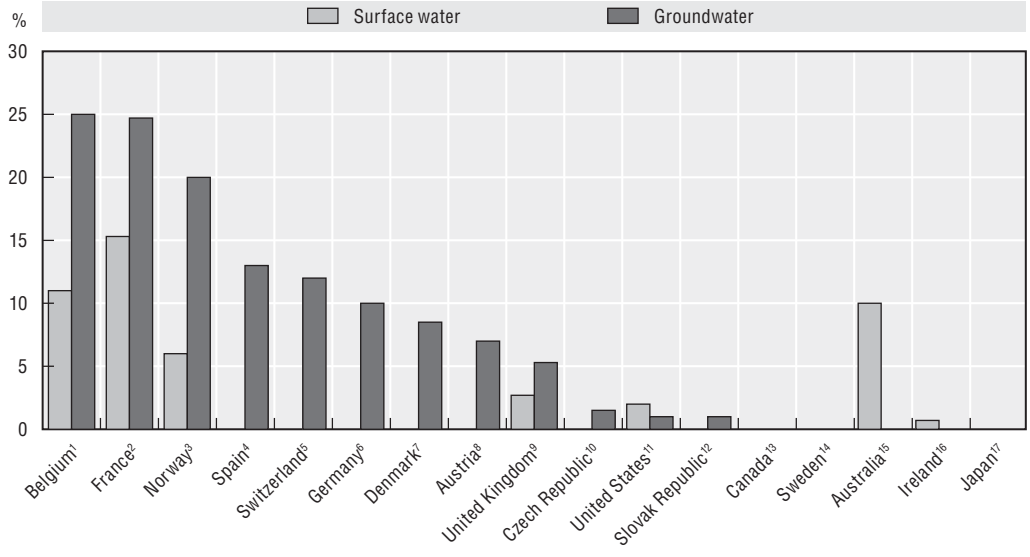
Figure 1.6.10. **Share of monitoring sites in agricultural areas exceeding national drinking water limits for pesticides in surface water and groundwater**

Average 2000-02



StatLink http://dx.doi.org/10.1787/287360620862

1. Data 2000-02. Flanders region only. Atrazine only for surface water. Regional variation show concentrations ranged between 13% to 32%, with 10% of monitoring sites in excess of 0.5 μg/l compared to drinking water standard of 0.1 μg/l.
2. National data. Average poor and poor status. See Chapter 3.
3. Data applies only to monitoring locations in high risk pollution sites. Data 1995-2002, with concentration levels for surface water declining in most locations. For groundwater % share for pesticide presence applies to farmers' drinking water wells, while pesticide concentration in groundwater is 2% for those aquifers supplying more than 100 people.
4. *Source:* OECD (2004), *Environmental Performance Review of Spain*, Paris, France. No data for surface water.
5. Data 2002, apply to water catchments under arable farming. No data for surface water.
6. *Source:* German country section, Chapter 3, data 1995. No data for surface water.
7. *Source:* EEA (2005), data 2000. No data for surface water.
8. Data 1990-2001. Atrazine only. In 1992-94 share of monitoring sites with pesticide concentration above drinking water standard for groundwater was 20%. No data for surface water.
9. For surface water, data applies to England and Wales, average 2000-02 for atrazine samples over 100 mg/l. For groundwater, data apply to average 2000-02 for monitoring sites in arable land areas, the percentage is 4% for managed grassland.
10. Data refer to 2003. No data for surface water.
11. Data 1992-98. Value for surface water (figures in brackets apply to groundwater) show 1-2 pesticides present in 8% (29%) of monitoring sites; 3-4 pesticides in 18% (11%) of sites; and more than 5 pesticides in 74% of sites. For surface water (farmland streams) 80% of monitoring sites have concentrations above aquatic life water guidelines.
12. Data 1985-2002. No data for surface water.
13. Rural wells, see Chapter 3. No data for surface water.
14. Data 1998-2002, measurement for only one region, Vemmenhög, 0% for groundwater. No data for surface water.
15. *Source:* Australia country section, Chapter 3. Cotton-growing areas of Eastern Australia only. No data for groundwater.
16. Ireland, 2004. *Source:* Environment Protection Agency (2005), *The quality of drinking water in Ireland: a report for the year 2004,* Wexford, Ireland. Applies to exceedence levels in public water supplies.
17. Only for surface water (rivers, lakes and coastal water), 0.1% average 1998 to 2005, see country section, Chapter 3.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished; EEA (2006).

Belgium, France, Germany, Norway, Spain and **Switzerland** (Figure 1.6.10), while **Italy** reports rising concentrations of pesticides in groundwater at the same time as pesticide use has increased (Section 1.3). Pesticides are also reported as a common pollutant in coastal waters for some countries (**France** and **Mexico**, see Chapter 3), with risks to human health from fish consumed from these waters, of particular concern for **Mexico** where pesticide use rose over the 1990s (Section 1.3).

The general trend in OECD pesticide use would support the conclusion that there is a constant, or even decreasing pressure on water quality from pesticides (Section 1.3.1). But caution is required when linking trends in pesticide use to water pollution, as different pesticides pose different types and levels of risks to aquatic environments and drinking water (Section 1.3.2). Evidence from pesticide risk indicators over the 1990s (Section 1.3.2), shows that for aquatic species the risks of pesticide toxicity remained unchanged in **Denmark** and declined in **Belgium, Germany** and the **Netherlands** (since 1999).

Another concern with pesticide pollution of water bodies relates to highly persistent and toxic pesticides such as DDT. In most cases, in OECD countries such pesticides have been banned for many decades, but are, nevertheless, still being detected at levels that are harmful to aquatic organisms. This is the case, for example, in **France**, the **United States**, and **Mexico**, although in the latter country the ban on such pesticides was more recent.

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1.7. AIR

KEY TRENDS

Farming accounted for about a quarter of total OECD acidifying emissions, 8% of the use of potential ozone depleting substances, and 8% of greenhouse gases (GHGs) (2002-04). But shares are higher for specific air pollutants: over 90% of anthropogenic ammonia emissions; nearly 75% of methyl bromide use, and for GHGs about 70% of nitrous oxide and over 40% of methane. Agricultural multi-air pollutants have contributed to multi-environmental effects through acidification, eutrophication, ozone depletion, and climate change, as well as affecting the health of human populations.

Total OECD agricultural ammonia emissions grew by 1% over the period 1990-92 to 2001-03, compared to the overall reduction of acidifying gases, mainly due to lower emissions from industrial and energy sectors. Some countries (notably Denmark and Germany and Spain) will need to make reductions in ammonia emissions to meet the 2010 targets agreed under the *Gothenburg Protocol*. But for more than two-thirds of OECD countries, agricultural ammonia emissions declined, with many of these countries reducing emissions by more than 10%.

The growth in OECD ammonia emissions is mainly linked to increasing livestock numbers and to a lesser extent greater fertiliser use, notably in Canada, Italy, Korea, Portugal, Spain and the United States. Where reductions in ammonia emissions have been achieved this is usually linked to using a mix of policies (*e.g.* nitrogen taxes, payments for manure storage) and a high adoption rate of nutrient management plans, in addition, to a decline in livestock numbers and lower fertiliser use.

Methyl bromide use in OECD countries have met the 70% reduction target (from 1991 levels) set for 2003 under the Montreal Protocol, but there was a substantial increase in OECD methyl bromide use in 2004 compared to 2003, largely accounted for by the United States, and, to a lesser extent Australia and Japan. Hence, for these countries to achieve a complete phase-out of methyl bromide in 2005, as agreed under the *Montreal Protocol*, will require a substantial effort.

For methyl bromide use, while OECD countries have made considerable progress in meeting reduction targets under the *Montreal Protocol*, Critical Use Exemptions (CUEs) have been agreed for 2005 to give farmers and other users additional time to develop substitutes. Granting CUEs may impede the effectiveness of achieving reduction targets and acting as a disincentive to seek alternatives.

For ***GHG emissions*** there are no specific targets for agriculture under the *Kyoto Protocol*. Nearly 75% of total OECD agricultural GHG emissions (2002-04), were accounted for by the EU15 and the United States. EU15 emissions declined by 7% (31 million tonnes of GHGs in carbon dioxide equivalents CO_2), while they rose by 1% (5 million tonnes CO_2 equivalent) in the United States.

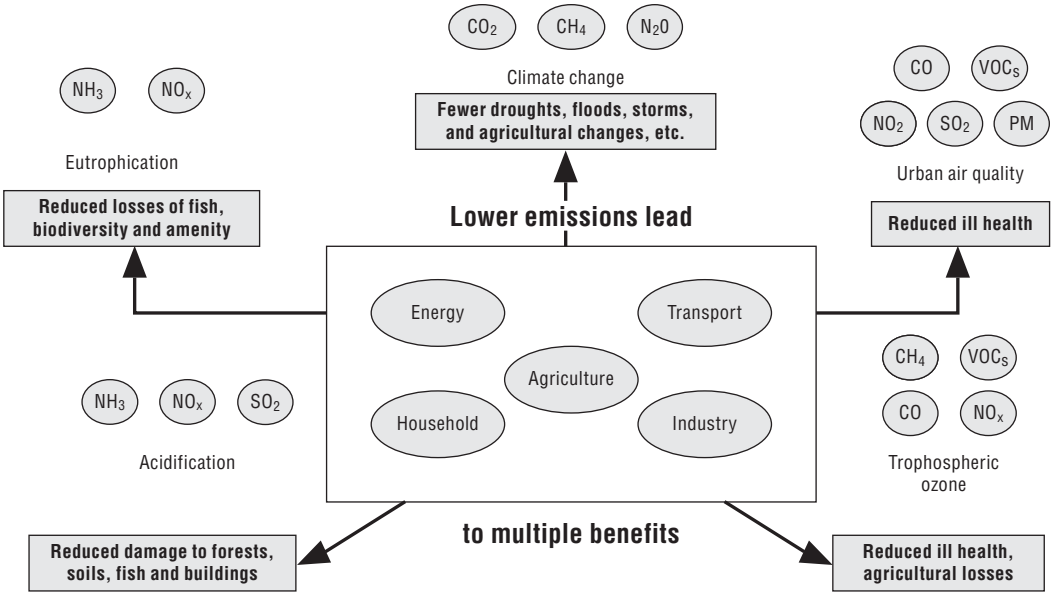
The largest increase in agricultural GHG emissions (over 5%) occurred in Australia, Canada, New Zealand, Portugal and Spain, which together increased GHG emissions by 26 million tonnes CO_2 equivalent, and now these countries account for over 20% of total OECD agricultural GHG emissions. But for the majority of OECD countries GHG emissions decreased between 1990 and 2004. Changes in GHG emissions are largely driven by an expansion (decrease) in livestock production (methane from manure) and crop production (nitrous oxide from fertiliser use), although in some countries (Australia, Mexico) land clearing, mainly for agricultural use, makes an important contribution to national total GHG emissions.

Although ***agriculture represents a small share in total OECD GHG emissions,*** the share (2002-04) was over 15% for Australia, France, Iceland and Ireland. For New Zealand the share is almost 50%, although its contribution to total OECD agricultural GHG emissions is only 3%. Many countries are adopting strategies that seek to encourage farmers to alter their farming practices, such as changing livestock manure disposal methods and soil tillage practices, which can lower GHG emission rates per unit output volume and which can also have co-benefits in reducing ammonia emissions and increasing soil carbon stocks.

Background

This section examines how agricultural activities impact on air quality, through emissions of ammonia (NH_3) and greenhouse gases (methane CH_4, nitrous oxide N_2O and carbon dioxide CO_2). The environmental impacts of these agricultural emissions should be viewed in the broader context of other pollution sources (*e.g.* industry, transport) and considered in terms of the chemical reactions between different air pollutants in the atmosphere ("multi-pollutants", *e.g.* sulphur dioxide, carbon dioxide) and the resultant effects on the environment ("multi-effects", *e.g.* acidification, eutrophication) (Figure 1.7.1). The section also discusses agriculture's use of methyl bromide, a pesticide, which is an ozone depleting substance.

Figure 1.7.1. **Impacts of agriculture on air quality: Multi-pollutants, multi-effects**



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Note: CH_4 – methane ; CO_2 – carbon dioxide ; NH_3 – ammonia ; N_2O – nitrous oxide ; NO_2 – nitrogen dioxide; NO_x – nitrogen oxides; PM – particulate matter; SO_2 – sulphur dioxide ; VOC_s – volatile organic compounds.

Source: EEA (2000).

1.7.1. Ammonia emissions, acidification and eutrophication

Indicator definition:

- Share of agricultural ammonia emissions in national total ammonia (NH_3) emissions.

Concepts and interpretation

Ammonia (NH_3) emissions are associated, as a driving force, with two major types of environmental issues: acidification and eutrophication (Figure 1.7.1). Ammonia along with sulphur dioxide (SO_2) and nitrogen oxides (NO_x) contribute to *acidification* of soil and water when it combines with water in the atmosphere or after deposition. Excess soil acidity may be damaging to certain types of terrestrial and aquatic ecosystems. As a source of nitrogen, deposition of ammonia can also raise nitrogen levels in soil and water, which may contribute to *eutrophication* in receiving aquatic ecosystems.

Along with acidification and eutrophication, agricultural NH_3 emissions may be a significant contributor to the formation of aerosols in the atmosphere which may impair human health (*i.e.* worsen respiratory conditions), visibility, and climate (Lynch and Kurshner, 2005). At high concentrations, and near the source, it produces an unpleasant odour which may also affect human and animal health (AAFC, 1998).

OECD European countries have adopted the *1999 Gothenburg Protocol* with agreed national ammonia emission ceiling targets (Table 1.7.2) (together with other gas emissions not usually associated with farming, such as sulphur dioxide) in an effort to reduce environmental problems associated with soil acidification, eutrophication and ground-level ozone under the *Convention on Long-range Transboundary Air Pollution* (LRTAP, see UNECE, 1979). **Canada** and the **United States** are also signatory countries to the Protocol but have not agreed on emission targets. The European Communities (2001) Directive on "*National Emission Ceilings for Certain Atmospheric Pollutants*" endorses the same national emission ceilings as under the "Protocol" for all **EU** countries, except **Portugal** (Table 1.7.2). For those countries under the *Gothenburg Protocol*, the ammonia emission data used in this section are drawn from UNECE sources (UNECE/EMEP, 2004), and national sources for other countries (Figure 1.7.2).

As part of the effort to reduce ammonia emissions from agriculture, in many OECD countries considerable research has been undertaken to validate and improve the emission factors that are used in estimating the level of ammonia emissions. In addition, effort has been undertaken to develop technologies and management practices to reduce the level of ammonia emissions, particularly relating to how manure is managed from storage through to spreading. The uptake of these technologies and practices has been encouraged through government farm extension services and some financial assistance provided to farmers (Section 1.9, and OECD, 2003a and 2004a).

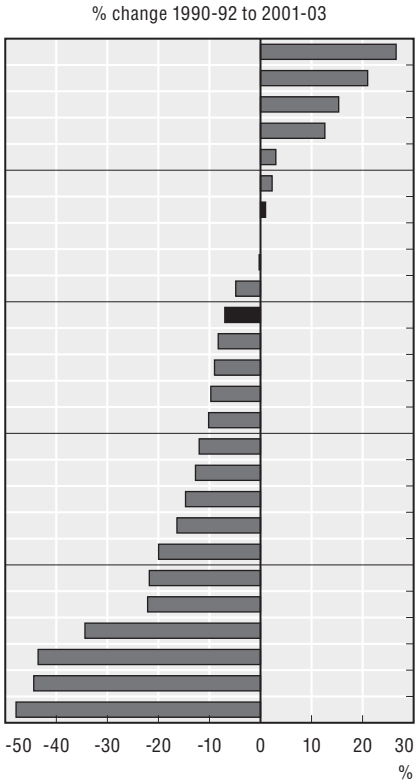
The agricultural ammonia emission indicator is linked to trends in nitrogen balances (Section 1.2) as ***driving forces*** on the ***state*** or concentrations of *nitrates in water bodies* (Section 1.6.2) and acidifying pollutants in the air. The agriculture sector in many OECD countries is obliged to ***respond*** by reaching national ammonia emission ceilings agreed under the *Gothenburg Protocol*, through for example the adoption of nutrient management practices (Section 1.9).

Recent trends

The growth in total OECD anthropogenic NH_3 emissions is largely due to agriculture (1990-2003), which accounts for more than 90% of emissions across most OECD countries (Figure 1.7.2). Total OECD emissions of acidifying gases (SO_2, NO_x and NH_3) are declining however, mainly due to a substantial reduction in SO_2 emissions from industry and the energy sector (Figure 1.7.3, Table 1.7.1). But with the increase in NH_3 emissions over the 1990s, agriculture's share in total acidifying gases has risen (Table 1.7.1). For some countries agricultural NH_3 emissions have increased by over 10% (**Korea, Portugal, Spain** and the **United States**), mainly linked to the substantial rise in livestock numbers in these countries, and to a lesser extent increases in fertiliser use (Figures 1.7.2 and 1.7.4).

But for more than two-thirds of OECD countries, agricultural ammonia emissions declined, with many of these countries reducing emissions by more than 10%. The large cut in emissions in the **Czech** and **Slovak Republics, Hungary** and **Poland** has been mainly triggered by the collapse in agricultural support levels for livestock, crops and fertilisers resulting in fewer livestock numbers and reduced fertiliser usage in the farm sector following the

Figure 1.7.2. **Ammonia emissions from agriculture**



	Average		Change		Share in total NH_3 emissions
	1990-92	2001-03	1990-92 to 2001-03		2001-03
	'000 tonnes		'000 tonnes	%	%
Korea[1]	143	181	38	27	n.a.
Spain	317	383	67	21	93
United States[2]	3 421	3 945	524	15	88
Portugal	45	51	6	13	78
Canada[3]	468	482	14	3	80
Ireland	115	117	3	2	98
OECD[4]	**8 138**	**8 253**	**115**	**1**	**92**
Norway	20	20	0	0	89
France	744	742	–2	0	97
Greece[5]	76	72	–4	–5	99
EU15	**3 332**	**3 083**	**–249**	**–7**	**94**
United Kingdom	302	277	–25	–8	89
Italy	454	411	–43	–9	94
Luxembourg	6	5	–1	–10	71
Germany	645	580	–66	–10	95
Switzerland[6]	65	57	–8	–12	96
Finland[7]	37	32	–5	–13	97
Austria	75	64	–11	–15	99
Sweden[8]	57	48	–9	–16	84
Denmark[9]	129	103	–26	–20	98
Belgium	95	74	–21	–22	93
Poland[10]	407	317	–90	–22	97
Hungary	98	65	–34	–34	98
Slovak Republic	52	30	–23	–44	96
Czech Republic[11]	131	73	–58	–44	95
Netherlands[12]	236	123	–113	–48	90
Australia[13]	n.a.	61	n.a.	n.a.	n.a.
Japan[14]	n.a.	289	n.a.	n.a.	n.a.

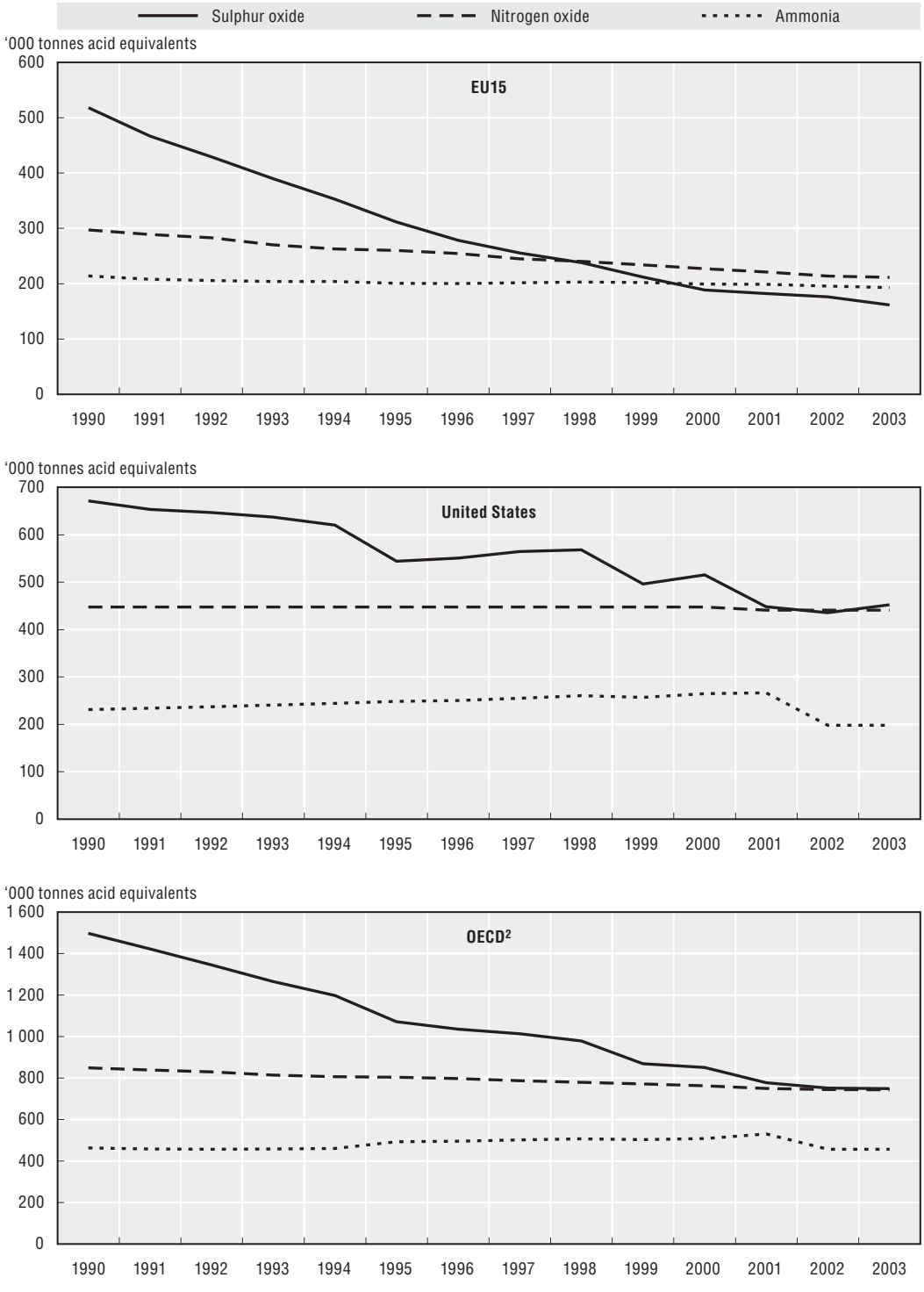
StatLink http://dx.doi.org/10.1787/287442521548

n.a.: Not available.
1. Data for the periods 1990-92 and 2001-03 refer to the years 1990 and 1998, respectively.
2. Data for the period 2001-03 refer to the year 2000.
3. Data for the periods 1990-92 and 2001-03 refer to the years 1990 and 1995, respectively.
4. OECD excludes: Australia, Iceland, Japan, Mexico, New Zealand and Turkey.
5. Data for the period 2001-03 refer to the year 2001.
6. The period 2001-03 refers to the years 2000-02.
7. Data for the period 1990-92 refer to the year 1990.
8. The period 1990-92 refers to the year 1995.
9. Data for the period 2001-03 refer to the year 2001.
10. Data for the period 2001-03 refer to the year 2001.
11. Data for the period 2001-03 refer to the year 2001.
12. The period 1990-92 refers to the year 1990.
13. Data for the period 2001-03 refer to the year 2000.
14. Data for the period 2001-03 refer to the year 1997.

Source: EMEP (2006); Agriculture and Agri-Food Canada (1998); national data for Italy, Spain, the Netherlands, Norway, Sweden and Switzerland.

transition to a market economy. However, since these countries move towards EU membership, agricultural production has expanded and consequently NH_3 emissions are also beginning to slowly rise (Figure 1.7.4), although the **Czech Republic** has widespread adoption of nutrient management plans that should help toward limiting ammonia emissions (Section 1.9).

Figure 1.7.3. **Emissions of acidifying airborne pollutants[1] for the EU15, US and OECD**



StatLink http://dx.doi.org/10.1787/287503036451

1. Includes emissions for all economic activities, including agriculture.
2. OECD excludes: Australia, Iceland, Japan, Korea, Mexico, New Zealand and Turkey.

Source: EMEP (2006).

Table 1.7.1. **Total OECD[1] emissions of acidifying pollutants**

	Average	Share of total	Average	Share of total	Change	
	1990-92[2]		2001-03[3]		1990-92 to 2001-03	
	'000 tonnes acid equivalents[4]	%	'000 tonnes acid equivalents[4]	%	'000 tonnes acid equivalents[4]	%
Sulphur dioxide (SO_2)	1 423	52	759	38	–664	–47
Nitrogen oxides (NO_x)	839	31	746	38	–93	–11
Ammonia (NH_3)	460	17	482	24	22	5
Total	**2 722**	**100**	**1 986**	**100**	**–735**	**–53**

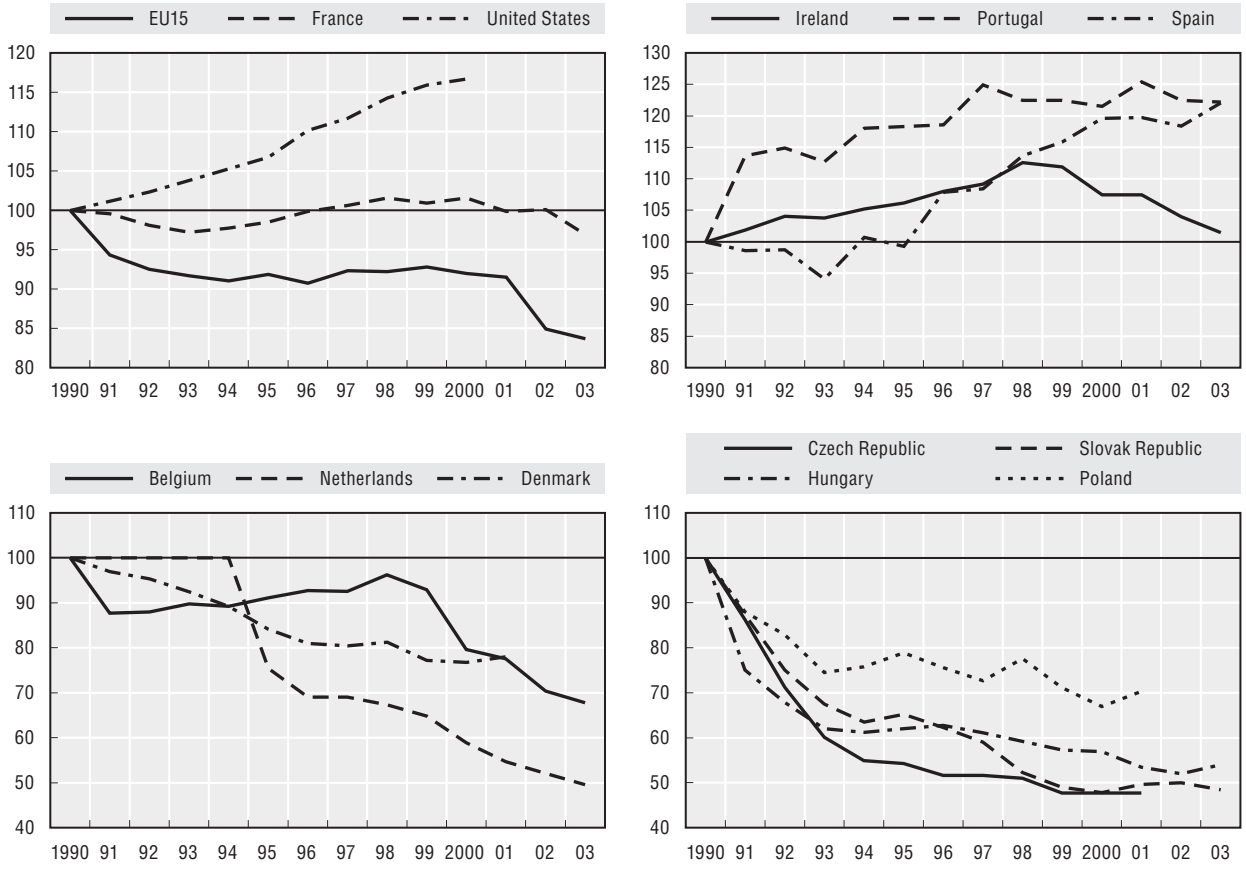
StatLink http://dx.doi.org/10.1787/301400303071

1. OECD total excludes: Australia, Iceland, Japan, Korea, Mexico, New Zealand and Turkey.
2. 1990-92 average includes following OECD estimate: Data for SO_2 cover Luxembourg: 1991 and 1992. Data for NH_3 cover Canada: 1991 to 1994.
3. 2001-03 average includes following OECD estimate: Data for SO_2 cover Turkey: 2001 and 2002. Data for NH_3 cover Luxembourg: 2001, Greece: 2000 to 2003.
4. The following weighting factors are used to combine emissions in terms of their potential acidifying effect Acid equivalent/g: SO_2 = 1/32, NO_x = 1/46 and NH_3 = 1/17.

Source: EMEP (2006); national data for Netherlands, Spain, Sweden and Switzerland.

Figure 1.7.4. **Agricultural ammonia emission trends for selected OECD countries**

1990 = 100



StatLink http://dx.doi.org/10.1787/287503168765

Source: EMEP (2006).

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The **Netherlands** has achieved a nearly 50% reduction in agricultural NH_3 emissions and **Belgium**, and **Denmark** have also achieved cuts of around 20% (Figure 1.7.4). This has partly been associated with the introduction of nitrogen surplus reduction measures, using a range of policy instruments (*e.g.* taxes on nutrient surpluses, regulations on the storage and spreading of manure, payments for manure storage, etc. (see OECD 2003a and OECD 2004b). These countries all have a high and rising share of the agricultural area and farms under some form of nutrient management plans (Section 1.9).

National trends in agricultural NH_3 emissions mask important regional variations within countries. For example, emissions are highest in Northern **Italy** because of the more intense use of fertilisers in the region, and in **France**, Brittany has the highest emission levels because of the concentration of intensive livestock production in the region (European Commission, 1999). Also ammonia emissions and acidification of soils and acidifying precipitation shows considerable regional variation across the **United States** (Lehmann *et al.*, 2005).

In terms of progress towards achieving the emission targets set for 2010 under the *Gothenburg Protocol*, a varied picture exists. By 2001-2003 many countries had reduced their emissions to meet their target levels under the Protocol (Table 1.7.2). But some countries will need to achieve further emission reductions to reach their targets by 2010, especially **Belgium, Denmark, Finland, Germany, Italy**, the **Netherlands, Spain** and the **United Kingdom** with their 2001-03 emission levels more than 5% above the 2010 LRTAP emission targets, but most notably **Denmark** with emissions nearly 50% above the 2010 target (Table 1.7.2). However, all these countries are encouraging widespread adoption of farm nutrient management practices (Section 1.9) and implementing programmes that seek to reduce ammonia emissions, although in **Italy, Spain** and the **United Kingdom** the share of farms that adopted nutrient plans is low (Chapter 3).

Agricultural NH_3 emissions mainly derive from livestock (manure and slurry) and the application of inorganic fertilisers to crops, and to a much lesser extent decaying crop residues (Figure 1.7.5). For many OECD countries over 90% of total NH_3 emissions are derived from livestock. But for a few countries (**Korea, Japan** and **Poland**) the share of emissions from fertiliser use is over 20% (Figure 1.7.5), reflecting the greater importance of the crop sector in these countries relative to other OECD countries.

Because NH_3 is highly reactive, high concentrations (enough to cause odours and significant nitrogen deposition) usually occur close (*i.e.* less than 2 km) to the emission source (AAFC, 1998). In terms of the deposition of NH_3 while around 20% of emissions are deposited close to the source, the rest can travel long distances through the atmosphere (Hartung, 1999). For example, about 30% of NH_3 emissions in **Germany** are transported to other countries, although a substantial quantity of emissions are also received from other countries (Hartung, 1999), while around 50% of ammonia emissions in **Ireland** are deposited outside the country (EPA, 2000).

In decreasing order of sensitivity to excess NH_3 emissions are: native terrestrial and aquatic habitats; forests; and agricultural crops. But the cumulative impacts on ecosystems in the presence of other acidifying pollutants is poorly understood (Krupa, 2003). There is evidence of adverse impacts from NH_3 emissions on heather bogs in the **Netherlands** and **Central Europe**, and for Eastern regions of the **United States** (Lehmann *et al.*, 2005; Chapter 3). In **New Zealand**, while data on ammonia emissions from agriculture are limited, available information suggests that the critical threshold level for damage to ecosystems from NH_3 emissions is unlikely to be exceeded (Stevenson *et al.*, 2000).

Table 1.7.2. **Ammonia emission targets to 2010 under the Convention on Long-range Transboundary Air Pollution**[1]

	Total ammonia emission levels	Total ammonia emissions	Share of agriculture emissions in total emissions	Total emission ceilings	Change in total emission reductions	Total emissions for 2001-03 as a share of the 2010 emission ceilings[3]
	1990 (base year)	2001-03	2001-03[2]	2010	1990 to 2001-03	
	'000 tonnes		%	'000 tonnes	%	
Austria	69	65	99	66	–6	98
Belgium	107	80	93	74	–25	108
Czech Republic	156	77	95	101	–51	76
Denmark	133	105	98	69	–21	152
Finland	38	33	97	31	–13	107
France	787	768	97	780	–2	98
Germany	736	608	95	550	–17	111
Greece	79	73	99	73	–8	100
Hungary	124	66	98	90	–47	73
Ireland[4]	112	119	98	116	6	103
Italy[5]	464	437	94	419	–6	104
Luxembourg	7	7	71	7	3	103
Netherlands	249	136	90	128	–45	107
Norway	20	23	89	23	12	99
Poland	508	326	97	468	–36	70
Portugal	55	65	78	108 (90)[6]	19	60
Slovak Republic	63	31	96	39	–51	79
Spain	339	411	93	353	21	116
Sweden[7]	64	57	84	57	–11	99
Switzerland[8]	68	59	96	63	–13	94
United Kingdom	370	311	89	297	–16	105
EU15	**3 601**	**3 275**	**94**	**3 128**	**–9**	**105**

StatLink http://dx.doi.org/10.1787/301407730631

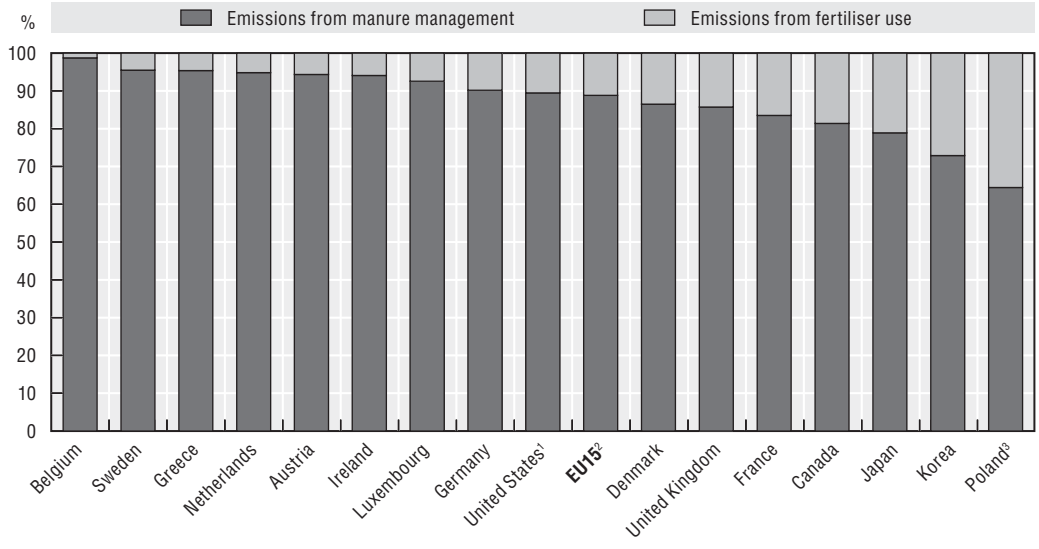
1. The following countries are not signatories to the LRTAP: Australia, Iceland, Korea, Japan, Mexico and New Zealand.
2. See notes, Figure 1.7.2, concerning national averages used for 2001-03.
3. This column shows, for each respective country, the extent to which emissions in 2001-03 were below the emission ceilings for 2010 (*e.g.* Czech Republic) or exceed the emission ceiling (*e.g.* Belgium), by dividing the total emission ceiling for 2010 by the total emissions for 2001-03.
4. In 2004 total ammonia emissions were 14 000 tonnes so the emissions ceiling for 2010 has already been achieved.
5. In 2005 total ammonia emissions were 413 000 tonnes so the emissions ceiling for 2010 has already been achieved.
6. The figure in brackets for Portugal refers to the emission ceiling under the EU Directive on National Emission Ceilings for Certain Atmospheric Pollutants, October 2001 (European Communities, 2001).
7. Sweden: national data for the period 1990-92 refer to the year 1995.
8. National data, the period 2001-03 refers to the years 2000-02.

Source: EMEP (2006); UNECE (2000); national data for Italy, Netherlands, Norway, Spain, Sweden and Switzerland.

With the overall reduction of acidifying emissions in most **West European** OECD countries, including agricultural NH_3 emissions, the European Environment Agency (EEA, 2003) estimates that more than 90% of the ecosystems in Europe are protected against further soil acidification (*i.e.* acidifying deposition is lower than the critical thresholds for these ecosystems). But protection against eutrophication is below 50% (*i.e.* eutrophication is often higher than the critical thresholds for these ecosystems). Even so, the EEA report reveals considerable regional variation in terms of ecosystem protection.

Figure 1.7.5. **Share of the main sources of agricultural ammonia emissions in OECD countries**

Mid-1990s



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1. The value for the United States is an OECD estimate from Battye *et al.* (1994).
2. EU15 excludes: Finland, Italy, Portugal, and Spain.
3. For Poland, fertiliser use includes plant residues.

Source: Agriculture and Agri-Food Canada (1998) (for Canada); Battye *et al.* (1994) and OECD estimate (for the United States); European Commission (1999); IMUZ (1999) (for Poland); Lee *et al.* (2002) (for Korea); Murano and Oishi (2000) (for Japan).

1.7.2. Methyl bromide use and ozone depletion

Indicator definition:

- Agricultural methyl bromide use expressed in tonnes of ozone depletion potential.

Concepts and interpretation

Methyl bromide is a fumigant that has been used for more than 50 years in the agri-food sector. It is used to control soil insects, diseases, nematodes and mites in open fields and greenhouses and for pests associated with the storage of food commodities, such as grains. This fumigant has also been used for plant quarantine and pre-shipment protection (UNEP, 2002; USDA, 2000).

While methyl bromide has the advantage of being a low cost fumigant that affects a broad spectrum of pests, it is harmful to human health and soil biodiversity because of its high toxicity. But methyl bromide is an ozone-depleting substance that is more destructive to the ozone layer than many other ozone depleting substances. Ozone depletion hinders the activities of stratosphere ozone layers which prevent harmful ultraviolet (UV-B) rays from reaching the earth, which can cause damage to crop production, forest growth, and human and animal health (IISD, 2004; UNEP, 2002; NOAA, 2001).

The Parties to the *Montreal Protocol on Substances that Deplete the Ozone Layer* agreed in 1997 to a global phase-out schedule for methyl bromide. Under the schedule, developed countries had to reduce methyl bromide use by 25% by 1999, 50% by 2001, 70% by 2003 and 100% by 2005,

compared to 1991 levels. Developing countries (*i.e.* Article 5 member countries under the *Montreal Protocol*), which have contributed less to ozone depletion, started a freeze on use in 2002 at average 1995-98 levels, and need to achieve a 20% reduction by 2005 and 100% by 2015 (UNEP, 2004a). Among OECD countries, **Korea**, **Mexico** and **Turkey** are included under Article 5 of the *Montreal Protocol*.

Methyl bromide use data are collected by the Parties to the *Montreal Protocol*, and reported to the Ozone Secretariat, which is hosted by the United Nations Environment Programme (UNEP). Parties report production, import and export quantities in metric tonnes and the Secretariat calculates the weighted consumption using each substance's ozone-depleting potential (ODP) which is a relative index indicating the extent to which a chemical product may cause ozone depletion (UNEP, 2003; UNEP 2004b). The ODP coefficient of methyl bromide is 0.6, and ODP tonnes are calculated as follows:

Methyl bromide ozone depleting potential (ODP tonnes)
= Methyl bromide use (tonnes) × Ozone Depletion Potential Coefficient

The data of methyl bromide use for the **EU15** member states were reported to the UNEP as aggregated data for the EU15 in accordance with the *Montreal Protocol*. It should be noted that methyl bromide use for the purpose of quarantine and pre-shipment is exempt from the phase-out programme and the use data for these purposes are not reported to the UNEP, and hence, excluded from the OECD database. Thus, for those countries reporting zero use of methyl bromide by primary agriculture in this section, they could be using the pesticide in the agro-food sector, for quarantine and pre-shipment use.

As an environmental ***driving force***, the methyl bromide use indicator links to the ***state*** (and changes in) of the ozone layer. OECD countries are obliged to ***respond*** in eliminating methyl bromide use to the schedule agreed under the *Montreal Protocol*.

Recent trends

All OECD countries achieved the reduction level targets for methyl bromide specified under the *Montreal Protocol* up to 2003 (Figure 1.7.6; Table 1.7.3). But in 2004 there was a nearly 30% rise in the overall OECD methyl bromide use compared to 2003, largely accounted for by greater use in the **United States**, and, to a lesser extent, in **Australia** and **Japan**. The increase of methyl bromide use in these countries would suggest that there are still technical problems to replace methyl bromide with other alternatives, and that a complete phase-out of methyl bromide in 2005 will require a substantial effort. The **Czech** and **Slovak Republics, Korea** and **Switzerland**, however, have already achieved a complete phase-out of controlled methyl bromide use, while for **Iceland** methyl bromide was not reported to be used by primary agriculture between 1990 and 2004.

While world use of total ODP products declined by over 80% during the period 1990 to 2004, the reduction in methyl bromide was only 55%, reflecting the more rapid reduction in ODP use by non-agricultural users. But the share of OECD methyl bromide use in world total ODP use was only around 8% (Figure 1.7.6). Moreover, OECD countries' share of world total methyl bromide use declined from over 80% in 1991 to 60% in 2004, which stemmed from a reduction in OECD methyl bromide use of nearly 70% (excluding Article 5 countries) over this period (Figure 1.7.6; UNEP, 2004b).

For example, in California in the **United States**, and the southern parts of the **EU15** (*e.g.* **Italy**) soil fumigation treatment, especially for horticultural crops, accounts for about three-quarters of global methyl bromide use (Minuto, 2003; USDA, 2000). In addition, methyl bromide is used for the storage of durable commodities (*e.g.* grains and timber) and perishable

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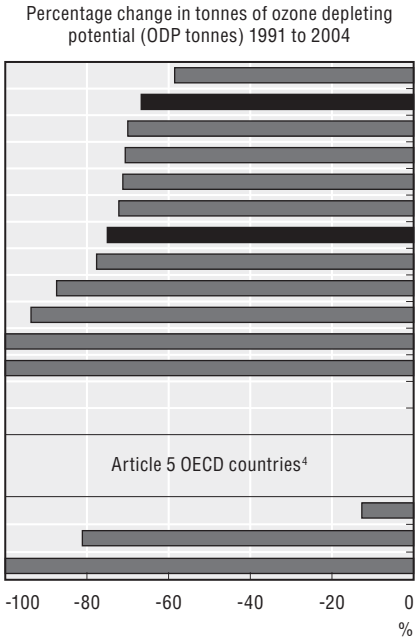
Figure 1.7.6. **Methyl bromide use**



	Tonnes of ozone depletion potential (ODP tonnes) from methyl bromide use				% change
	1991[1]	2002	2003	2004	1991 to 2004
United States	15 317	3 051	4 053	6 353	–59
OECD[2]	**31 305**	**9 353**	**8 066**	**10 417**	**–67**
Poland[3]	120	53	36	n.a.	–70
Australia	422	194	109	123	–71
Canada	120	58	35	35	–71
Japan	3 664	1 770	858	1 019	–72
EU15	**11 530**	**4 184**	**2 953**	**2 873**	**–75**
Norway	6	2	1	1	–78
New Zealand	81	26	13	10	–87
Hungary	32	16	10	2	–94
Czech Republic[3]	6	0	0	n.a.	–100
Slovak Republic[3]	6	0	0	n.a.	–100
Iceland	0	0	0	0	0
Switzerland	0	0	0	0	0
	Average 1995-98[1]	2002	2003	2004	% change 1995-98 to 2004
Mexico	1 131	1 067	968	968	–14
Turkey	480	281	185	91	–81
Korea	30	0	0	0	–100
	1991	2002	2003	2004	% change 1991-2004
World use of ODP products (tonnes)	894 193	162 659	171 086	125 947	–86
World total methyl bromide use (ODP tonnes)	38 651	18 161	15 803	17 386	–55
Share of OECD methyl bromide use in total ODP use (%)	4	6	5	8	
Share of OECD methyl bromide use in world total methyl bromide use (%)	81	52	51	60	

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1. 1991 base period for non-Article 5 countries under the *Montreal Protocol* and 1995-98 for Article 5 countries.
2. OECD excludes Korea, Mexico and Turkey.
3. Data for 2004 are not available. Change from 1990 to 2004 refers to change from 1990 to 2003.
4. Article 5 countries under the *Montreal Protocol*.

Source: UNEP (2006); national data for Hungary (2004 data only), New Zealand and Switzerland.

commodities (*e.g.* fresh fruit and vegetables, cut-flowers), and the disinfestations of structures (*e.g.* buildings, ships and aircraft) (Figure 1.7.7). However, the shares of these latter uses have changed little since 1994 (UNEP, 2002).

Reductions in methyl bromide use have been achieved by a combination of government regulations and changes in the market, as well as pressure from non-governmental organisations and the activities of private companies. Moreover, some countries have adopted a more stringent phase-out schedule than required under the *Montreal Protocol* (UNEP, 2002; Batchelor, 2002), including efforts to develop alternatives (Methyl Bromide Alternatives Outreach, 2003; Department of Primary Industries 2004; USDA, 2003a).

For the three OECD countries – **Korea, Mexico** and **Turkey** – covered under Article 5 of the *Montreal Protocol*, the trends in methyl bromide use have also decreased. While **Mexico** increased its use of methyl bromide more than 10 times from 1991 to 1994, this was followed by a 14% reduction from the 1995-98 baseline to 2004, which met the target of zero increase by 2002 (Figure 1.7.6 and Table 1.7.3). **Turkey** reduced its use of methyl bromide substantially over the period 1995-98 to 2004 and met its 2002 target under the *Montreal*

Table 1.7.3. **Methyl bromide use and progress in meeting the phase-out schedule under the *Montreal Protocol***

Non-Article 5 countries[1]	Consumption baseline 1991 (base year) (ODP tonnes)	Agreed percentage reduction levels from 1991 base year				
		1999	2001	2003	2004	2005
		25%	50%	70%	[3]	100%
		Actual percentage reduction levels from 1991 base year				
Australia	422	28	54	74	71	–
Canada	120	38	57	71	71	–
Czech Republic	6	67	100	100	n.a.	–
Hungary	32	25	50	70	94	–
Iceland	0	0	0	0	0	–
Japan	3 664	25	53	77	72	–
New Zealand	81	51	87	85	87	–
Norway	6	26	62	79	78	–
Poland	120	55	56	70	n.a.	–
Slovak Republic	6	100	100	100	n.a.	–
Switzerland	0	0	0	0	0	–
United States	15 317	44	58	74	59	–
OECD[2]	**31 305**	**62**	**73**	**84**	**76**	**–**
EU15	**11 530**	**35**	**60**	**74**	**75**	**–**

Article 5 countries[1]	Consumption baseline average 1995-98 level (ODP tonnes)	Agreed percentage reduction levels from 1995-98 level			
		2002	2004	2005	2015
		Freeze	[2]	20%	100%
		Actual percentage reduction levels from 1995-98 base year			
Korea	30	100	100	–	–
Mexico	1 131	6	13	–	–
Turkey	480	41	81	–	–

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1. 1981 base period for non-Article 5 countries under the *Montreal Protocol* and 1995-98 for Article 5 countries.
2. OECD excludes Korea, Mexico and Turkey.
3. No percentage reduction is stipulated for 2004.

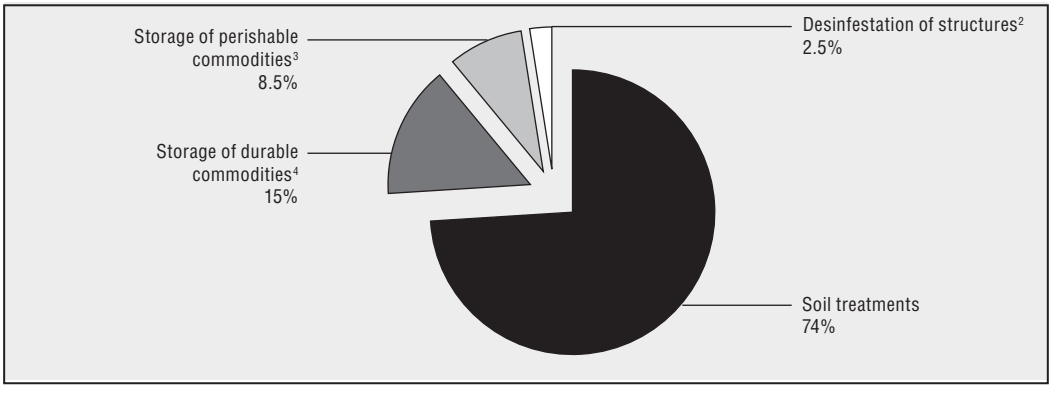
Source: OECD Secretariat, based on UNEP (2006).

Protocol (Figure 1.7.6 and Table 1.7.3). The reduction in Turkey is partly due to the assistance under the Multilateral Fund for the Implementation of the *Montreal Protocol*, jointly planned by the United Nations Development Programme (UNDP), the UNEP, the United Nations Industrial Development Organisation (UNIDO) and the World Bank (Multilateral Fund for the Implementation of the *Montreal Protocol*, 2003). **Korea** had already phased out its use of controlled methyl bromide by the early 1990s (Chapter 3).

For many OECD countries, the phase-out schedule for methyl bromide has posed a technical challenge in terms of finding alternatives, in particular, its use in the horticultural sector. In view of these technical difficulties, the *Montreal Protocol* allows the Parties to apply for ***Critical Use Exemptions*** (CUEs) when there are no feasible alternatives, in addition to the existing exemption for use in quarantine and pre-shipment purposes. The CUEs are intended to give farmers, fumigators and other users of methyl bromide additional time to develop substitutes (UNEP, 2004c). In November 2004, the Parties to the *Montreal Protocol* agreed CUEs for 2005 (UNEP, 2004d) (Table 1.7.4). The share of total CUEs in the 1991 base period values varies between countries, but in most cases it is was over 20% in 2005, except for **Japan** and **New Zealand**, although data are not available for individual **EU15** member states (Table 1.7.4).

Figure 1.7.7. **Global methyl bromide use by major sectors**

2000 estimate[1]



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1. Includes methyl bromide use for quarantine and pre-shipment purposes, which is excluded from the *Montreal Protocol*.
2. Disinfestation of structures includes buildings, ships and aircraft.
3. Storage of perishable commodities includes fresh fruit and vegetables, cut-flowers, some fresh root and bulbs, propagation material and ornamental plants.
4. Storage of durable commodities including, grains, rice straw and timber, etc.

Source: UNEP (2002).

Table 1.7.4. **Critical Use Exemptions (CUEs) for methyl bromide agreed under the *Montreal Protocol* for 2005**

	CUEs agreed	Methyl bromide use	2005 CUEs total compared to 1991
	2005[1]	1991	
	ODP tonnes		%
Australia	88	422	21
Belgium	36	n.a.	n.a.
Canada	37	120	31
France	285	n.a.	n.a.
Germany	27	n.a.	n.a.
Greece	136	n.a.	n.a.
Italy	1 379	n.a.	n.a.
Japan	449	3 664	12
Netherlands	0	n.a.	n.a.
New Zealand	24	81	16
Poland	26	120	22
Portugal	30	n.a.	n.a.
Spain	635	n.a.	n.a.
Switzerland[2]	5	0	n.a.
United Kingdom	81	n.a.	n.a.
United States	4 962	15 317	32
OECD	**8 201**	**31 305**	**26**
EU15	**2 609**	**11 530**	**23**

StatLink http://dx.doi.org/10.1787/301461058717

n.a.: Not available.

1. Critical use exemptions of methyl bromide use have been granted to the Parties under the *Montreal Protocol*.
2. This only applies to use by the agro-food industry and not to primary agriculture.

Source: OECD Secretariat, based on UNEP (2006).

Granting CUEs may impede the effectiveness of the phase out schedule under the *Montreal Protocol* and act as a disincentive for CUE countries to seek alternatives (IISD, 2004; USDA, 2003b). In addition, some OECD countries have successfully eliminated methyl bromide use by primary agriculture (*e.g.* the **Czech and Slovak Republics, Iceland, Korea** and **Switzerland**) or have never applied for CUEs (*e.g.* **Hungary** and **Norway**) in agriculture.

1.7.3. Greenhouse gas emissions and climate change

Indicator definition:

- Gross total agricultural greenhouse gas emissions (carbon dioxide, methane and nitrous oxide) and their share in total greenhouse gas emissions.

Concepts and interpretation

Agriculture's link to greenhouse gas (GHG) emissions and climate change is complex. While the sector is a contributor of GHGs to the atmosphere, some components of agricultural production systems, (*i.e.* soils) can act as carbon sinks depending on how they are managed (Box 1.7.1). Certain agricultural biomass feedstocks can provide a neutral carbon source of renewable energy (OECD, 2004b). Moreover, while farming is a source of greenhouse gases, principally methane (CH_4) and nitrous oxide (N_2O), which are part of the primary driving force behind climate change, equally climate change may also impact on farm production (IPCC, 2001; USDA, 2003c). Impacts and adaptation to climate change may cause shifts in crop types and cropping patterns in many OECD countries, but this issue is not covered in the Report.

Inventories of the United Nations Framework Convention on Climate Change (UNFCCC) are the main source of data on GHG emissions used in this section (UNFCCC, 2005). These provide a dataset in accordance with the methodology of the Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories. The UNFCCC data are comparable as they cover most OECD countries, except **Korea** and **Mexico**, while for **Turkey** national data are used. Emissions of CH_4 and N_2O are converted to carbon dioxide (CO_2) equivalents using weights (Global Warming Potentials).

Major agricultural sources of CH_4 and N_2O, such as enteric fermentation (a process during livestock digestion, where microbes in the digestive system ferment food consumed by the animal), livestock manure, fertiliser and saturated agricultural soils (*e.g.* wet paddy fields), are covered by the agricultural module of the UNFCCC Inventories, together with data for CO_2 from fossil fuel combustion included in the energy module. However, CO_2 emissions from the upstream and downstream agro-food sectors, such as fertiliser and pesticide manufacturing, energy use, transportation and processing are not included in this analysis because the OECD focus of the GHG indicator is on primary agriculture.

While overall the UNFCCC Inventories provide a robust and internationally comparable dataset, there are a number of limitations. National emission estimates made by individual member countries may vary depending on which factors are included in their own calculations. Agricultural sources of CO_2 emissions are limited to on-farm fossil fuel combustion, and in many countries aggregated with emissions from forestry and fisheries. A number of OECD countries are beginning to monitor carbon sequestration in agricultural soils and report these to the UNFCCC (OECD, 2003b).The UNFCCC inventories will in the future categorise carbon sequestration in agricultural soils separately from soil emissions

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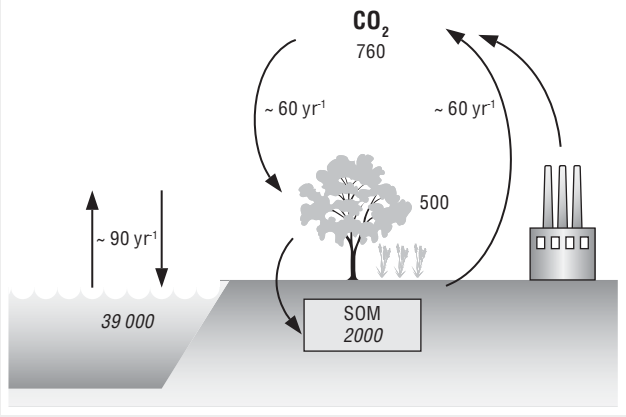
Box 1.7.1. **Towards a net agricultural greenhouse gas balance indicator?**

On-going policy debates around the implementation of the *Kyoto Protocol*, have led to a new focus in agricultural research on soil organic matter. This relates to the potential of soil organic matter to sequestrate carbon, as organic carbon (C) is a major component of soil organic matter that consists of the cells of micro-organisms, plant and animal residues. The figure (Janzen, 2003) below outlines the global C cycle including the C pool within soil organic matter (SOM). About 40% of the estimated 2 000 Petagrams of soil organic C is contained within the soils of agro-ecosystems (croplands and grazing lands). It is an enormous pool, containing more C than is contained in the earth's atmosphere (760Pg C) as CO_2.



Efforts to research and regularly monitor the potential of agricultural soils to sequester CO_2 are underway in many OECD countries (Chapter 2; and OECD, 2004b). In **Canada**, for example, a net agricultural greenhouse gas balance has been developed, including an estimate of both agricultural emissions and sequestration in soils (Lefebvre *et al.*, 2005). As these efforts progress across countries, it may be possible to develop an OECD net agricultural GHG emission indicator, to replace the gross GHG emission indicator used in this section, and more accurately reflect the role of farming in the context of GHG emissions and climate change.

in accordance with the new LULUCF (*i.e.* land use, land-use change and forestry) reporting requirement. The UNFCCC also collects data on emissions from land use changes, but these data are not included here as it is not possible to extract data explicit to farm land use change (*i.e.* farm land converted to/from other uses).

Agricultural GHG emissions are linked to indicators of nitrogen balances (Section 1.2), ammonia (Section 1.7.1), energy use (1.4), and soil carbon stocks (Chapter 2), as ***driving forces*** in terms of their consequences (or ***state***) for global warming and impacts on climate change. Most OECD countries are committed to GHG emission targets (from 1990 levels) to be achieved by the 2008-12 timeframe, but there are no specific reduction targets set for methane or nitrous oxide, and only a very few OECD countries have established GHG reduction targets for the agricultural sector (*e.g.* **Ireland**, the **United Kingdom**, EEA, 2005). Agriculture's ***response*** to reducing GHGs has been partly through increasing the production and use of renewable energy, improving energy efficiency and also, by lowering emissions through improved nutrient and soil management practices (Section 1.9).

Recent trends

The OECD gross emissions of agricultural GHGs contributed 8% to total OECD national GHG emissions for the 2002-04 period, and declined by 3% from the *Kyoto Protocol* reference period of 1990-92 to 2002-04 compared to a 8% increase for all sectors of the economy (Figure 1.7.8, Table 1.7.5). While agriculture represents a small share in total GHG emissions for some countries the share (2002-04) was in excess of 15% for **Australia, France, Iceland** and **Ireland**. For **New Zealand** this share was almost 50%, due to the high share of agriculture in GDP and the importance of the livestock sector, although **New Zealand's** contribution to total OECD agricultural GHG emissions was 3% in 2002-04 (Table 1.7.5, Figure 1.7.8).

Together the **EU15** and the **United States** accounted for nearly three-quarters of OECD total GHG emissions in 2002-04, but while the **EU15** emissions declined by 7% (a reduction of nearly 31 million tonnes of GHGs in CO_2 equivalents), they increased by 1% (5 million tonnes CO_2) in the **United States**. The largest percentage increases in agricultural GHG emissions (over 5% during the period 1990 to 2004) occurred in **Australia, Canada, New Zealand, Portugal** and **Spain**, which together saw a growth in agricultural GHG emissions of nearly 26 million tonnes CO_2 and now these countries account together for over 20% of total OECD agricultural GHG emissions (Figures 1.7.8 and 1.7.9). But for the majority of OECD countries, GHG emissions decreased between 1990 and 2004.

For all countries, where total GHG emissions are increasing this is largely being driven by an expansion in livestock production (*i.e.* CH_4 from enteric fermentation and manure) and crop production (*i.e.* N_2O from fertiliser use) (Table 1.7.6, Figure 1.7.10). In **Australia**, however, land clearing, mainly for agricultural use, was estimated to contribute in 2000 to 11% of national total GHG emissions, although this estimate is subject to a high degree of uncertainty, with a similar trend of land clearing occurring in **Mexico** (Chapter 3).

In **Canada** and the **United States** over the period 1990 to 2004 agricultural GHG emissions first grew over the first half of the 1990s and then stabilised, and more recently further increased for Canada but declined for the United States (Figure 1.7.9). In addition, farm soils in the **United States** are estimated to sequester about 4 million tons of carbon annually or about 2% of total US terrestrial carbon sequestration in 2001, while in both the **United States** and **Canada** carbon storage in agricultural soils has risen over the 1990s (Chapter 2).

Table 1.7.5. **Total OECD gross greenhouse gas emissions**[1]

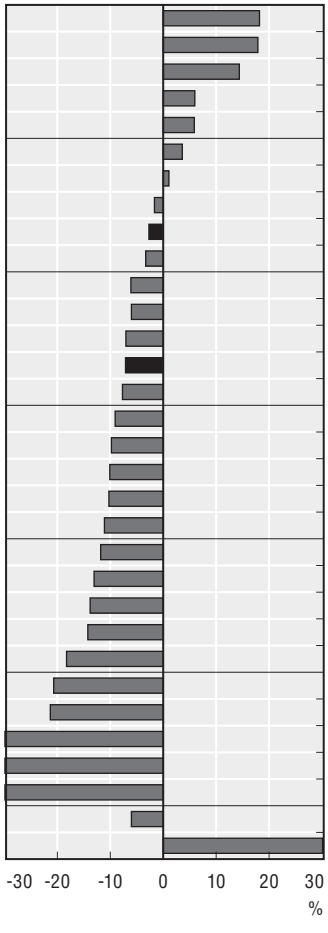
Carbon dioxide equivalent: 1990-92 to 2000-02

Type of GHG	Gross OECD total emissions[2]		Share of each gas in OECD total[2]		Gross emissions from agriculture		Share of each gas in total agricultural emissions		Share of agriculture in OECD total of each gas	
	Million tonnes		%		Million tonnes		%		%	
	1990-92	2000-02	1990-92	2000-02	1990-92	2000-02	1990-92	2000-02	1990-92	2000-02
Carbon dioxide (CO_2)	11 152	12 211	81	83	86	100	7	8	1	1
Methane (CH_4)	1 461	1 256	11	9	556	539	44	42	38	43
Nitrous oxide (N_2O)	966	950	7	6	626	656	49	51	65	69
Others (HFCs, PFCs, SF_6)	160	250	1	2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total	**13 738**	**14 667**	**100**	**100**	**1 268**	**1 296**	**100**	**100**	**9**	**9**

StatLink http://dx.doi.org/10.1787/301461733032

n.a.: Not available.
1. OECD total excludes Korea and Mexico.
2. Data may not add to total due to rounding areas.
Source: UNFCCC (2006).

Figure 1.7.8. **Agricultural gross greenhouse gas emissions**



	Average		Change in agricultural GHG emissions[1]		Change in total GHG emisions	Share of agriculture in national total GHG emissions	Share in total OECD agriculture GHG emissions	Kyoto reduction commitment[7]
	'000 tonnes, CO_2 equivalent		'000 tonnes, CO_2 equivalent	%	%			
	1990-92	2002-04	1990-92 to 2002-04		1990-92 to 2002-04	2002-04	2002-04	2008-12
Spain	39 737	47 003	7 265	18	41	11	4	+15
Canada	44 781	52 823	8 043	18	23	7	5	–6
New Zealand	32 322	36 990	4 668	14	19	49	3	0
Portugal	7 909	8 400	490	6	36	10	1	+27
Australia	90 707	96 081	5 374	6	22	18	8	+8
Poland	27 114	28 099	985	4	–21	7	2	–6
United States	440 855	445 661	4 806	1	14	6	39	–7
Ireland	19 376	19 059	–316	–2	24	28	2	+13
OECD[2]	**1 162 343**	**1 131 881**	**–30 462**	**–3**	**8**	**8**	**100**	. .
Norway	4 468	4 321	–147	–3	10	8	0	+1
Sweden	9 223	8 659	–564	–6	–3	12	1	+4
Luxembourg	486	458	–28	–6	–9	4	0	–28
Italy	41 520	38 591	–2 929	–7	12	7	3	–6.5
EU15	**426 577**	**395 966**	**–30 611**	**–7**	**0**	**9**	**35**	**–8**
France	105 794	97 625	–8 169	–8	–3	17	9	0
Switzerland	6 640	6 037	–603	–9	–3	12	1	–8
Greece	13 309	12 005	–1 304	–10	26	9	1	+25
Belgium	12 874	11 641	–1 233	–10	–1	8	1	–7.5
Iceland	554	497	–57	–10	6	15	0	+10
Germany	72 572	64 506	–8 066	–11	–14	6	6	–21
Austria	9 079	8 004	–1 074	–12	15	9	1	–13
United Kingdom	52 808	45 896	–6 912	–13	–11	7	4	–12.5
Finland	6 654	5 732	–922	–14	12	7	1	0
Japan	32 287	27 676	–4 611	–14	10	2	2	–6
Netherlands	22 391	18 291	–4 100	–18	0	8	2	–6
Turkey	18 930	15 000	–3 930	–21	43	6	1	. .
Denmark	12 846	10 096	–2 750	–21	–3	14	1	–21
Hungary[3]	16 447	10 665	–5 782	–35	–32	13	1	–6
Czech Republic[4]	13 718	8 060	–5 658	–41	–18	6	1	–8
Slovak Republic[4]	6 943	4 004	–2 939	–42	–22	8	0	–8
Korea[5]	4 798	4 527	–271	–6	5	3	. .	. .
Mexico[6]	38 863	55 674	16 811	43	. .	8	. .	. .

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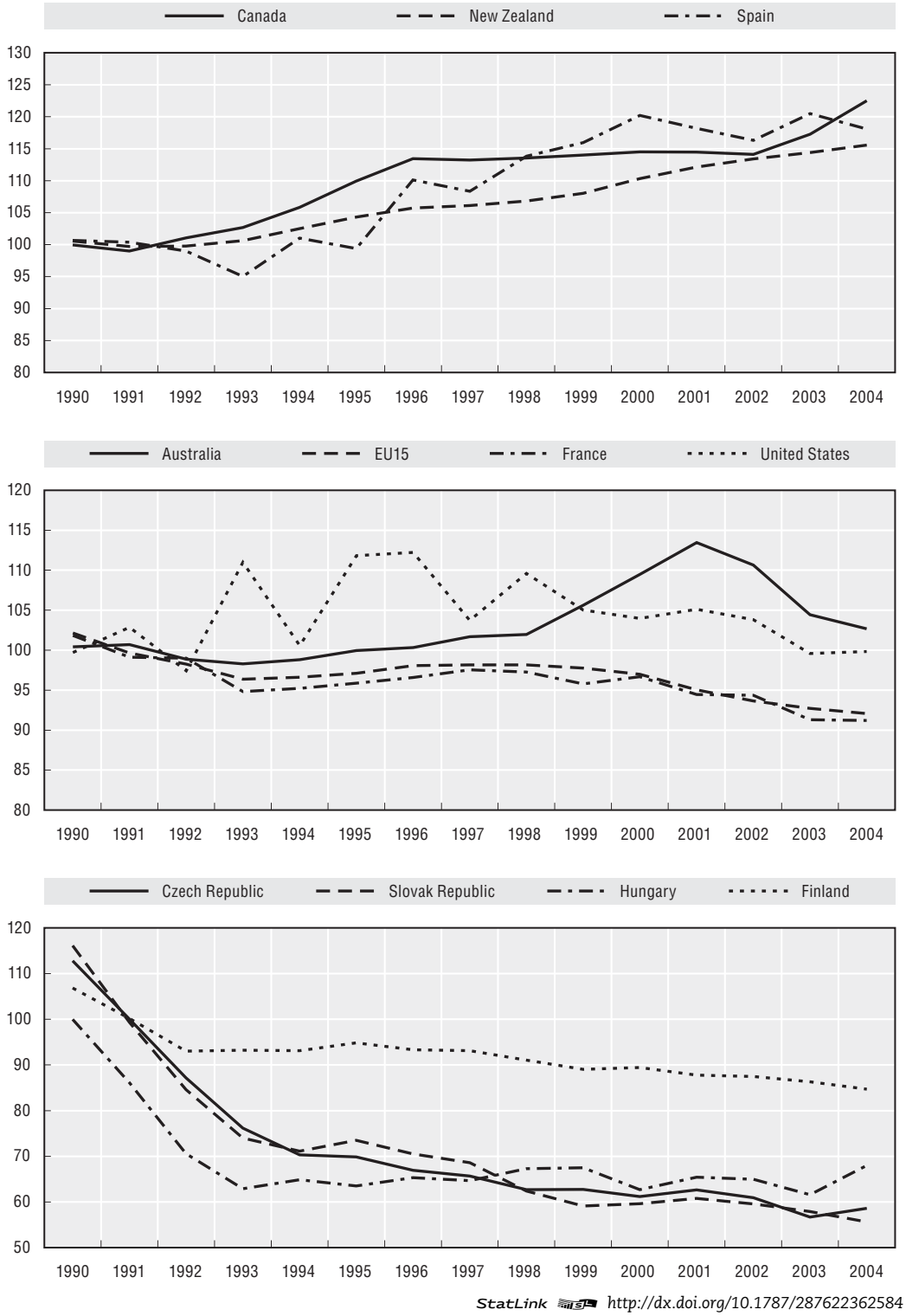
1. Gross GHG emissions from agriculture include emissions of CH_4, N_2O and CO_2 (fossil fuel combustion only), but exclude CO_2 emissions from soils and agriculture land use change.
2. Excluding Korea and Mexico.
3. Data for the period 1990-92 refer to 1990. The change for Hungary is –35%.
4. The change for the Czech Republic is –41%. The change for the Slovak Republic is –42%.
5. Data for the period 1990-92 and 2000-02 refer to the year 1990 and average 1999-2001. *Source:* Second National Communication of the Republic of Korea under the United Nations Framework Convention on Climate Change.
6. Data for the period 1990-92 and 2000-02 refer to the years 1990 and 1998. The change for Mexico is 43%.
7. Overall, the EU15 has a Kyoto reduction commitment of –8%, but commitments vary across EU member states under the EU Burden Sharing Agreement.

Source: EUROSTAT (2006); national data (for the Slovak Republic); UNFCCC (2006).

Figure 1.7.9. **Gross agricultural greenhouse gas emissions in carbon dioxide equivalent for selected OECD countries**

Average 1990-92 = 100



StatLink http://dx.doi.org/10.1787/287622362584

Source: EUROSTAT (2006); national data (for the Slovak Republic); UNFCCC (2006).

Table 1.7.6. **Main sources and types of gross greenhouse gas emissions**

1990-92 to 2000-02

	Livestock farming[1]	Crop production[2]	Fuel combustion from agriculture	CO_2	N_2O	CH_4	Total agriculture GHG
				%			
Australia	–2	45	25	25	40	3	11
Austria	–9	–7	39	39	–7	–10	1
Belgium	–3	–19	11	11	–16	–4	–5
Canada	15	18	–19	–19	18	14	15
Czech Republic	–39	2	n.a.	n.a.	1	–40	–13
Denmark	–3	–26	–12	–12	–25	–2	–17
Finland	–14	–16	–11	–11	–17	–11	–14
France	–3	–5	–10	–10	–5	–3	–5
Germany	–13	–9	–16	–16	–10	–12	–12
Greece	1	–4	–4	–4	–4	2	–3
Hungary[3]	–36	–46	n.a.	n.a.	–19	–44	–22
Iceland	–9	–2	n.a.	n.a.	–4	–8	–6
Ireland	4	6	22	22	6	4	6
Italy	–3	–1	11	11	0	–5	0
Japan	–10	–16	–5	–5	–13	–13	–10
Luxembourg	–12	0	–4	–4	0	–12	–2
Netherlands	–21	–2	6	6	–2	–21	–7
New Zealand	10	23	17	17	23	10	14
Norway	0	–4	–7	–7	–4	–1	8
Poland	–18	–3	n.a.	n.a.	48	–41	16
Portugal	–2	–10	15	15	–5	–5	–2
Slovak Republic	–48	–32	n.a.	n.a.	–36	–48	–40
Spain	20	11	34	34	10	22	18
Sweden	–6	–6	–15	–15	–8	–2	–7
Switzerland	–10	–10	8	8	–10	–10	–8
Turkey[4]	–20	13	n.a.	n.a.	2	–19	–19
United Kingdom[5]	–8	–11	–27	–27	–11	–9	–11
United States	3	8	n.a.	n.a.	8	2	6
OECD[6]	**–3**	**3**	**0**	**0**	**4**	**–3**	**1**
EU15	**–5**	**–6**	**1**	**1**	**–6**	**–5**	**–5**

StatLink http://dx.doi.org/10.1787/301474758510

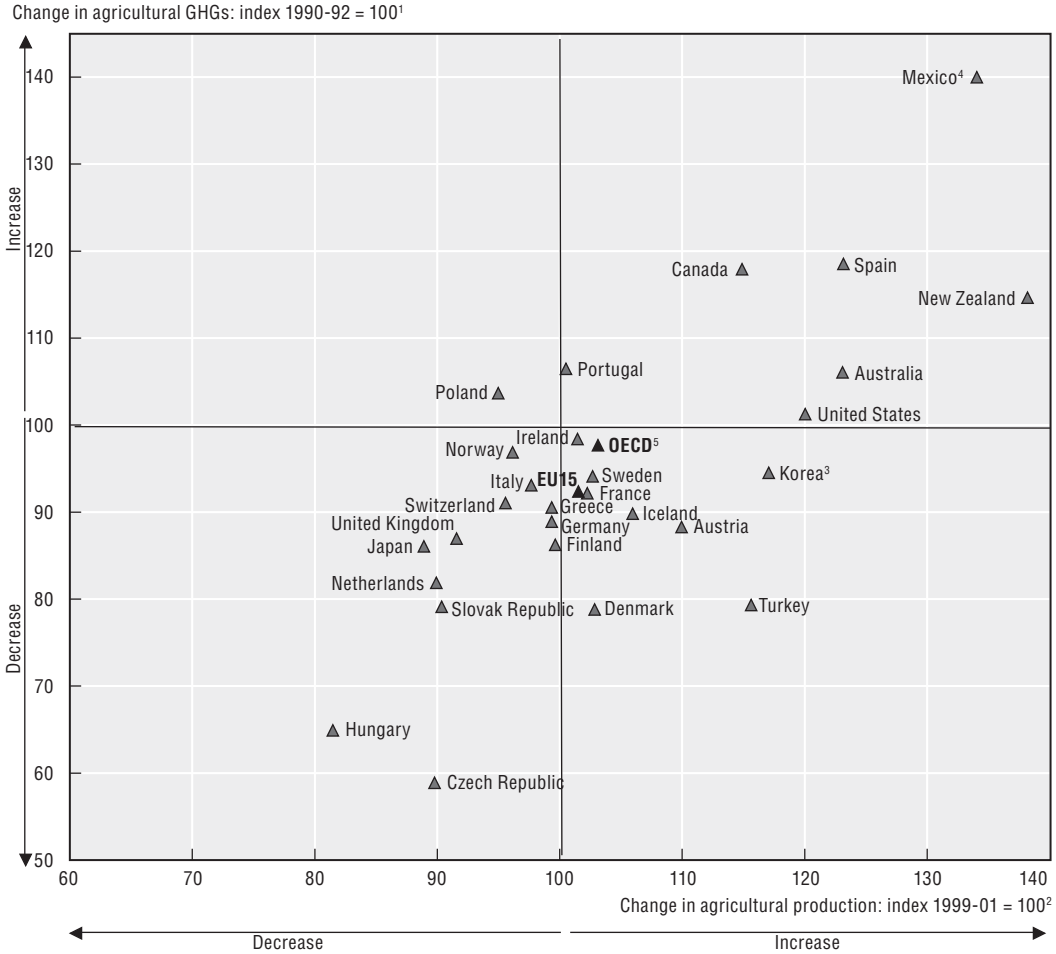
n.a.: Not available.

1. Livestock farming includes emissions from enteric fermentation and livestock waste.
2. Crop production includes emissions from agricultural soil (mainly fertiliser application) and other crops (mainly rice and residue burning).
3. Data for the period 1990-92 refer to the year 1990.
4. Livestock farming includes only CH_4 emissions from livestock waste, because N_2O emissions from livestock are not available.
5. Crop productions exclude both N_2O and CH_4 emissions from field burning of agricultural residues, because data for 1994-2002 are not available.
6. Excluding Korea and Mexico.

Source: EUROSTAT (2006); national data (for the Slovak Republic and Luxembourg); UNFCCC (2006).

Figure 1.7.10. **Agricultural production and agricultural greenhouse gas emissions**

Change in index 1990-92 to 2002-04



StatLink http://dx.doi.org/10.1787/287624580048

1. See notes to Figure 1.7.8.
2. The Agricultural Production Index is a volume index of total crop and livestock production. The data included in the figure are averages for 2002-04, with 1999-01 as the base period = 100, see Figure 1.7.9, Section 1.1 of this chapter.
3. Data for the period 2001-03 refer to the year 1999-01 for agricultural greenhouse gas emissions.
4. Data for the period 1990-92 and 2001-03 refer to the year 1990 and 1998 for agricultural greenhouse gas emissions.
5. For OECD, Belgium and Luxembourg are not included, because data are not available on the Agricultural Production Index and, for Korea and Mexico, on agricultural greenhouse gases.

Source: EUROSTAT (2006); FAOSTAT (2006); national data (for the Slovak Republic); UNFCCC (2006).

Relating the growth in total agricultural production and agricultural GHG emissions over the period 1990-2004 is shown in Figure 1.7.10. Typically countries where agricultural production has increased (decreased), agricultural GHG emissions have risen (declined). While Figure 1.7.10 can only provide indirect evidence of progress in decoupling agricultural production from changes in agricultural GHG emissions. However, the trends notably for **Denmark** and **Turkey** (reductions in GHG emissions and increases in agricultural production) and, also **Australia, New Zealand** and the **United States** (smaller increases in GHG emissions compared to those in agricultural production), highlight the possibility for countries to reduce growth rates in GHG emissions below the rate of agricultural production growth.

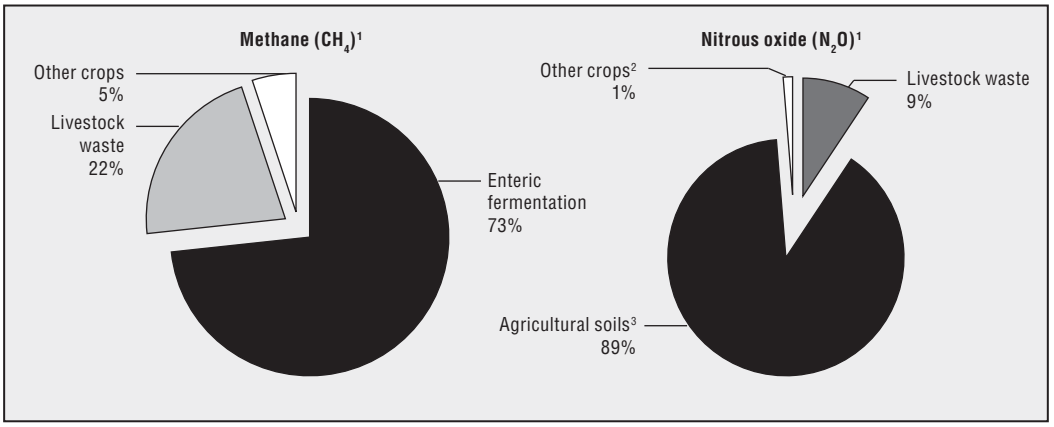
The share of agriculture in total **carbon dioxide** emissions is around 1% which largely originates from fuel combustion linked to the use of farm machinery and in heating livestock and horticultural housing. However, although the share of total agricultural GHG emissions is relatively small in total GHG emissions, it is one of the major sources of methane and nitrous oxide emissions, contributing over 40% and nearly 70% of gross national emissions of these gases respectively (Table 1.7.5).

The major sources of **methane** (CH_4) emissions from agriculture are from livestock enteric fermentation and livestock manure (Figure 1.7.11), although emissions from rice paddy production are important in **Japan** and **Korea**. CH_4 emissions as a share of total agriculture GHG emissions slightly declined over the 1990s (Table 1.7.5), largely attributed to the reduction of GHG emissions from livestock farming (Table 1.7.6). Even so, livestock contributes over 50% of total agricultural GHG emissions in a number of OECD countries (Figure 1.7.12, and OECD, 2003a; 2004b).

For **nitrous oxide** (N_2O), the main source of emissions from agriculture is derived from the application of fertilisers on soils, while manure waste, crop residues and cultivation of organic soils also contribute to these emissions (Figure 1.7.11). Agricultural N_2O emissions increased over the 1990s largely as a result of a 3% growth in GHG emissions from crop production across OECD countries (Table 1.7.6, and OECD, 2005), which is a major source of GHG emissions for some countries (Figure 1.7.12).

Figure 1.7.11. **Main sources of methane and nitrous oxide emissions in OECD agriculture**

2000-02



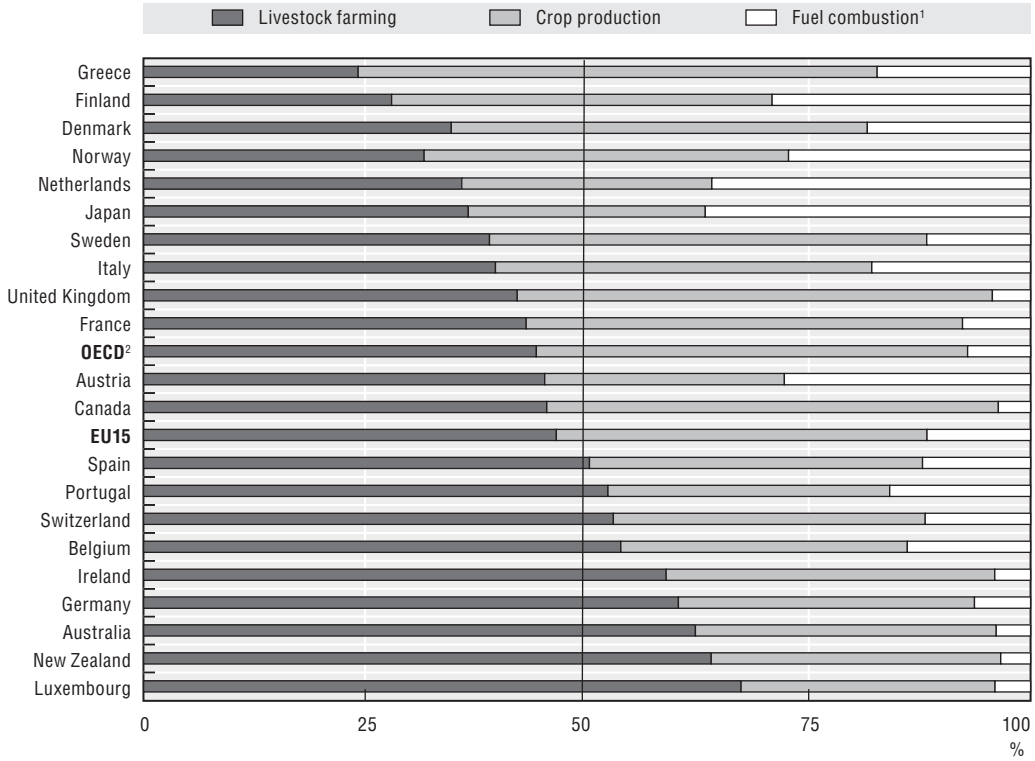
StatLink http://dx.doi.org/10.1787/287663230560

1. Data may not add to total due to rounding areas.
2. Other crops include grassland, rice and crop residue burning for CH_4 and grassland and crop residue burning for N_2O, respectively.
3. Mainly emissions from the application of fertilisers.

Source: UNFCCC and national data (for the Slovak Republic and Luxembourg).

Figure 1.7.12. **Contribution of main sources in agricultural greenhouse gas emissions**

2000-02



StatLink http://dx.doi.org/10.1787/287706255450

1. Countries for which fuel combustion data are not available are not included, see Table 1.7.6.
2. Excluding the Czech Republic, Hungary, Poland, Iceland, Korea, Mexico, the Slovak Republic, Turkey and the United States.

Source: EUROSTAT (2006); national data; UNFCCC (2006).

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1.8. BIODIVERSITY

KEY TRENDS

Overall OECD trends (1990-2002) suggest an increasing diversity of crop varieties and livestock breeds used in production, but the extent to which this is improving the environmental resilience of agricultural production systems and lowering risks from pathogens and disease is unclear.

Trends in *endangered livestock breed* numbers reveal a mixed picture, increasing in some countries (Austria, Spain) and declining for others (Denmark, Italy). Across livestock categories considered within the endangered and critical risk category, cattle and sheep breeds have the highest numbers of breeds at risk relative to pigs and poultry for most countries in 2002. There are limited data on endangered crops to decipher any OECD wide trends.

Most countries have implemented *conservation programmes* designed to protect and enhance the populations of endangered livestock breeds, and the number of breeds included under these programmes is increasing. Greater efforts are underway to conserve plant genetic resources useful for crop improvement.

Only a few OECD countries produce transgenically modified crops, but they account for two-thirds of the global world planted area of these types of crops. The area sown to these crops has grown rapidly since the mid-1990s, notably in Canada and the United States, dominated by herbicide tolerant crops or crops resistant to certain insects. The development of transgenic crops has raised concerns over the possibility of genetic contamination of traditional landraces and wild relatives, such as maize in Mexico.

In OECD countries agricultural land is a major primary habitat for certain populations of wild species. This is particularly the case for certain species of birds and insects, in particular butterflies. But for flora the situation is variable across countries and land uses, and for mammals farmland is less important as a habitat, although certain species are intrinsically linked to such land (*e.g.* certain rodents and hares).

Farmland bird populations declined over 1991-2004, but the decrease was less pronounced than had occurred over the 1980s, and for some countries populations have been rising since the late 1990s. The main causes of the decline in bird and other terrestrial and aquatic wild species impacted by agriculture are: changes to the habitat quality in agricultural land or its loss to other uses; the use of pesticides and fertilisers; lowering groundwater tables and river flows; and clearance of native vegetation, such as forests.

For nearly all OECD countries there was a net reduction in agricultural land area over the period 1990-92 to 2002-04, with a few exceptions (Belgium, Luxembourg, Mexico, Norway and Turkey). Farmland has been mainly converted to use for forestry and urban development, with much smaller areas converted to wetlands and other land uses. While little quantitative information about the biodiversity implications of converting farmland to forestry is available, the high rates of clearance of native vegetation for agricultural use in some countries (*e.g.* Australia, Mexico) are damaging biodiversity.

While the total areas of ***wetlands converted to farmland*** were only a small share of the total farmed area over the period 1985-89 to 2001-03, there has been a net loss of wetlands converted to agricultural use, although at a declining rate of loss, in Italy, Japan, Korea and Norway. Wetlands are highly valued habitats for biodiversity and their loss is of international significance as recognised through various International Environmental Agreements. For some countries, however, while the conservation and loss of farmed wetland habitats is an important issue, data on the extent of these farmed wetlands are poor.

A major share of agricultural ***semi-natural habitats*** consists of *permanent pasture*, which for most OECD countries has declined (1990-92 to 2002-04), mainly being converted to forestry, although for some countries pasture has also been converted for cultivation of arable and permanent crops (*e.g.* Australia, Mexico). However, for some types of semi-natural agricultural habitats (farm woodland and fallow land) the area has increased or remained stable for a number of countries.

For many OECD countries agriculture accounted for a major share of the harmful impacts affecting the quality of ***Important Bird Areas*** (IBAs) in the late 1990s, through a greater intensification of farming. In some cases, however, the conversion of agricultural land use to non-agricultural uses has reduced the habitat quality of IBAs, especially in marginal extensive farming areas.

Background

The Convention on Biological Diversity (CBD, 2002) defines agricultural biodiversity at levels from genes to ecosystems that are involved or impacted by agricultural production (Box 1.8.1). Agricultural biodiversity is distinct in that it is largely created, maintained, and managed by humans through a range of farming systems from subsistence to those using a range of biotechnologies and extensively modified terrestrial ecosystems. In this regard, agricultural biodiversity stands in contrast to "wild" biodiversity which is most valued *in situ* and as a product of natural evolution.

Box 1.8.1. **Defining agricultural biodiversity**

Drawing on the CBD definition of biodiversity, agricultural biodiversity in this report is defined in terms of three levels (OECD, 2001):

1. ***Genetic diversity:*** the number of genes within domesticated plants and livestock species and their wild relatives.
2. ***Species diversity:*** the number and population of wild species (flora and fauna) both dependent on, or impacted by, agricultural activities, including soil biodiversity and effects of non-native species on agriculture and biodiversity.
3. ***Ecosystem diversity:*** populations of domesticated and wild species and their non-living environment (*e.g.* climate), which make up an *agro-ecosystem* and is in contact with other ecosystems (*i.e.* forest, aquatic, steppe, rocky and urban). The agro-ecosystem consists of a variety of habitats limited to an area where the ecological components are quite homogenous and are cultivated, such as extensive pasture or an orchard, or are uncultivated but within a farming system, such as a wetland.

OECD countries employ a variety of policies and approaches to reconcile the need to enhance farm production, drawing on plant and livestock genetic resources, and yet reduce harmful biodiversity impacts, especially on wild species (*e.g.* birds) and habitats (*e.g.* wetlands). To better understand the complexity of agri-biodiversity linkages and with the aim of developing a set of indicators that can capture this complexity, the OECD has developed an Agri-Biodiversity Framework (ABF) (Figure 1.8.1; OECD 2003a).

The ABF recognises three key aspects in agri-biodiversity linkages. First, an agro-ecosystem provides both food and non-food commodities, and environmental services (*e.g.* scientific, recreational, ecological), which operate at varying spatial scales from the field to the global level. Second, the agro-ecosystem consists of plant and animal communities (domesticated crops and livestock, and wild species), which interact with the economic and social aspirations of farming. Third, the agro-ecosystem is linked to other ecosystems, both terrestrial (*e.g.* forests) and aquatic (*e.g.* wetlands), especially in terms of the effects of farming practices on other ecosystems but also the effects of these ecosystems on agriculture.

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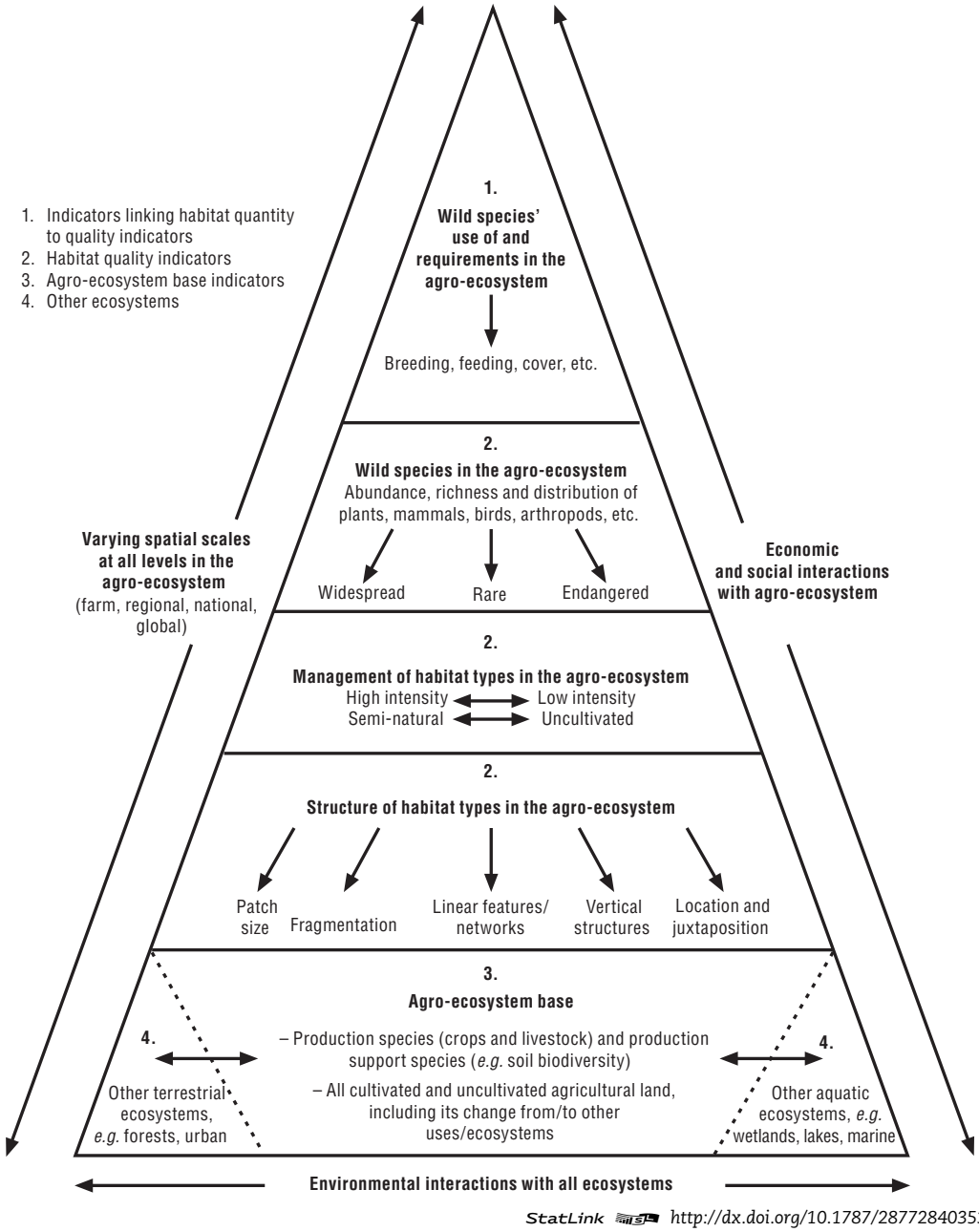
Figure 1.8.1. **OECD agri-biodiversity indicators framework**



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Source: OECD (2003a).

Within an agro-ecosystem the ABF highlights a hierarchical structure of three layers, from which OECD has developed the indicators in this section. The first layer is the production base of agriculture, in particular, its use of *genetic resources* (plants and livestock). A second layer consists of the structure (*e.g.* field mosaic, linear features) and management (*i.e.* variety of farming practices and systems) of *habitats* within the agro-ecosystem, which impacts on the third and final layer. This layer covers the abundance, richness and distribution of *wild species* either dependent on or impacted by agricultural activities.

1.8.1. Genetic diversity

Indicator definitions:

- Plant varieties registered and certified for marketing for the main crop categories (*i.e.* cereals, oilcrops, pulses and beans, root crops, fruit, vegetables and forage).
- Five dominant crop varieties in total marketed production for selected crops (*i.e.* wheat, barley, maize, oats, rapeseed, field peas and soyabeans).
- Area of land under transgenic crops in total agricultural land.
- Livestock breeds registered and certified for marketing for the main livestock categories (*i.e.* cattle, pigs, poultry, sheep and goats).
- Three dominant livestock breeds in total livestock numbers for the main livestock categories (*i.e.* cattle, pigs, poultry, sheep and goats).
- Livestock (*i.e.* cattle, pigs, poultry and sheep) in endangered and critical risk status categories and under conservation programmes.
- Status of plant and livestock genetic resources under *in situ* and *ex situ* national conservation programmes.

Concepts and interpretation

Genetic resources are the basic building block which enables plants and livestock to provide food and other commodities and is vital for increasing agricultural productivity (Rubenstein, *et al.*, 2005). The loss of varieties of crop plants and livestock breeds and their wild relatives, or genetic erosion, is a key biodiversity issue facing agriculture. The genetic loss of resources can increase social vulnerability to pathogens and increase the risks associated with securing food supplies (Heal *et al.*, 2004). Genetic erosion is due to a number of factors of which perhaps the most significant is the introduction and growing use of modern varieties and breeds followed by land use change. International co-operation on agricultural genetic resource conservation, including by the CBD and FAO, have helped to initiate changes in the way genetic resources are managed. Improved inventories, maintained by organisations like FAO, of traditional and native crop varieties and livestock breeds, assist national conservation programmes to avoid loss of genetic resources in agriculture.

Monitoring and interpreting the extent and changes in agricultural genetic resource (AGR) diversity and genetic erosion is complex, especially in tracking spatial and temporal changes (Rubenstein *et al.*, 2005). The focus of the OECD AGR indicators within the ABF is to:

1. track changes in AGR diversity used for agricultural production;
2. monitor to what extent AGR diversity is endangered or in a critical state of being lost; and
3. provide information on the current status of AGR under national conservation programmes.

Tracking changes in agricultural livestock genetic resources is somewhat more advanced than for crops. This is reflected in the greater progress that has been made in coverage of the FAO's database for livestock genetic diversity compared to crops (Scherf [2000] and the FAO website *www.fao.org/dad-is/*). Indeed, while an indicator is provided on trends in genetic erosion of livestock breeds, this is not possible at present for crops, although some countries are beginning to make progress in this area (Chapter 2).

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Interpreting trends in AGR indicators is difficult as comprehensive knowledge about the interactions and potential environmental impacts is not yet available. Moreover, some of the indicators in this section only provide indirect evidence of developments in AGR diversity (*i.e.* area planted to transgenic crops), while others mainly provide qualitative information (*i.e.* the status of AGR under national conservation programmes). Moreover, while the AGR indicators of varieties/breeds registered for marketing and the share in total crop production/livestock numbers are the best indicators currently available they do not indicate genetic distances between varieties/breeds and thus do not indicate the extent of change in genetic diversity. However, efforts to develop more robust indicators of changes in AGR diversity have progressed considerably in many OECD countries (OECD, 2003a).

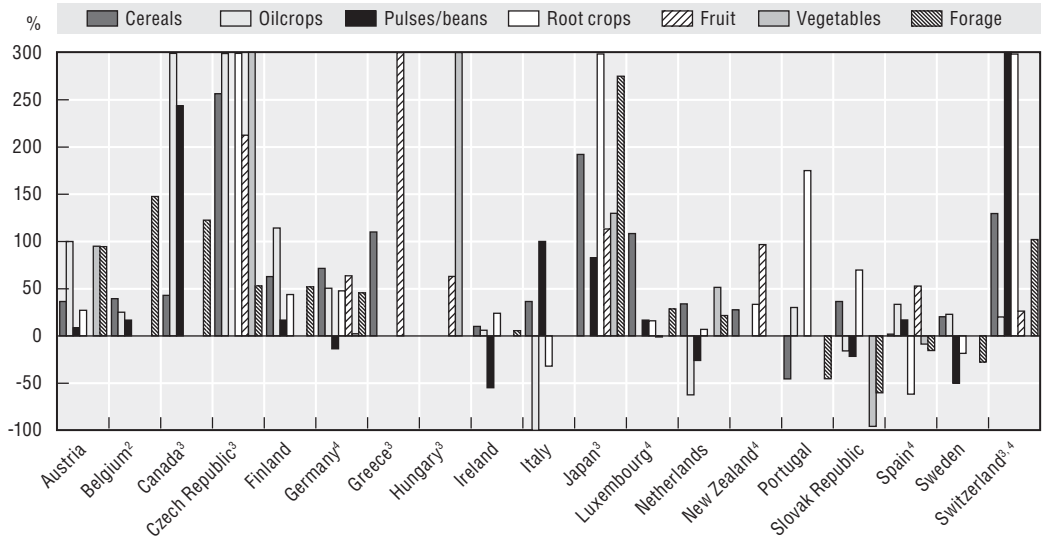
Overall changes in farming practices and systems (Section 1.9) are the key ***driving forces*** that link to the ***state*** of AGR diversity and ***responses*** in terms of national conservation programmes and in terms of areas under agri-biodiversity management plans (Section 1.9). There are also links with AGR and wild species, related to the concerns of modified genetic plants escaping into the "wild".

Recent trends

Agricultural plant genetic resources. Overall OECD trends (1990-2002) suggest that there is ***increasing diversity of crop varieties*** used in production, but the extent to which this is improving the environmental resilience of cropping systems and lowering risks to pathogens and disease remains unclear (Figures 1.8.2, 1.8.3). These trends are supported by other recent

Figure 1.8.2. **Change in the number of plant varieties registered and certified for marketing**[1]

% change 1990 to 2002



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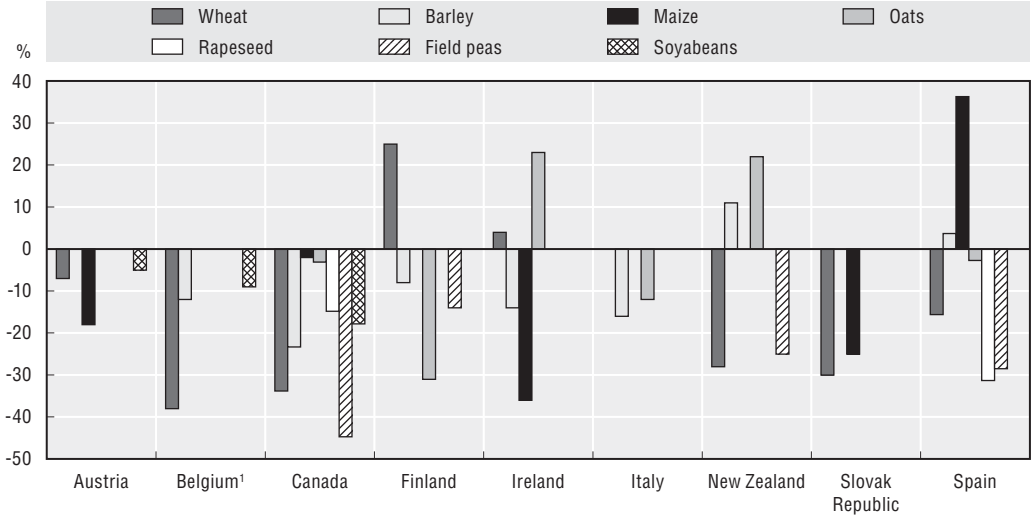
1. Industrial crop data are not included, because data are not available for many countries.
2. Data for 1990 and 2001 include only Flanders.
3. For Canada, the figure for oilcrops is 633%. For the Czech Republic, the figure for oilcrops is 486%; for root crops, 418%; and for vegetables, 307%. For Greece, the figure for fruit is 337%. For Hungary, the figure for vegetables is 465%. For Japan, the figure for rootcrops is 550%. For Switzerland, the figure for pulses/beans is 350%; and for rootcrops, 368%.
4. Percentages are zero or close to zero per cent for Germany (vegetables), Luxembourg (oilcrops, fruit, vegetables), New Zealand (forage), Spain (cereals), Switzerland (vegetables).

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

Figure 1.8.3. **Change in the share of the one-to-five dominant crop varieties in total marketed crop production**

% change 1990 to 2002



Percentage share of the one to five dominant crop varieties in total marketed crop production: 2002

	Wheat	Barley	Maize	Oats	Rapeseed	Field peas	Soyabeans
Austria	59	. .	37	. .	. .	. .	80
Belgium[1]	27	65	20	. .	100	. .	90
Canada	46	40	25	59	39	52	18
Finland	85	63	. .	50	. .	66	. .
Ireland	72	72	63	71	. .	. .	. .
Italy	. .	51	. .	77	. .	. .	. .
New Zealand	43	66	. .	58	. .	75	. .
Slovak Republic	46	. .	19	. .	. .	. .	. .
Spain	38	50	72	92	48	61	. .

StatLink http://dx.doi.org/10.1787/287780717261

n.a.: Not available.
1. Data for Flanders.
Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

studies, for example, in the **EU15** (EEA, 2005) and **United States** (Rubenstein *et al*., 2005). For only a few crops and countries, have the number of plants registered and certified for marketing declined over the past decade, notably for pulses, oilcrops and root crops, in **Italy**, the **Netherlands, Portugal, Slovak Republic, Spain** and **Sweden** (Figure 1.8.2). Similarly for only a few crops (wheat, maize, and oats) and countries (**Finland, Ireland, New Zealand, Spain**) did the trend in share of the dominant crop varieties in crop production tend to increase and their share in crop production rise above 70% (Figure 1.8.3).

A limited number of OECD countries report commercial production of ***genetically modified crops***, but account for two-thirds of the world global planted area of these types of crops (Table 1.8.1; James, 2005). The area sown to these crops has grown rapidly since the mid-1990s, especially in **Canada** and the **United States**, dominated by herbicide tolerant crops (soybean, maize, canola, and cotton). The development of transgenic crops has raised concerns over the possibility of genetic contamination of traditional species and wild relatives, such as maize in **Mexico** (OECD, 2005). **Mexico** is recognised as a "*Vavilov*" centre, which is an area where crops were first domesticated and have evolved over several thousand years, as is the case for maize (Chapter 3).

Table 1.8.1. **Area of transgenic crops for major producing countries**

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	% share in total agricultural area 2005[1]
	Million hectares										
OECD member countries											
Australia	< 0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.2	0.3	< 0.1
Canada	0.1	1.3	2.8	4.0	3.0	3.2	3.5	4.4	5.4	5.8	8.6
France	–	–	< 0.1	< 0.1	< 0.1	–	–	–	–	. .	–
Spain	–	–	< 0.1	< 0.1	< 0.1	< 0.1	< 0.1	< 0.1	0.1	0.1	0.3
Mexico	< 0.1	< 0.1	0.1	< 0.1	< 0.1	< 0.1	< 0.1	< 0.1	0.1	0.1	0.1
Portugal	–	–	–	< 0.1	–	–	–	–	–	. .	–
United States	1.5	8.1	20.5	28.7	30.3	35.7	39	42.8	47.6	49.8	12.2
OECD total	**1.6**	**9.5**	**23.5**	**32.8**	**33.5**	**39.1**	**42.6**	**47.3**	**53.4**	**56.1**	**4.4**
Non-OECD countries											
Argentina	0.1	1.4	4.3	6.7	10	11.8	13.5	13.9	16.2	17.1	–
Brazil	–	–	–	–	–	–	–	3.0	5.0	9.4	–
China	–	0	< 0.1	0.3	0.5	1.5	2.1	2.8	3.7	3.3	–
India	–	–	–	–	–	–	< 0.1	0.1	0.5	1.3	–
Paraguay	–	–	–	–	–	–	–	–	1.2	1.8	–
South Africa	–	–	< 0.1	0.1	0.2	0.2	0.3	0.4	0.5	0.5	–
Other countries[2]	–	–	–	< 0.1	< 0.1	< 0.1	< 0.1	< 0.1	0.4	0.5	–
Non member total	**0.1**	**1.4**	**4.3**	**7.1**	**10.7**	**13.5**	**15.9**	**20.2**	**27.5**	**33.9**	**–**
World total	**1.7**	**10.9**	**27.8**	**39.9**	**44.2**	**52.6**	**58.5**	**67.5**	**80.9**	**90.0**	**–**

StatLink http://dx.doi.org/10.1787/301485803421

. .: Not available.
1. 2003 agricultural area used in calculation.
2. Other countries include: Bulgaria, Colombia, Honduras, Indonesia, Philippines, Romania, Ukraine and Uruguay.
Source: ISAAA (2006).

There is a considerable and expanding effort within all OECD countries to ***conserve plant genetic resources*** and to maintain a broad base of genetic resources useful for crop improvement. The state of the *in situ* and *ex situ* plant genetic resources conservation efforts by OECD countries summarised in Table 1.8.2 provides a narrative on the development of plant genetic collections (*ex situ* genebanks) and field (*in situ*) conservation. Over 1 300 genebanks have now been established globally, containing over 6 million

Table 1.8.2. **Plant genetic resource conservation activities for OECD countries**

2004

	In situ conservation[1]		*Ex situ* conservation[1]		Institutions-programmes-databases[2]
	Status	Activities	Status	Activities	
Austria	n.a.	On-farm conservation.	I	8 000 accessions, 246 species.	ÖPUL-Program, Austrian Agency for Health and Food Safety.
Belgium	I	Fruit, vegetables, fodder grasses, horticultural varieties.	n.a.	n.a.	Department of Plant Genetics and Breeding of the Agricultural Research Centre.
Canada	I	Network of protected areas for native plant species.	I	> 100 000 accessions, 850 species.	Agriculture and Agri-Food Canada GRIN-CA database.
Czech Republic	I	On-going propagation of horticultural varieties.	I	52 000 acccessions including all major cereal crops, fruit plants, vegetables and grasses.	Research Institute of Crop Production EVIGEZ database.
Finland	S	Limited areas of conserved species, clonal archives of fruit and berries.	S	Contributor and member of Nordic Gene Bank.	National Plant Genetic Resources Programme initiated, Nordic Gene Bank.

Table 1.8.2. **Plant genetic resource conservation activities for OECD countries** *(cont.)*

2004

	In situ conservation[1]		*Ex situ* conservation[1]		Institutions-programmes-databases[2]
	Status	Activities	Status	Activities	
Germany	I	*In situ* conservation inventory and development (including on-farm management) of plant genetic resources in the framework of the National Programme; Promotion of *in situ* conservation of wild species related to cultivated plants and wild plants relevant to food.	S	Approx. 150 000 accessions of more than 2 000 species.	Information and Coordination Centre for Biological Diversity (IBV, *www.ble.de/*); National Work Programme on Plant Genetic Resources of Agricultural and Horticultural Crops (*www.genres.de/pgr/nationales_fachprogramm/*); Collections of Plant Genetic Resources in Germany (PGRDEU, *www.genres.de/pgrdeu/*).
Greece	I	New programme in field protection and cultivation of 77 species and local varieties.	S	Renewed effort 2003-08 to conserve endangered germplasm, presently 8 500 accessions.	Various Directorates of the Greek Ministry of Agriculture.
Hungary	I	On-farm conservation.	S	Over 100 000 accessions of which about a quarter are cereal accessions.	National Gene Bank Council and National Genetic Resources Database.
Italy	n.a.	n.a.	S	Significant accessions of major cereal crops.	Italian institutions as well as the FAO and the International Plant Genetics Research Institute
Korea	n.a.	National seed genebank is surveying the distribution of some wild relatives of crop species and diversity assessment of weedy types found on farmland.	I	113 702 accessions of cereal crops, 18 273 of industrial and medicinal plants, 13 820 of vegetables and fruit trees and 3 947 of forage crops.	National Seed Genebank.
Netherlands	n.a.	Limited activities are undertaken. Research into the diversity of traditional grassland is ongoing.	I	22 866 accessions covering 20 crops.	Centre for Genetic Resources (CGN).
New Zealand[3]	n.a.	Extensive conservation, much of which has formal legal protection as being part of national and local reserves systems but many ecosystems are under pressure, in particular from exotic animals and plant pests.	n.a.	A large part of the flora is represented in *ex situ* collections, but information exchange between collections is poorly coordinated.	The Department of Conservation and Ministry for the Environment developed a national strategy which includes public consultation since 1997.
Portugal	n.a.	On-farm conservation, mainly maize and beans.	I	37 500 accessions including all major cereal crops, common beans, fruit trees, aromatic and medicinal plants and some crop wild relatives.	INIAP and Banco Portugues Germoplasma Vegetal (seed and field banks), Regional Agricultura Services (field banks) and University Departments (seed banks).
Switzerland	S	On-farm conservation programmes for fruit, trees, forage crops, wine grapes and cereals.	S	13 400 accessions. 131 species.	National database under construction including all genetic resources conserved by public and private organisations.
Turkey	n.a.	15 species are under conservation. Accession number is unknown.	n.a.	52 920 accessions from 657 genus are available in the seed bank, with 5 944 accesions of vegetative material in gene banks.	Aegean Agricultural Research Institute (AARI) seed bank, AARI field bank, central Research Institute for Field Crops gene bank.
United Kingdom	n.a.	Inventory of *in situ* plant genetic resources under way.	S	> 130 000 accessions in gene banks.	Numerous government and university departments, Kew Royal Botanic Gardens.
United States	n.a.	n.a.	I	US National Plant Germplasm Sytem maintained 450 000 accessions, 10 330 species.	Agricultural Research Service, US Department of Agriculture.

StatLink http://dx.doi.org/10.1787/301534422511

n.a.: Not available. I: Increasing. S: Stable.

Source:

1. OECD Agri-environmental Indicators Questionnaire, unpublished.
2. OECD Agri-environmental Indicators Questionnaire, unpublished, and International Plant Genetic Resources Institute database.
3. Conservation and Use of Plant Genetic Resources, Ministry of Agriculture Policy Public Information Paper 12 (June 1996).

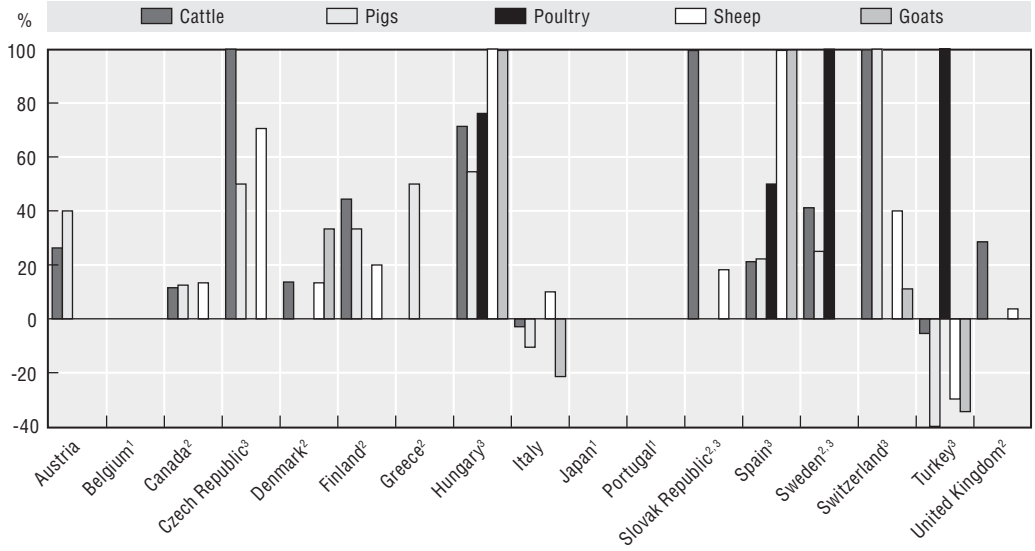
accessions (FAO, 1996). The **United States** has one of the world's largest collections of plant samples in its genebanks and conserves almost half a million different samples, distributing more than 100 000 samples annually.

Genetic conservation is moving beyond just crop genebanks, the traditional *ex situ* conservation method, to include more *in situ* conservation efforts (Table 1.8.2). In part, this stems from the recognition that certain key elements of crop genetic resources cannot be captured and stored off-site, and that when plants are left in the field they naturally continue to generate new genetic resources and provide natural laboratories for research. *In situ* conservation helps to counter the loss of crop varieties from genebanks, and ultimately provides a backup to gene bank collections. There are limited data, however, on endangered crop varieties to decipher any OECD wide trends (Chapter 2).

Agricultural livestock genetic resources. Livestock genetic diversity for OECD overall, like crops, suggest that there is ***increasing diversity of livestock breeds*** used in production (1990-2002), but the extent to which this is improving the environmental resilience of livestock production systems and lowering risks to pathogens and disease remains unclear. The number of livestock breeds registered for marketing and as a share of overall livestock numbers increased, except for some livestock breeds in **Italy** and **Turkey** (Figure 1.8.4). There was also a reduction in most countries of the share of the major livestock breeds in total livestock numbers a further sign of increasing diversity, notably for

Figure 1.8.4. **Change in the number of livestock breeds registered and certified for marketing**

% change 1990-2002



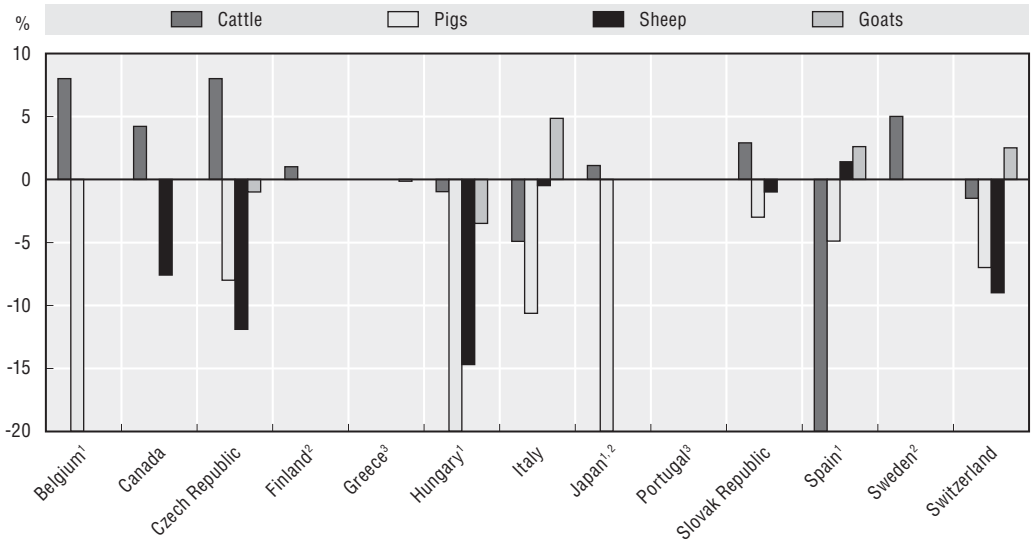
StatLink http://dx.doi.org/10.1787/288005800684

1. For Belgium, Japan and Portugal there was no change in the number of breeds registered or certified for marketing between 1990 and 2002.
2. Percentages are equal to zero for Canada (goats), Denmark (pigs, poultry), Finland (poultry), Greece (cattle, poultry, sheep, goats), Slovak Republic (pigs), Sweden (sheep), United Kingdom (pigs).
3. For the Czech Republic cattle data are 157%. For Hungary sheep data are 150% and goat data are 300%. For Slovak Republic cattle data are 267%. For Spain sheep data are 113% and goat data are 175%. For Sweden poultry data are 100%. For Switzerland cattle data are 167% and pig data are 100%. For Turkey pig data are –75% and poultry data are 167%. Data for the year 2002 refer to the year 2000.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

Figure 1.8.5. **Change in the share of the three major livestock breeds in total livestock numbers**

Change in the share of three major livestock breeds in total livestock numbers between 1990 to 2002 (for each category of livestock)



% share in 2002

	Cattle	Pigs	Sheep	Goats
Belgium	90	29	. .	. .
Canada	99	. .	45	. .
Czech Republic	98	81	46	99
Finland	100	100	100	. .
Greece	98	93	68	100
Hungary	92	52	79	97
Italy	88	88	95	99
Japan	99	70	100	. .
Portugal	50	. .	40	40
Slovak Republic	98	94	97	. .
Spain	28	6	28	30
Sweden	90	90	95	95
Switzerland	97	93	77	72

StatLink http://dx.doi.org/10.1787/288015542514

n.a.: Not available.

Note: The hybrid, cross livestock breeds (class "Other") are not included in this indicator calculation although this class represents the biggest percentage (60%, 70%, 80% and 90%) of all categories.

1. Refers only to Flanders, pig data are –51%. For Hungary pig data are –33%. For Japan pig data are –28%. For Spain cattle data are –25%.
2. Percentages are zero per cent for Finland (pigs, sheep), Japan (sheep) and Sweden (goats).
3. For Greece and Portugal there was no change in the number of breeds registered or certified for marketing between 1990 to 2002.

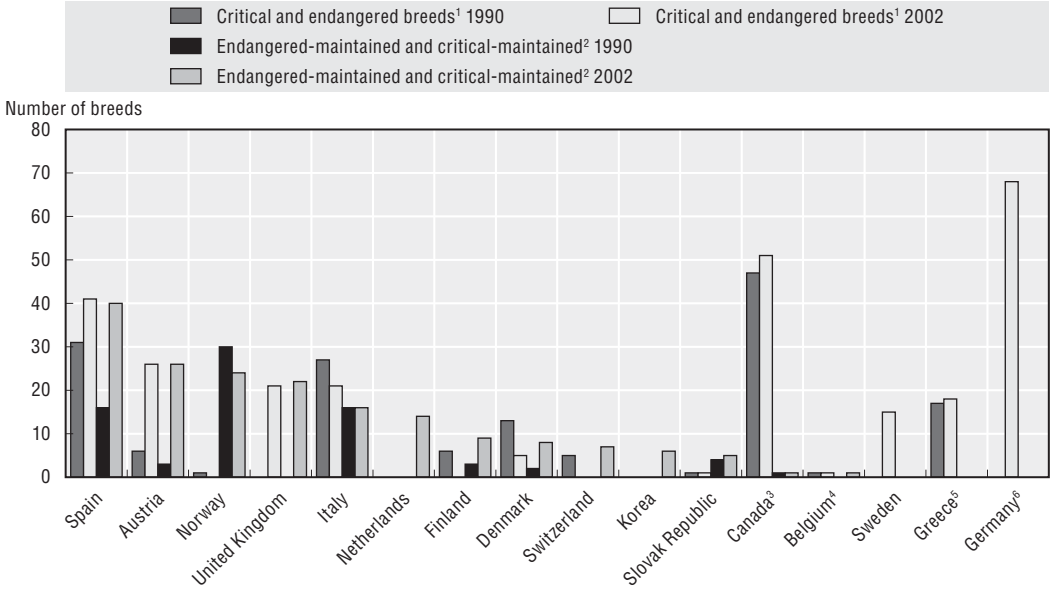
Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

pigs, although for some countries the share for major cattle and goat breeds increased (Figure 1.8.5). The dominance of a few breeds in total livestock numbers is more pronounced than for crops, especially cattle which are mainly in excess of 90% (Figure 1.8.5).

Concerning OECD trends (1990-2002) for the number of ***endangered and critical livestock breeds*** (total of cattle, pigs, poultry and sheep) there is a mixed picture, increasing in some cases (**Austria, Canada, Spain**) and declining for others (**Denmark, Greece, Italy**) (Figure 1.8.6). In some countries indigenous breeds are being replaced by a few high

Figure 1.8.6. **Total number of cattle, pigs, poultry and sheep in endangered and critical risk status and under conservation programmes**

1990 and 2002



	Critical and endangered breeds[1]		Endangered and critical breeds under maintained (conservation) programmes[2]	
	Number			
	1990	2002	1990	2002
Spain	31	41	16	40
Austria	6	26	3	26
Norway	1	. .	30	24
United Kingdom	. .	21	. .	22
Italy	27	21	16	16
Netherlands	. .	. .	. .	14
Finland	6	. .	3	9
Denmark	13	5	2	8
Switzerland	5	. .	. .	7
Korea	. .	. .	. .	6
Slovak Republic	1	1	4	5
Canada[3]	47	51	1	1
Belgium[4]	1	1	. .	1
Sweden	. .	15	. .	. .
Greece[5]	17	18	. .	. .
Germany[6]	. .	68	. .	. .

StatLink http://dx.doi.org/10.1787/288042207583

n.a.: Not available.

1. *Critical:* The total number of breeding females is less than or equal to 100 or the total number of breeding males is less than or equal to 5; or if the overall population size is less than or equal to 120 and decreasing the percentage of females being bred to males of the same breed is below 80%. *Endangered:* the total number of breeding females is greater than 100 and less than or equal to 1 000 or the total number of breeding males is less than or equal to 20 and greater than 5; or if the overall population size is greater than 80 and less than 100 and decreasing and the percentage of females being bred to males of the same breed is above 80%; or if the overall population size is greater than 1 000 and less than or equal to 1 200 and decreasing and the percentage of females being bred to males of the same breed is below 80%.
2. This category identifies populations for which active conservation programmes are in place or those that are maintained by commercial companies or research institutes.
3. Data for pigs and sheep 1990 refer to 1995.
4. Data only for Flanders refer to cows.
5. Data for 1990 refer to 1985.
6. Data for cattle, pigs and sheep 2002 refer to 2000.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

production breeds (OECD, 2003b; 2004b). Across different livestock categories considered within the endangered and critical risk category, cattle and sheep breeds have the highest numbers of breeds at risk relative to pigs and poultry for most countries in 2002. There is also an issue of the change in number of animals within an endangered breed, but there is little data on this across OECD countries. For example, in **Norway** for one of its endangered cow breeds (the Norwegian West Coast cow) numbers have decreased over the past decade from 500 to 200 remaining animals (Chapter 3).

Most countries have implemented ***conservation programmes*** designed to protect and enhance the populations of endangered and critical livestock breeds, and the number of breeds included under these programmes increasing (Figure 1.8.6). **Canada** is a notable exception, with only 1 out of 51 critical and endangered livestock breeds within a conservation programme in 2002 (Figure 1.8.6), although efforts to expand conservation are underway (Table 1.8.3). Moreover, most countries report an increasing number of semen samples stored *ex situ* in genebanks and an expanding number of activities for *in situ*

Table 1.8.3. **Livestock genetic resource conservation activities for OECD countries**

2004

	In situ conservation[1]		*Ex situ* conservation[1]		Institutions-programmes-databases
	Status	Activities	Status	Activities	
Austria	S/I	ÖPUL 2000 measure covering breeding of endangered breeds.	S/I	Austrian Gene Bank stores semen and DNA from all endangered Austrian breeds. Live animal collections in zoos.	n.a.
Canada	I	Many new areas are identified each year based on their uniqueness.	I	Continue to expand its conservation efforts. Database has developed to reflect its national farm holdings.	Canadian livestock gene bank, Database (GRIN-CA).
Czech Republic	I	Cattle (2), sheep (1, since 1998: 2 breeds), goats (2), pig (1), horses (5), poultry (2), later also rabbits (7), nutrias (3), fish (7) and honey bees (1) are covered in the National Programme.	I	Gene bank collect semen, embryos and blood/DNA samples.	National Programme (since 1995), Gene bank (since 2000).
European Union	n.a.	The Community programme for conservation of genetic resources (*in situ* and *ex situ* conservation) and the agri-environmental measures to support breeds in danger of being lost to farming (*in situ*). In 2001, 138 800 endangered livestock units under protection schemes.		The Community programme for conservation of genetic resources (*in situ* and *ex situ* conservation).	n.a.
Finland	I	1985: 2 breeds, 2002: 9 breeds (all endangered ones).	n.a.	No programme yet, but strategic plan ready.	The National Animal Genetic Resources Programme was finalised in 2004.
Germany	S	46 breeds (horses 13, cattle 12, sheep 13, goats 3, pigs 5), 76 measures, in total.	S	Semen stored as cryopreserved.	Information and Coordination Centre for Biological Diversity (IBV, *www.ble.de/*); National Work Programme on Animal Genetic Resources (*www.genres.de/tgr/nationales_fachprogramm/*); central documentation of Animal Genetic Resources in Germany (TGRDEU: *www.genres.de/tgrdeu/*).
Greece	I	Number of rare breeds which include cattle, sheep, goat and horses are increased to 32 857 (in 2002) from 26 774 (in 1999).	n.a.	Supporting and enhancing research.	Agri-environmental Programme was implemented in 1998, and was last amended in 2003.
Ireland[2]	I	Provide financial support towards the *in situ* conservation of endangered native breeds.	I	Kerry Cattle Society. No *ex situ* conservation for cattle (except Kerry), horse and sheep.	Rural Environmental Protection Scheme (REPS) (since 1994), database: Cattle Movement Monitoring System (CMMS- the national database identifying all bovines).

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Table 1.8.3. **Livestock genetic resource conservation activities for OECD countries** *(cont.)*

2004

	In situ conservation[1]		*Ex situ* conservation[1]		Institutions-programmes-databases
	Status	Activities	Status	Activities	
Mexico	n.a.	Some conservation efforts by public universities and research stations are being done for cattle, pigs, sheep and poultry.	n.a.	A conservation project of a horse criollo breed is being carried out on a military farm.	There are organised conservation programmes.
Netherlands	I	Growing interest can be noted for *in situ* conservation for rare breeds of Dutch origin, taking into account new functions of farm animals (recreation, nature/landscape management).	I	Growing number of breeds has been cryo-conserved in gene bank.	Database is available at the Centre for Genetic Resources.
Norway	n.a.	n.a.	I	Collection and storage of genetic material as semen.	n.a.
Portugal	n.a.	Producers receive financial support to maintain breeds which are threatened. In addition, a mating plan aimed at maintaining within breed genetic diversity is underway.	n.a.	A comprehensive programme aimed at *ex situ* conservation of germplasm samples of all native breeds of livestock is underway.	n.a.
Slovak Republic	n.a.	The preservation is related approximately to 5 000 cows (2 breeds) and 5 000 ewes (3 breeds). Few native and locally adapted horse and poultry breeds are under support programmes.	n.a.	With main species, cryoconservation of semen in cattle was established. ID of 43 bulls (on average 500 per bull) are preserved.	Basic principles of *in situ* and *ex situ* conservation methods are defined by Act No. 194 of 1998 on Farm Animal Breeding.
Spain	n.a.	From 1997 to 2004, 10 new horse breeds have been recognized (out of a total of 20 indigenous breeds), 7 (out of 34) cattle, 25 sheep (out of 42), 10 goats (out of 22) and 2 (out of 6) pigs. Most of them have recognised associations and programmes approved.	n.a.	Gene bank collect semen, embryos and blood/DNA samples. The national Commission of the Ministry of Agriculture for reproduction co-ordinates the activities.	The Spanish livestock breeds Committee of the Ministry of Agriculture approves new breeds, co-ordinating the work of the autonomous regional authorities and the scientific institutions. A Spanish national programme and database is implemented.
Switzerland	n.a.	Most of the conservation measures are implemented *in situ*: since 1999 appropriate conservation programmes have been started regarding the endangered Swiss breeds. Programmes are underway for 9 breeds (6 endangered breeds and 3 for breeds under observation).	n.a.	The conservation of breeds of goats, the Freiberger horse and Evolène bovines are aided by *ex situ* projects (setting up of sperm banks).	n.a.
Turkey	n.a.	Native breeds covering 4 cattle, 4 sheep, 1 goat, 2 poultry, 1 water buffalo, 1 rabbit and 1 bee and 3 silkworm lines have been conserved at Research Institutes of the General Directorate of Agricultural Research.	n.a.		Animal genetic resource conservation project (since 1995).
United Kingdom[3]	n.a.	Conservation has been in the hands of NGOs. Breed analysis, niche marketing, traditional breed incentive and scrapie genotyping (only for sheep) are going on.	n.a.	Cattle, equine, goat, pig and sheep: semen and blood stored.	The Rare Breeds Survival Trust (RBST), UK national database on AnGR (since 1997).
United States	S	Primarily a private sector activity. There is no financial assistance to producers that maintain rare breeds *in situ*.	I	Development of cryopreserved germplasm samples for all livestock breeds.	A national effort was initiated in 1999 (*ex situ*).

StatLink http://dx.doi.org/10.1787/301534783708

n.a.: Not available. I: Increasing. S: Stable.

Source:

1. OECD Agri-environmental Indicators Questionnaire, unpublished.
2. Ireland's Farm Animal Genetic Resources country report to the FAO.
3. UK's Farm Animal Genetic Resources country report to the FAO (2002).

conservation of rare breeds (Table 1.8.3). Although not shown in Table 1.8.3, **Australia** has no conservation programmes for rare breeds or livestock genebanks, and in a number of other countries *in situ* conservation of rare breeds is undertaken by voluntary societies.

1.8.2. Wild species diversity

Indicator definitions:

- Wild species that use agricultural land as primary habitat.
- Populations of a selected group of breeding bird species that are dependent on agricultural land for nesting or breeding.

Concepts and interpretation

Agriculture is the major land user in many OECD countries (Section 1.1). As such, agriculture has a direct impact on species' habitats and indirect impacts on the existence of the species themselves, but the interactions and relationships that control impacts are complex (Figure 1.8.1). Moreover, the consequences of farming activities on wild species are especially important in those OECD countries (*e.g.* **Australia, Mexico**) which have a "megadiversity" status (*i.e.* countries with a high share of the world's wild flora and fauna species).

There has been progress made with methods to calculate some indicators of wild species biodiversity related to agriculture (OECD, 2003a). However, there are few comparative, quantitative data available relating to the status of wild flora and fauna species associated with agriculture across OECD countries. The notable exception are bird populations, although more data are also becoming available on butterflies, but for flora the data are much poorer.

Birds can act as "indicator species" providing a barometer of the health of the environment. The indicator used in this section mainly draws on BirdLife International's (BI) bird population dataset. BI treats data with statistical techniques that enable calculation of national species' indices and their combination into supranational indices for species, weighted by estimates of national population sizes (BirdLife International, 2004). Weighting allows for the fact that different countries hold different proportions of each species' population. Supranational indices for species were then combined (on a geometric scale) to create multi-species indicators, fixed (for the purpose of presentation) to a value of 100 in 2000.

Wild species that provide essential services to agriculture such as pollinators, predators and soil biota, and a vast array of microbial species that contribute indirectly to food production, are rarely assessed. But some countries, however, are beginning to monitor these aspects of agri-biodiversity under national biodiversity strategies (OECD, 2003a), especially for soil biodiversity (Chapter 2; OECD, 2004c).

Interpretation of indicators related to wild species using of agricultural land as a primary habitat for feeding and/or breeding need to be treated cautiously. While populations of flora and fauna are impacted by agricultural activities, such as the loss of habitats on farmland, many other factors external to farming also affect population dynamics, such as changes in populations of "natural" predators, the weather, and over longer periods of climate change. A further issue is defining primary agricultural habitat,

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as some species may use farmland as a feeding area but breed in an adjoining forest, while changes in adjacent ecosystems may themselves affect species using farmland. Setting baselines from which to assess changes in wildlife populations also raises a number of issues. As for the other indicators in this report the early 1990s is used as the baseline period from which to assess change, but other baselines can be relevant, such as 1992, the time of the CBD agreement (OECD, 2003a).

Overall changes in farming management practices and systems (Section 1.9) and the intensity of input use, especially nutrients (Section 1.2), pesticides (Section 1.3) and water (Section 1.6), are the key ***driving forces*** that link to the ***state*** of wild species related to farming and ***responses*** in terms of wild species conservation programmes as part of broader agri-biodiversity management plans (Section 1.9).

Recent trends

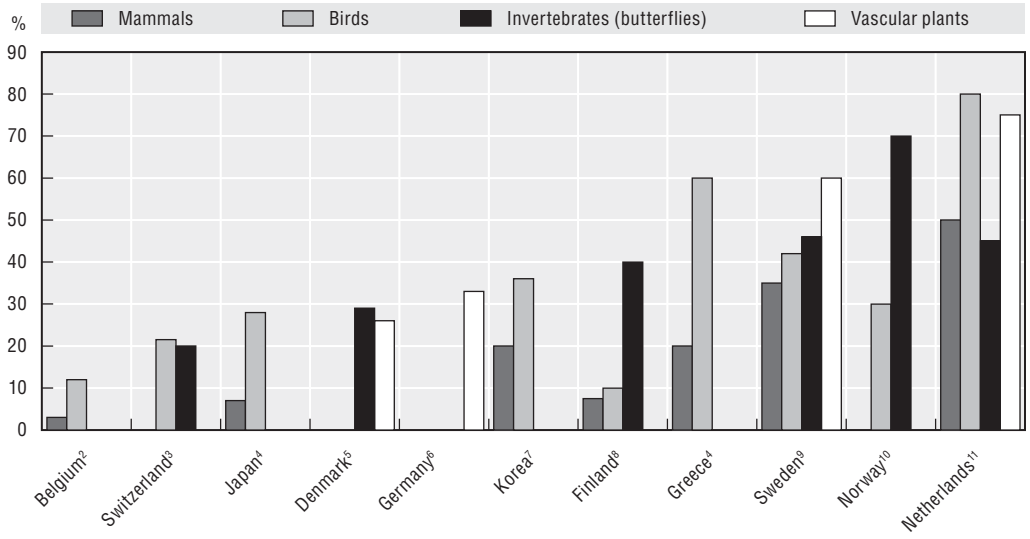
In many OECD countries agriculture is a major primary habitat for certain populations of wild species, and provides habitat for the remaining species following the conversion of "natural" habitat to farmland (Figure 1.8.7). This is particularly the case for birds and to a lesser extent butterflies, but for flora the situation is variable across countries, and for mammals farmland is less important as a habitat in many cases. In a few countries (notably **Japan** and **Korea**) where paddy rice agriculture is widely practised, this system of farming can also provide habitat for fish, amphibians and reptiles depending on the management practices. Also, some countries report that agriculture is the major threat to the nation's endangered wild species (**France, United States**, Chapter 3). The importance of agricultural land for wild species should also be viewed in the context that farming accounts for almost 40% of total OECD land use (2002-04), although the total OECD agricultural land area declined by almost 4% over the period 1990 to 2004 (Section 1.1.3).

Trends in OECD farmland bird populations showed a decline over the period 1991 to 2004 (Figure 1.8.8). In many cases the decrease in farmland bird populations was much less pronounced than had occurred over the 1980s, and for some countries populations have been rising since the early 2000s. This is partly associated with efforts beginning in the 1990s to introduce agri-environmental schemes aimed at encouraging bird conservation (BirdLife International, 2004). In other cases changes in farm management practices, such as increasing the area under conservation tillage has increased feed supplies for wild species (**United States**). Toxic effects of pesticides on wild species (*e.g.* birds, worms, aquatic species) has been declining over recent years (see Section 1.3.2) in **Belgium, Denmark, Germany**, and the **Netherlands**.

In other countries there has been a marked reduction in bird populations (*e.g.* **Canada, France**, Figure 1.8.8). In **France**, while the decline in farmland birds was more than –10% over the period 1990 to 2004, the decrease in the national average bird populations was –3% only (Chapter 3). Agriculture's continued pressure on biodiversity in most countries, is largely explained by greater use of pesticides and nutrients (leading to eutrophication of aquatic habitats), the loss of habitat (*e.g.* draining wetlands), overgrazing, lowering of groundwater tables and river flows, field consolidation, and for a few countries expansion in the area farmed. This has damaged not only bird populations but has also adversely affected populations of invertebrates (see EEA, 2005 on European butterfly populations), mammals and flora in many countries, both terrestrial and aquatic species in fresh water

Figure 1.8.7. **Share of selected wild species that use agricultural land as primary habitat**[1]

Late 1990s/early 2000s



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Note: Data are not available for all categories of wild species for all countries.

1. These data should be interpreted with care as definitions of the use of agricultural land as habitat by wild species can vary. Species can use agricultural land as "primary" habitat (strongly dependent on habitat) or "secondary" habitat (uses habitat but not dependent on it).
2. Data represent only Flanders; data for invertebrates and vascular plants are not available.
3. Data for vascular plants are not available, data for birds and butterflies from OECD (2003a).
4. Data for invertebrates and vascular plants are not available.
5. Data for mammals and birds are not available.
6. Data for mammals, birds and invertebrates are not available; it is estimated that about 50% of all wild species (animals and plants) depend on agricultural habitats.
7. Data for invertebrates and vascular plants are not available; data from OECD (2003a).
8. Data for mammals are between 5% and 10%. Data for vascular plants are not available; data for butterflies 2002, from OECD (2003a).
9. Invertebrates: butterflies, beetles, aculeata hymenoptera, a number of smaller groups, plus an estimate of flies (diptera) and other hymenoptera. Overall the Swedish estimate is based on about one third of the known number of invertebrate species in Sweden.
10. Data for mammals and vascular plants are not available
11. Share of all wild species on agricultural land classified into high, moderate, and low dependence; mammals: including rodents; birds: breeding birds.

Source: OECD Agri-environmental Indicators Questionnaires, unpublished.

and coastal areas (Chapter 3). In **Australia**, for example, agriculture has been identified as the major source of pollution threatening the Great Barrier Reef, a major marine coral aquatic ecosystem, and now included as a UNESCO World Heritage Site (Chapter 3).

1.8.3. Ecosystem diversity

Indicator definitions:

- Conversion of agricultural land area to (land exits) and from (land entries) other land uses (*i.e.* forest land; built-up land, wetlands, and other rural land).
- Area of agricultural semi-natural habitats (*i.e.* fallow land, farm woodlands) in the total agricultural land area.
- National important bird habitat areas where intensive agricultural practices are identified as either posing a serious threat or a high impact on the area's ecological function.

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Figure 1.8.8. **Population trends of farmland birds**

2000 = 100[1]

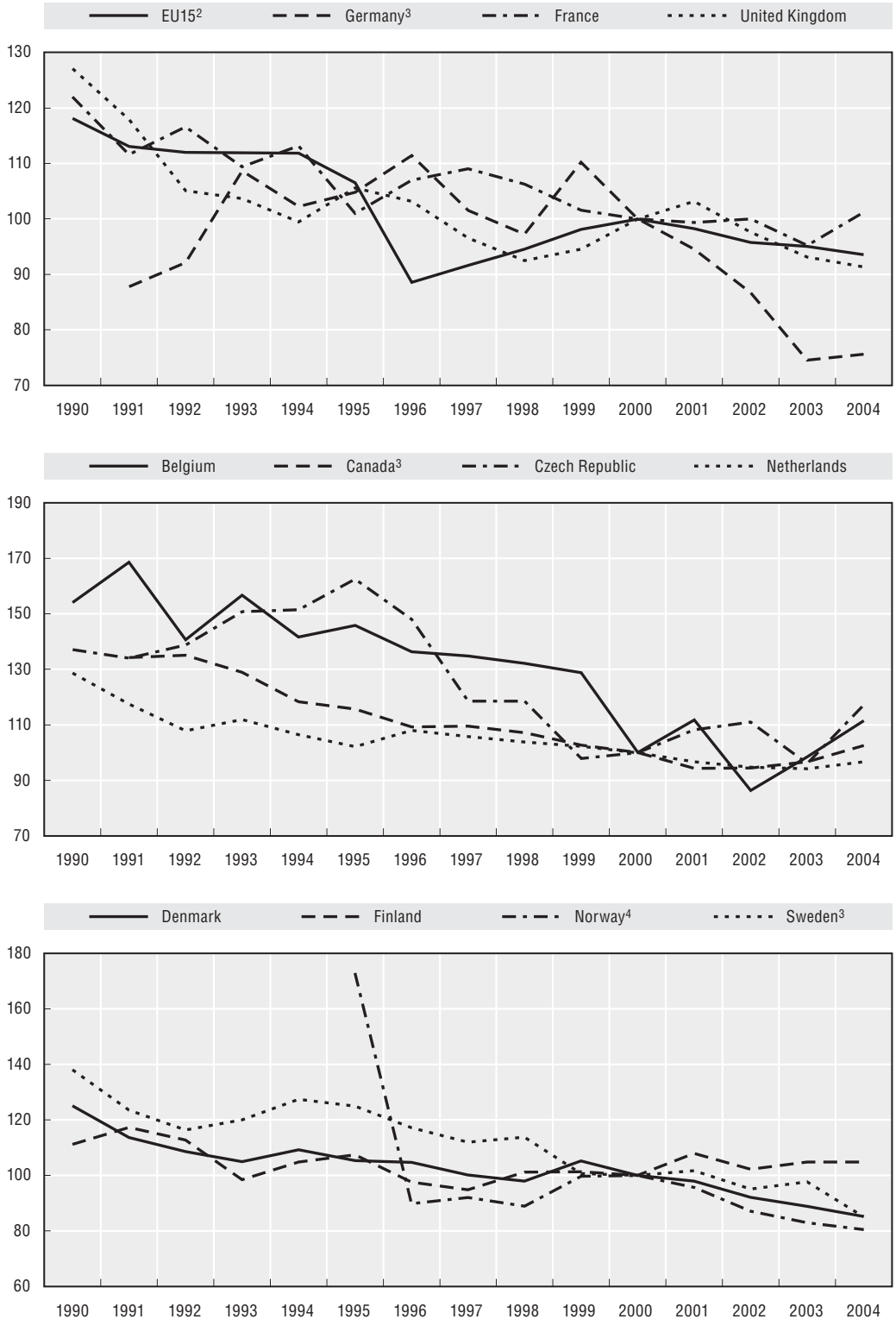
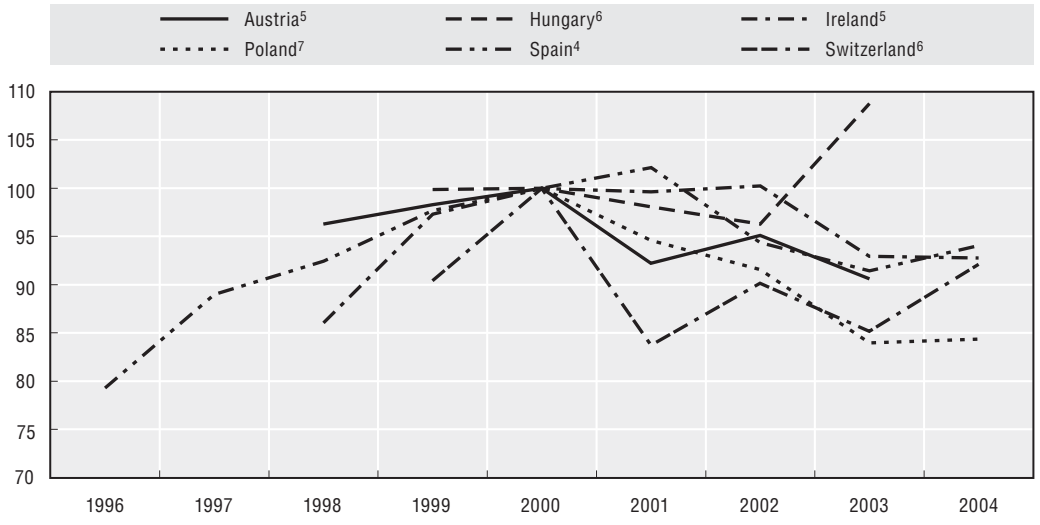


Figure 1.8.8. **Population trends of farmland birds** *(cont.)*

2000 = 100[1]



StatLink http://dx.doi.org/10.1787/288057486058

1. Aggregated index of population estimates of a selected group of breeding bird species that are dependent on agricultural land for nesting or breeding. For detailed notes, see *www.epp.eurostat.cec.eu.int*.
2. For EU15, values are estimated.
3. Values are not available for the following countries: Canada (1990), Germany (1990).
4. For 1990-95 values are not available for the following countries: Norway, Spain.
5. For 1990-97: Austria and Ireland.
6. For 1990-98 values are not available for the following countries: Switzerland and Hungary.
7. For 1990-99: Poland. National data.

Source: Pan-European Common Bird Monitoring Scheme (2007); Canadian Wildlife Service National Site (CWS).

Concepts and interpretation

Despite increasing scientific knowledge of the ecological functions of biodiversity, habitat monitoring and assessment systems are, for most OECD countries, poor in terms of disaggregated time series. Many countries, however, are beginning to make an effort to monitor changes in semi-natural and uncultivated habitat areas on farmland as part of a broader national biodiversity management plan. Even so, by examining net conversions of agricultural land to other ecosystems (*e.g.* forests), changes in areas of semi-natural and uncultivated habitats on farmland, as well as the share of important bird habitat areas impacted by agriculture, some estimate of overall ecosystem diversity can be inferred.

The indicator of the net conversion of agricultural to other land uses, is calculated as the difference between land converted to agricultural use (land entry) and land leaving agriculture (land exit), covering wetlands, forests, built-up areas (*i.e.* for urban use and transport) and other rural land uses, such as land left to grow in a "wild" state. Although these land classes are broadly defined, nevertheless, they provide some idea of the likely impacts on biodiversity from agricultural land use changes, but these changes need to be interpreted carefully. For example, while the conversion of farmland to a forest can be beneficial to biodiversity, it will depend on both the quality of farmed habitat loss to forestry and also whether the forest is developed commercially or left to develop naturally. The conversion of a mountain pasture area that may support a rich variety of wild flora and fauna to a forest planted to a monoculture of pines, for example, could be detrimental for biodiversity. Also for some countries wetlands can be farmed (*e.g.* grazed water meadows, and paddy fields), but their importance for supporting wildlife will depend on how they are

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managed, especially in terms of livestock densities, farm chemical input use, and cultivation practices. However, conversion of farmland to urban use will lead to the loss of biodiversity, especially changing farmland to artificial surfaces (soil sealing).

Tracking changes in the area of agricultural semi-natural habitats provides information on the extent of land that is subject to relatively "low intensity" farming practices, such as wooded pastures and extensive grasslands with little, if any, use of fertilisers and pesticides used in their management, or not farmed at all, such as fallow land (uncultivated habitats on farmland, such as hedges, are examined in Chapter 2). A major difficulty in assessing changes in semi-natural habitats on agricultural land is their definition in terms of what constitutes "semi-natural" across different farming systems and countries, although international agreements, such as the CBD, are beginning to address this issue. A further limitation of this indicator is that at present, for most countries, data of semi-natural habitats are collected at fairly broad levels of aggregation which impairs analysis of potential impacts on biodiversity.

BirdLife International have developed an information base on *Important Bird Areas* (IBAs) across most OECD countries. The IBAs are defined by BirdLife International as prime bird habitat that is likely to support a range of other species as well. As such, changes and threats to the IBAs can be seen as a proxy measure of changes and threats to wildlife habitats more broadly. The indicator shows the share of nationally-designated IBAs where intensive agricultural practices have been identified as either posing a serious threat or a high impact on the area's ecological function (*i.e.* its ability to provide suitable habitat for birds). The determination of what constitutes a serious impact or threat is an estimate provided by local experts as part of each national IBA inventory. BirdLife International has compiled and maintained an IBA database as part of the World Bird Database, with research currently underway to extend the database to **North America, Australia and New Zealand**. An important limitation of the IBA indicator is that what constitutes a serious impact or threat from farming is to a large extent based on local expert judgement and not quantitative time series, while these judgements may vary between regions and countries (EEA, 2005).

As with species diversity indicators, the ***state*** of agricultural ecosystem diversity are impacted by a range of ***driving forces*** that affect the quality and quantity of habitats on farmland, including changes in overall agricultural production, land use changes (Section 1.1), and farm management practices and systems (Section 1.9), which relate to ***responses*** in terms of habitat conservation programmes as part of broader agri-biodiversity management plans (Section 1.9).

Recent trends

For nearly all OECD countries there was a net conversion of agricultural land to other land uses (land exit) over the period 1990-92 to 2002-04, with a few exceptions (**Belgium, Luxembourg, Mexico, Norway, Turkey**) (Section 1.1). The conversion of agricultural land was mainly for forestry and urban development, with much smaller areas converted to wetlands and other land uses (Figure 1.8.9). The conversion of land from agricultural production to forest cover, provides a new and possibly more varied habitat for wild species in these areas, but the impacts on biodiversity are largely unknown. Only **Korea** and **Norway** showed net conversions of forest land into agricultural production (Figure 1.8.9), although **Australia** and **Mexico** (not shown in Figure 1.8.9) experienced high rates of clearance of native vegetation (especially temperate and tropical forests), much of it converted for agricultural use (Chapter 3).

Figure 1.8.9. **Change in agricultural land use and other uses of land**[1]

1985-2003[1]

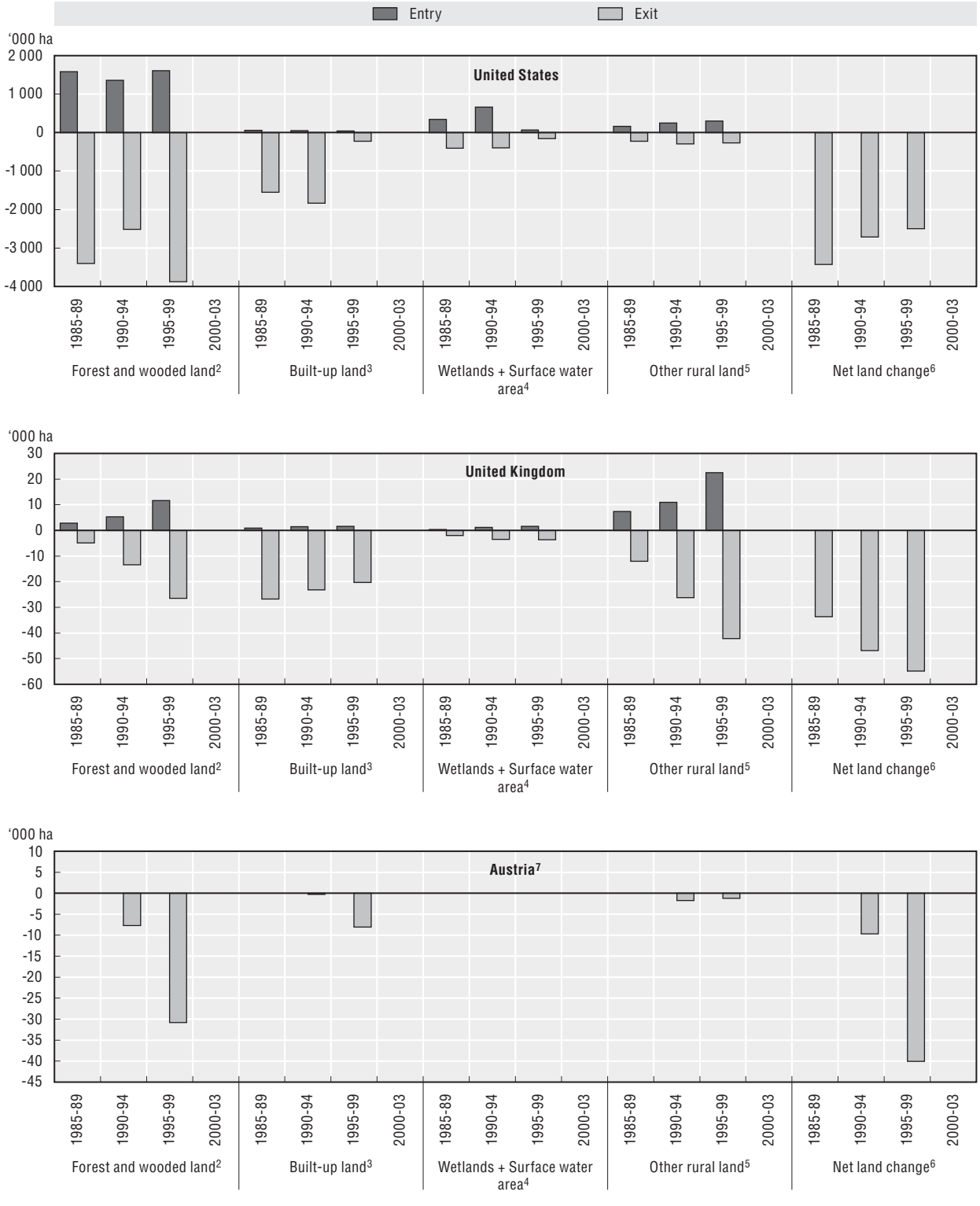

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Figure 1.8.9. **Change in agricultural land use and other uses of land**[1] *(cont.)*

1985-2003[1]

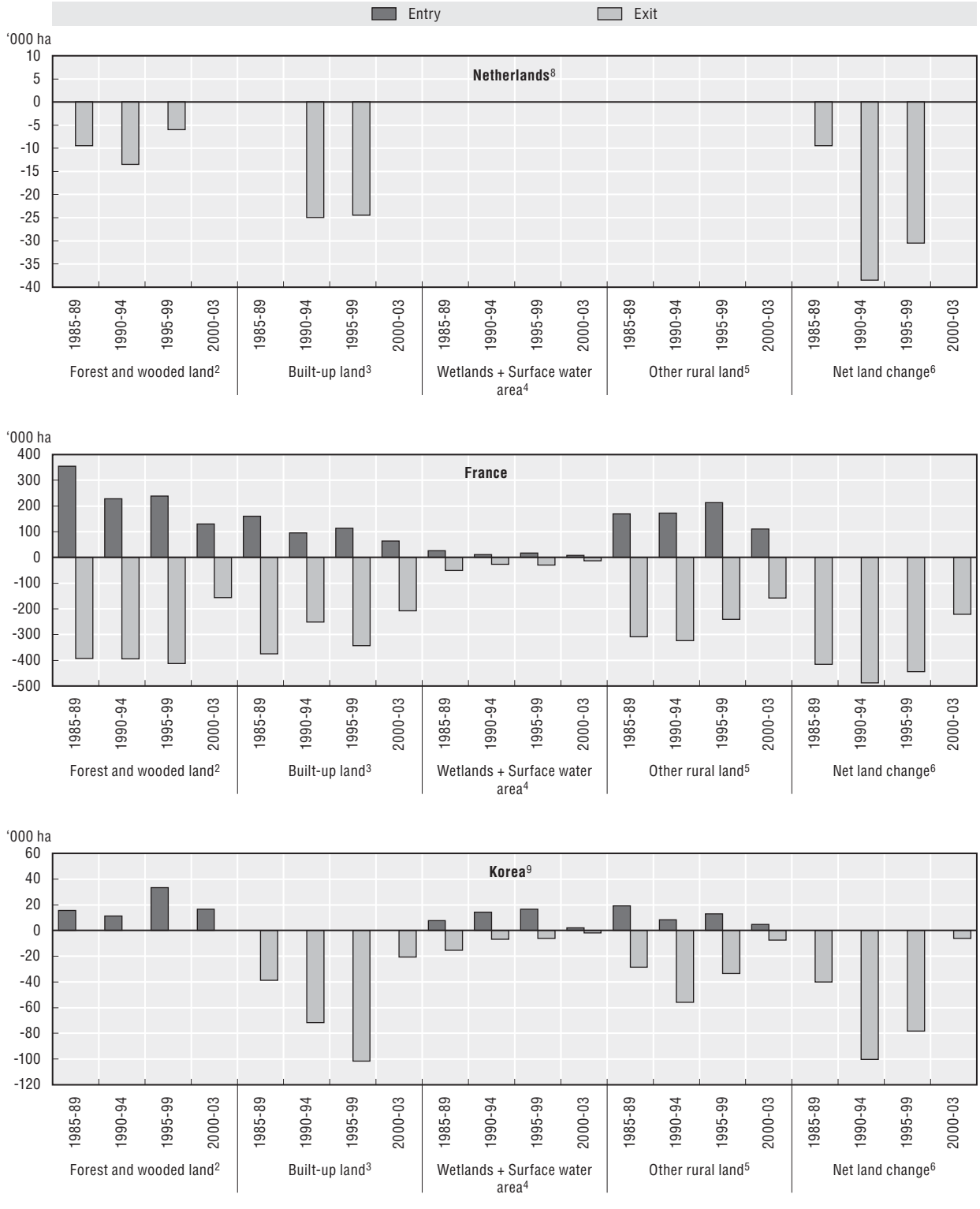
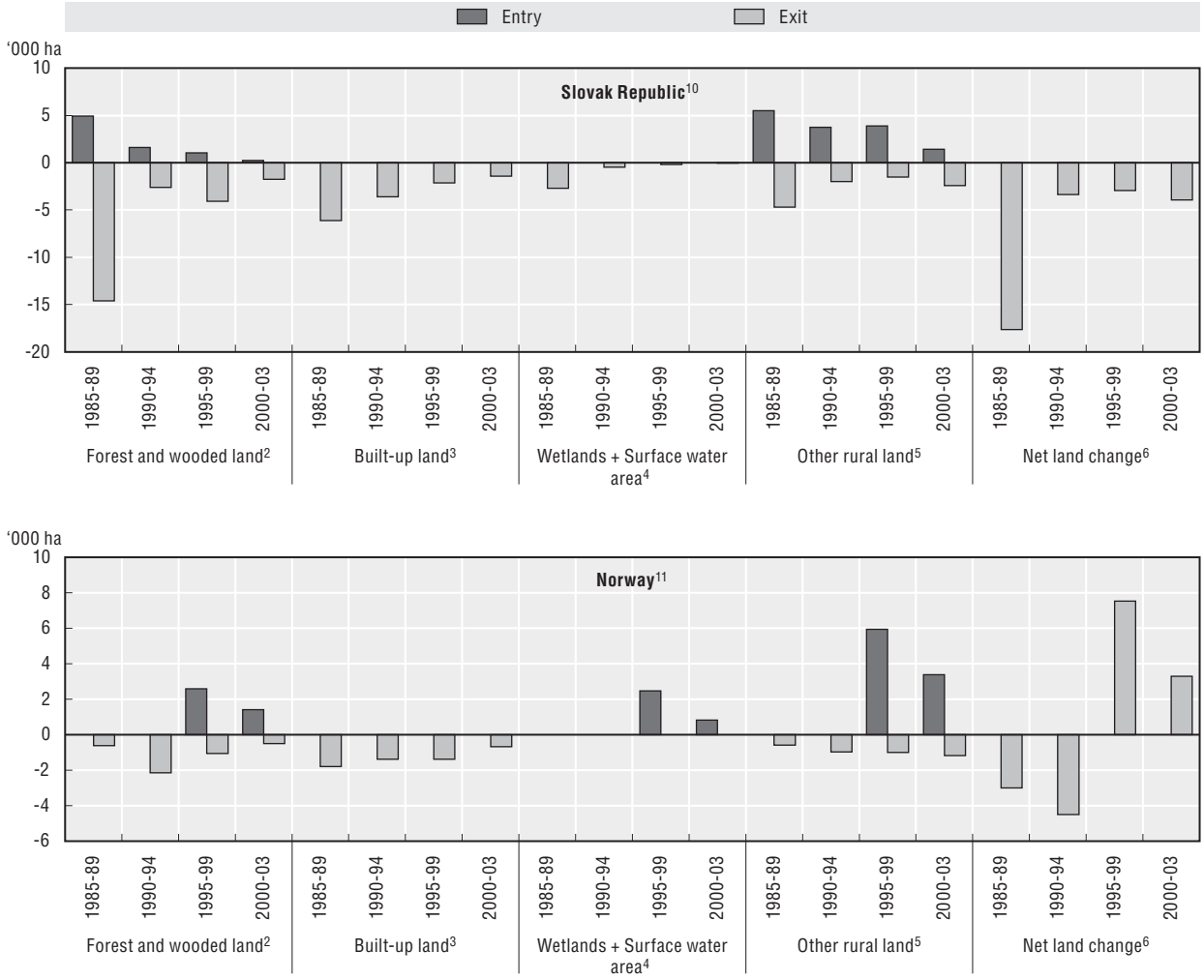


Figure 1.8.9. **Change in agricultural land use and other uses of land**[1] *(cont.)*

1985-2003[1]



StatLink http://dx.doi.org/10.1787/288072584130

1. The figure shows "Land entries", *i.e.* land changed from other uses to agricultural use; "Land exits", *i.e.* agricultural land changed to other uses; and "net change", *i.e.* land entries minus land exits. For Austria, the Netherlands, the United Kingdom and the United States, data for 2000-03 are not available.
2. Forest land includes forest and wooded land.
3. Built-up land covers mainly land used for urban or industrial development and transport infrastructure, *e.g.* roads.
4. Wetlands include wetlands and surface water areas; surface water covers mainly small ponds, lakes and diverted rivers.
5. Other rural land mainly includes land that is not used for any of the above uses, such as abandoned land.
6. Net land change is the sum of forest land, built-up land, wetlands and other rural land.
7. For Austria land entry data are not available.
8. For the Netherlands, land entry data are not available, value of land exit for wetlands equals 0.
9. For Korea, land entry values for built-up land and land exit values for forest land equal 0.
10. For the Slovak Republic land entry values for built-up land and wetlands equal 0 for period 1985 to 2003, value for wetlands exit is 716 ha in 2000-03.
11. For Norway land entry value for built-up land and land exit value for wetlands equals 0.

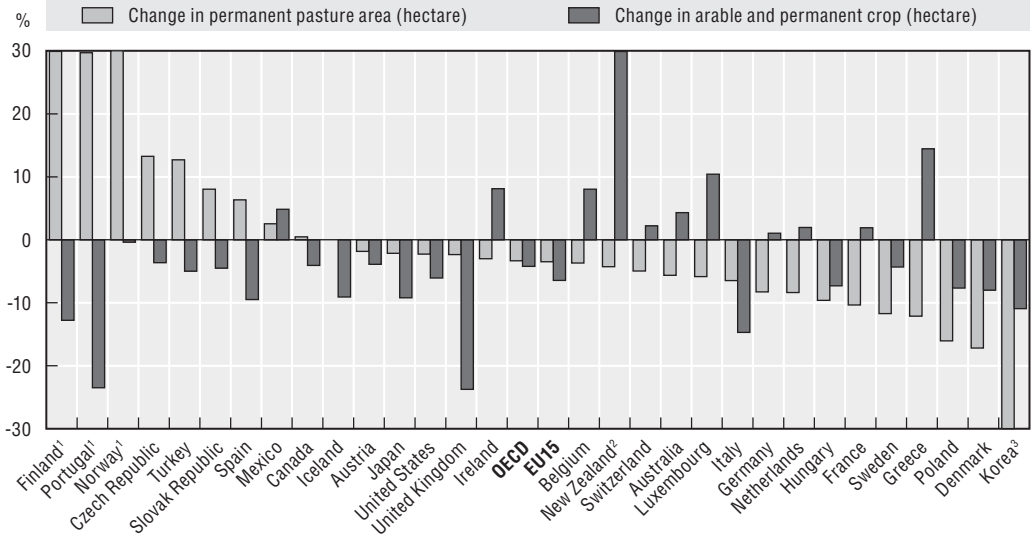
Source: OECD Secretariat; national data.

The picture of ***wetland conversion*** is mixed across OECD countries over the period 1985-89 to 2001-03, with a net loss of wetlands converted to agricultural use, although at a declining rate of loss, in **Korea** and **Norway**, in addition to **Italy** and **Japan** not shown in Figure 1.8.9 (Chapter 3). In **France**, the **Czech** and **Slovak Republic**, the **United Kingdom** and the **United States** (1992-2004) there was a net gain in wetland areas converted from agricultural use (Figure 1.8.9). While the total areas of wetland conversion, into or out of agricultural production, were only a small share of the total farmed area, wetlands are highly valued habitats for biodiversity and their loss is of international significance as recognised through both the CBD and the Convention on Wetlands (Ramsar Convention). Even when agricultural land is converted back to a wetland it may take many decades or longer, for the wetland to be restored to its "natural" state. For some countries, however, the conservation and loss of farmed wetland habitats (*e.g.* grazed water meadows, and paddy fields under certain management conditions) is also an issue, but data on the extent of these farmed wetlands are poor (a few paddy field sites in **Japan** are designated by the Ramsar Convention as wetlands of international importance, see *www.ramsar.org/profile/profiles_japan.htm*).

A major share of agricultural semi-natural habitats consists of ***permanent pasture***, which for most OECD countries declined during the period 1990-92 to 2002-04, with the notable exceptions of **Finland, Norway** and **Portugal**, and to a lesser extent **Canada, the Czech** and **Slovak Republics, France, Mexico, Spain** and **Turkey** which increased (Figure 1.8.10). Despite the reduction in the permanent pasture area it still remains the dominant farmland use in most OECD countries (Figure 1.8.11). Much of the reduction in the permanent pasture area was land converted to forestry, although for some countries pasture has also been converted

Figure 1.8.10. **Permanent pasture and arable and permanent cropland**

1990-92 to 2002-04



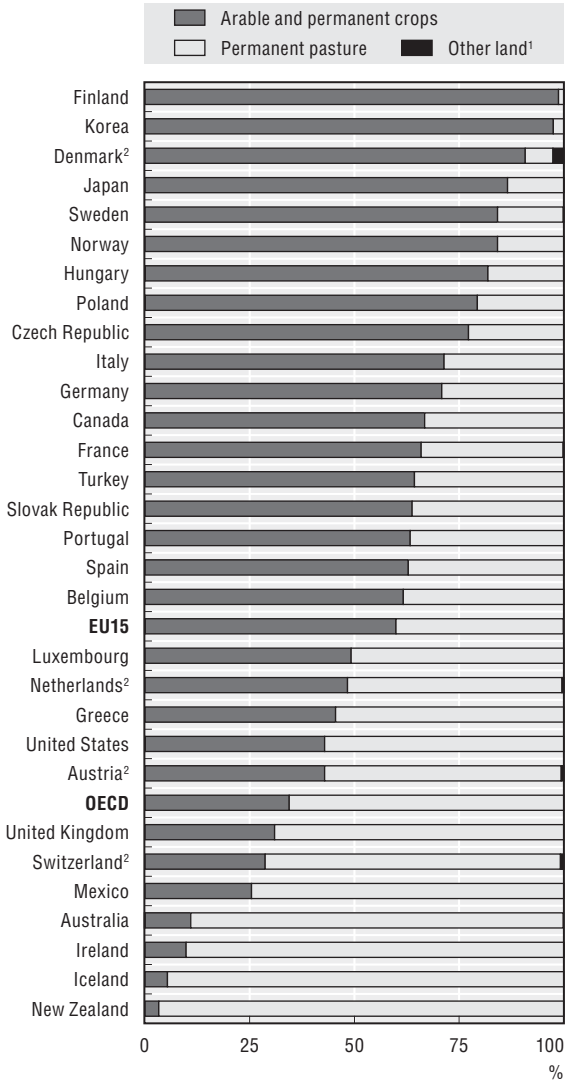
StatLink http://dx.doi.org/10.1787/288102440624

1. Percentage change greater than 30%: Finland 84%, Portugal 61%, Norway 40%. For Norway, change is partly due to improved reporting.
2. Change in arable and permanent crop land for New Zealand is 54%.
3. Change in permanent pasture area for Korea are –48%.

Source: FAOSTAT (2006); national data for Austria, Belgium, Canada, the Czech Republic, Denmark, France, Germany, Hungary, Iceland, Ireland, Japan, Korea, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain and Turkey.

Figure 1.8.11. **Share of arable and permanent cropland, permanent pasture and other agricultural land in total agricultural land area**

Percentage share in agricultural land, average 2002-04



	Change in arable and permanent crops area	Change in permanent pasture area
	1990-92 to 2002-04	1990-92 to 2002-04
	%	
Finland	–12	84
Korea	–12	–48
Denmark	–6	–17
Japan	–10	–2
Sweden	–5	–12
Norway	–1	40
Hungary	–7	–10
Poland	–11	–16
Czech Republic	–4	13
Italy	–15	–6
Germany	1	–8
Canada	–4	0
France	2	–10
Turkey	–5	13
Slovak Republic	–5	8
Portugal	–23	61
Spain	–8	6
Belgium	8	–4
EU15	**–6**	**–3**
Luxembourg	10	–6
Netherlands	3	–8
Greece	14	–12
United States	–6	–2
Austria	–4	–2
OECD	**–4**	**–3**
United Kingdom	–24	–2
Switzerland	2	–5
Mexico	5	3
Australia	3	–6
Ireland	–9	0
Iceland	9	–3
New Zealand	54	–4

StatLink http://dx.doi.org/10.1787/288135336056

1. Other land includes: Fallow and other agricultural land.
2. For Austria other land data are 0.6%; Denmark other land data are 2.6%; Netherlands other land data are 0.4% and Switzerland other land is 0.8%.

Source: FAOSTAT (2006); national data for Austria, Belgium, Canada, the Czech Republic, Denmark, France, Germany, Hungary, Iceland, Ireland, Japan, Korea, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain and Turkey.

for cultivation of arable and permanent crops (*e.g.* **Mexico**). For some types of semi-natural agricultural habitats (*i.e.* farm woodland), however, the area has increased (notably in **Portugal** and the **United States**) or remained stable over the past decade (Table 1.8.4). The change in the area under fallow has revealed a mixed picture over the past 12 years, increasing for some countries but decreasing for others (Table 1.8.5). But there is little information on whether this land is green or bare fallow and for how long it has remained as fallow and, hence, makes it difficult to interpret the likely impacts on wild species.

Table 1.8.4. **Share of farm woodland in agricultural land area**

	Farm woodland area (000 ha)		Share of farm woodland in total agricultural land area (%)	
	1990	2002	1990	2002
Belgium[1]	0.3	0.1	0.02	0.01
Denmark[2]	92	112	3.3	4.2
Italy[3]	626	293	3.5	1.9
Portugal[4]	966	997	24.2	26.3
Spain	3 906	4 410	12.8	15.0
United States[5]	138 265	139 757	32.4	34.1

StatLink http://dx.doi.org/10.1787/301562512202

1. For Belgium the value equals –0.01, data for 1990-92 and 2000, only for Flanders.
2. Data for 1990 and 1998.
3. Data for 1995 and 2003.
4. Data for 1990 and 2000 do not include wooded pasture land.
5. Data for 1992 and 1997 (hedges and woodlands: other forest use land).

Source: OECD Agri-environmental Indicators Questionnaires, unpublished; FAOSTAT (2006), national data for Portugal and Spain.

Table 1.8.5. **Share of farm fallow in agricultural land area**

	Farm fallow land area (000 ha)		Share of farm fallow land in total agricultural land (%)	
	1990	2002	1990	2002
Austria	21	106	0.6	3.2
Belgium[1]	0	6	0.0	0.4
Canada	7 921	4 680	12.7	8.1
Czech Republic[2]	3	71	0.1	1.7
Denmark[3]	250	225	9.0	8.4
Finland	183	210	7.1	9.4
France[4]	236	1 072	0.8	3.6
Germany[5]	780	848	4.4	5.0
Greece[6]	501	441	5.8	5.2
Italy[7]	3 958	3 666	21.9	23.9
Luxembourg	0	2	0.2	1.5
Netherlands[8]	6	28	0.3	1.4
Norway	4	2	0.4	0.2
Portugal[9]	1 159	577	29.1	15.2
Spain	3 696	4 297	12.1	14.6
Sweden	176	269	5.2	8.5
Switzerland	3	4	0.2	0.3
Turkey	5 324	5 040	12.7	12.2

StatLink http://dx.doi.org/10.1787/301624765841

1. Data for 1990-92 and 2000 refer only to Flanders.
2. Data for 1990 and 2000.
3. Data for 1995 and 2002.
4. Data for 1990 and 2003.
5. Data for 1991 and 2001.
6. Data for 1990 and 2000.
7. Data for 1995 and 2003.
8. In 2002: 5 709 ha "black fallow/set aside", excluding "catchcrop/green fertiliser crops" (= 15 000 ha) according to LEI-CBS (agricultural statistics).
9. Data for 1990 and 2000.

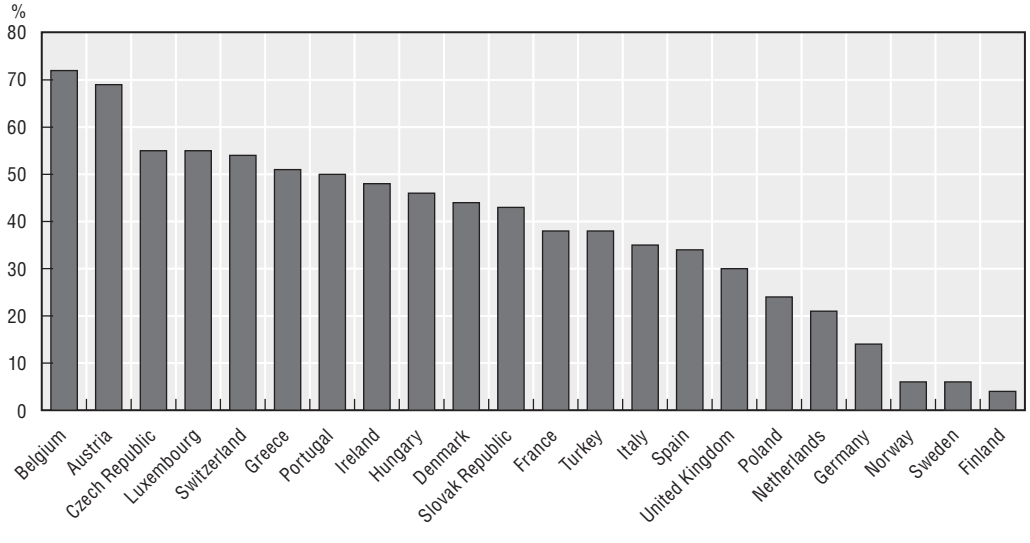
Source: OECD Agri-environmental Indicators Questionnaire, unpublished; FAOSTAT (2006); national data for Norway, Portugal and Spain.

Interpreting the biodiversity impacts of these changes in agricultural semi-natural areas is complex. On the one hand there has been an overall conversion to other land uses (mainly forestry), while on the other hand some arable land has been converted to permanent pasture or farm woodlands. In addition, the fragmentation of habitats arising from changes in farmland use is also reported to have a harmful impact on biodiversity (*e.g.* **Belgium**). Moreover, in some countries the reduction in area of certain low intensity agro-ecosystems developed over hundreds of years, which are key habitats for flora and fauna (*e.g.* low intensity rice paddies in **Japan** and **Korea**; alpine pasture in **France**; and low intensity meadows in **Norway, Sweden** and **Switzerland**, see Chapter 3), is also considered to be detrimental to biodiversity. However, some countries have introduced programmes to maintain semi-natural habitats (Chapter 3).

For many OECD countries agriculture accounted for a major share of the harmful impacts affecting the quality of Important Bird Areas (IBA) in the late 1990s, through practices which have caused a greater intensification of farming (Figure 1.8.12). However, for **Finland, Germany, Japan, Korea, Norway** and **Sweden**, other factors are more important than agriculture, for example the harmful impacts of afforestation, urbanisation, recreation and tourism. However, the conversion of agricultural land use to other uses has had an important impact on reducing the habitat quality of IBAs, especially in marginal extensive farming areas, having had a notable impact in **Austria, Denmark** and **Sweden** (Heath and Evans, 2000).

Figure 1.8.12. **Share of national Important Bird Areas where intensive agricultural practices pose a serious threat or a high impact on the areas' ecological functions**

Late 1990s



StatLink http://dx.doi.org/10.1787/288140273812

Source: BirdLife International (2004).

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1.9. FARM MANAGEMENT

KEY TRENDS

A growing number of OECD farmers are adopting environmental farm management practices as a result of voluntary private led initiatives intended to respond to consumer concerns, including those from food processors and retailers (*e.g.* pesticide management), and government incentives provided through payments and regulations. But only around a third to a half of OECD member countries are regularly monitoring changes in environmental farm management practices, with the notable exception of organic management where all countries are tracking changes in this indicator.

The adoption of nutrient management practices (NMPs) is widespread across OECD countries, with an increase in their uptake over the period 1990-2004, for around half of the OECD countries monitoring NMPs. For countries with a high and increasing uptake of NMPs they have usually experienced a reduction in nutrient surpluses (Belgium, Czech Republic, Denmark, Finland, Germany, the Netherlands, Norway, Sweden, Switzerland), but for countries where nutrient surpluses have risen or are well above the OECD average (in terms of kg nutrients per hectare of farmland) (Canada, Ireland, Japan, Korea and New Zealand), NMP adoption rates are generally lower, although increasing in Canada and Korea.

Despite the increase in adoption of ***environmental integrated pest management practices (IPM)***, the level of uptake across OECD countries is modest, although only about a third of OECD countries track IPM. But for countries with a high IPM uptake or growth in organic farming they have also experienced a decrease in pesticide use (Austria, Czech Republic, Denmark, Finland, Germany, Norway, Sweden, Switzerland, United Kingdom and the United States).

The area of farm land under soil management practices (SMPs) has remained stable over the past decade, but only a third of OECD countries monitor changes in SMPs. Where the rate of SMP adoption has risen (Canada, United States), this has led to reduced soil erosion risks and greater provision of feed for wild species, although where SMP uptake rates are low, soil degradation problems remain (Hungary, Italy, Korea, Slovak Republic and Turkey).

OECD countries, where water management for irrigation is important, are often applying inefficient water conservation technologies. Uptake of the most efficient drip emitter water conservation technology is over 20% of the total irrigated area for only a few countries (Czech Republic, Greece, Italy, Spain), but for other countries where irrigated agriculture is significant and the competition for water resources more intense the uptake of drip emitters is lower (Australia, France, Turkey, United States), although for Australia, France and the United States there is widespread use of low-pressure sprinklers.

The OECD share of agricultural land under biodiversity management plans is under 10% for most countries, except Austria, Ireland and Switzerland, although only a third of OECD countries monitor biodiversity management. But many countries are just beginning to implement agri-biodiversity management plans as part of national biodiversity strategies, linked to commitments under the *Convention of Biological Diversity*.

The OECD area under certified organic farming has increased substantially between the early 1990s to 2004, even so it accounted for less than 2% of total farmland by 2002-04. However, the share is higher in most European countries (around 6% or higher in Austria, Denmark, Finland, Italy, Sweden and Switzerland) but much lower in mainly non-European OECD countries (under 1% in Canada, Japan, Korea, Mexico, New Zealand and the United States).

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Indicator definitions:

Nutrient management

- Number (area) of farms (agricultural land area) under nutrient management plans.
- Share of farms using soil nutrient testing (agricultural land regularly sampled and analysed for nutrient content).

Pest management

- Arable and permanent crop area under integrated pest management.

Soil management

- Arable land area under soil conservation practices.
- Agricultural land area under vegetative cover all year.

Water management

- Irrigated land area using different irrigation technology systems.

Biodiversity management

- Agricultural land area under biodiversity management plans.

Organic management

- Agricultural land area under certified organic farm management (or in the process of conversion to an organic system).

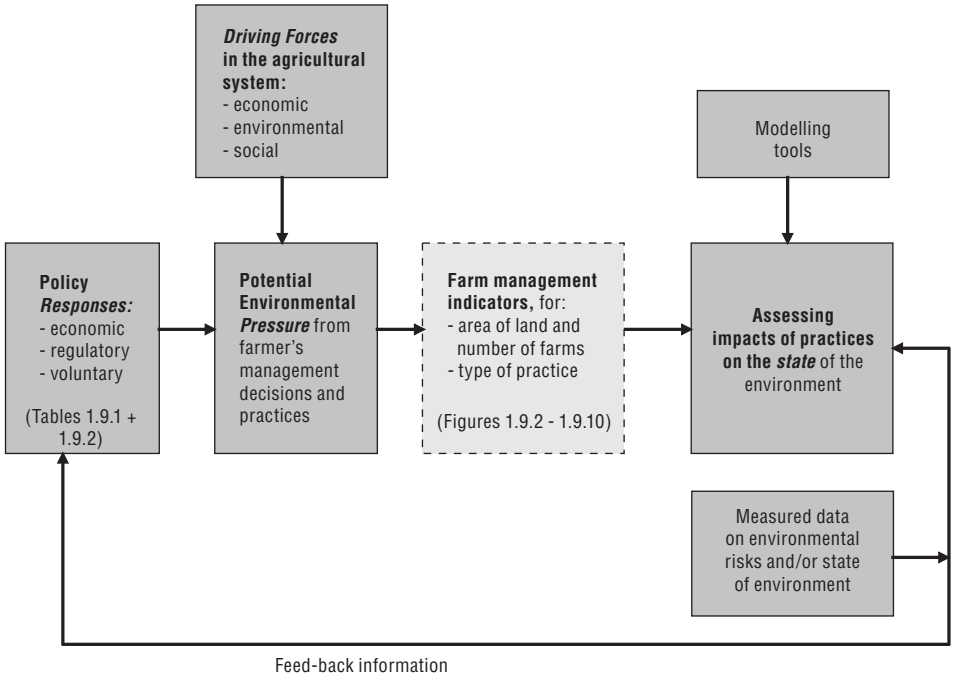
Concepts and interpretation

This final section of Chapter 1 highlights the linkages between the previous sections on agri-environmental ***driving forces*** (*i.e.* nutrient and pesticide use, energy consumption, and water use), the ***state*** of the environment as it relates to agriculture covering soil, water and air quality, and biodiversity, and the ***response*** to improve agriculture's environmental performance in terms of changes in farming practices and systems (Figure 1.9.1). The linkages between farm management indicators (FMIs) and other drivers and environmental outcomes associated with farming systems are highlighted in Figure II.1 in the *Background and Scope of the Report*, Section II, drawing on the Driving Force-State-Response Framework (DSR).

FMIs can provide an early indication of likely changes in the direction of environmental impacts sometimes before they can be measured by other indicators, such as those pertaining to soil and water quality (OECD, 2005a). They can assist farmers and policy makers by informing them of the linkages between farm activities and environmental impacts. FMIs can also serve as a proxy for "state" indicators where measuring actual changes in the environment are difficult or costly. But there is often a time lag, which can be many years, between the implementation of farm management plans and the consequential change in environmental conditions.

FMIs are able to highlight environmental pathways where causal links are known, such as those between nutrient use (*driving force*), nutrient concentrations in water bodies (*state*) and nutrient management practices (*response*). FMIs interpreted in this way may help make them more easily understood by decision makers. In addition, the description of such environmental pathways can help to explain to farmers the need to undertake certain

Figure 1.9.1. **OECD farm management indicator framework**



StatLink http://dx.doi.org/10.1787/288168718073

Source: OECD Secretariat, adapted from OECD (2005a).

practices to safeguard the environment (OECD, 2005a). FMIs can be organised in terms of a three-tiered approach covering trends in:

- ***farm management practices*** addressing *specific* environmental issues, including: nutrients, pests, soil, water, and biodiversity, which are the indicators covered in this section;
- ***environmental farm management plans*** covering the entire range of farming systems from integrated "conventional" farming to organic operations, as well as specialised crop and livestock farming systems. Indicators of environmental farm management plans are only partially covered in this section, through organic farming, but background information is provided on the range of specific practices that countries are adopting as part of a broader environmental farm planning approach; and
- ***farm management capacity*** *revealing* impediments and incentives affecting the adoption of farming practices that can enhance agricultural sustainability, covering investment in the sector's capacity to improve farmers' education, farm incomes, research, farm advisory expenditure and the social institutions supporting farmers. It is beyond the scope of this report to cover these issues, but some limited discussion is provided on the incentives that OECD countries are providing to farmers to adopt a range of environmental farm management practices (also see Chapter 2).

Data availability is the main barrier to wider coverage of FMIs, as many OECD countries do not have information on the extent to which environmental management practices are adopted. But many countries are beginning to undertake surveys to measure the extent and characteristics of management practices, for example, in **Australia, Canada**, the **EU15** and the **United States**. A further limitation in measuring FMIs concerns definitional problems. Central concepts, such as environmental farm management plans,

integrated pesticide management and organic management, need greater consistency in definitions. Nevertheless, it should be stressed that farm management practices will vary within and across countries, even when addressing the same issue, such as pest control, reflecting differences in farming systems, agro-ecological and climatic conditions.

Recent trends

1.9.1. Overview of environmental farm management

A growing number of OECD farmers are adopting environmental farm management practices (EFMPs), especially since the mid-1990s. But EFMP uptake varies across countries in terms of both the type and extent of practice adopted (Table 1.9.1). Also the national focus of EFMPs usually reflects the varying agro-ecosystems and environmental priorities across countries, for example, soil conservation in **Canada** and the **United States**, irrigation management in **Australia** and **Spain**, and nutrient management across **EU15** countries (Table 1.9.1). Many countries do not have precise information on the number (or area) of farms with EFMPs but provide descriptions of the characteristics of these practices. Moreover, only around a third to a half of OECD member countries are regularly monitoring changes in environmental farm management practices, with the notable exception of organic management where all countries are tracking changes in this indicator.

For most countries farmer incentives to adopt EFMPs are mainly provided through voluntary led and private sector initiatives, although incentives through a combination of government support payments and regulations are also important, with in many cases EFMPs regularly audited (Table 1.9.2). Financial support can be provided, for example, to cover the capital costs of installing manure storage facilities, while regulations enforced by fines are used to compel adoption of certain practices, such as limiting air polluting emissions (OECD, 2003a; 2004; 2005b). Voluntary initiatives used to encourage EFMP uptake can be led by (OECD, 2005a): farmers (*e.g.* **New Zealand**'s "Project Green" for livestock); the farm input supply industry (*e.g.* International Fertilizer Industry Association); food processors (*e.g.* Sustainable Agriculture Initiative Program); and food retailers (*e.g.* supermarket chains, such as Tesco's "Nature's Choice" United Kingdom standards).

1.9.2. Nutrient management

The adoption of nutrient management plans (NMPs) is widespread across OECD countries, with a notable increase over the period 1990 to 2004, although only around half of OECD countries monitor NMPs (Figures 1.9.2, 1.9.3 and 1.9.4). Some countries, however, have maintained a very high uptake rate of NMPs throughout the past decade (**Belgium, Czech Republic, Denmark, Finland, Germany, Norway**), while for some others NMP adoption rates have grown rapidly (the **Netherlands, Switzerland**). All these countries have experienced a reduction in nutrient surpluses over the 1990s. Equally, in countries, such as **Canada, Ireland, Japan, Korea** and **New Zealand** where nutrient surpluses have been increasing or are well above the OECD average (in terms of kg nutrients per hectare of farmland), NMP adoption rates are generally at a low share of total farm numbers (or farmed area), although soil nutrient testing is becoming more widespread in **Canada** and **Korea** (Figure 1.9.4).

Table 1.9.1. **Countries recording adoption of environmental farm management practices**

Late 1990s-early 2000s

Environmental farm management type and practices	Total OECD[1]	Australia[2]	Austria	Belgium[3]	Canada	Czech Republic	Denmark	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Japan	Korea	Luxembourg	Netherlands	New Zealand	Norway	Portugal	Slovak Republic	Spain	Sweden	Switzerland	Turkey	United Kingdom	United States[4]
Nutrient management plan practices																												
Voluntary codes of practice	11		X			X			X			X	X		X	X		X	X		X	X		X	X			X
Obligatory codes of practice	9		X	X		X		X	X			X			X			X	X	X	X			X				X
Restriction of fertiliser application	17		X	X		X	X[5]	X	X	X[5]		X	X	X[5]		X		X	X	X	X	X		X	X		X[5]	X
Conditions for nutrient application near water	15		X	X		X		X[5]	X[5]			X	X	X[5]		X		X	X	X	X			X	X		X[5]	
Cover crops used to prevent nutrient run-off	19		X	X		X	X[5]	X	X	X	X	X		X[5]		X		X	X	X	X[5]		X[5]	X[5]	X	X	X[5]	X
Use of legumes in crop rotation	8		X			X										X			X	X		X		X				X
Soil test	14	X	X	X	X	X		X	X			X	X			X			X	X	X	X		X	X			X
Records of fertiliser use	12			X		X		X	X			X	X			X		X	X	X	X	X		X	X			X
Split fertiliser applications are used	10		X	X		X		X	X			X				X			X	X	X	X		X	X			X
Farm nutrient balance calculated regularly	11		X	X	X	X		X	X				X			X		X	X	X				X	X			X
Requirements on livestock manure storage facilities	14		X	X		X	X[5]	X[5]	X			X	X		X	X		X	X	X	X	X		X	X			
Non-chemical pest control practices																												
Use of soil tillage	12		X	X	X							X	X			X		X		X	X		X	X	X			X
Use of crop rotations	12		X	X	X							X	X			X		X		X	X		X	X	X			X
Biological control methods	13		X	X	X							X	X		X	X		X		X	X		X	X	X			X
Use of pheromones	12		X	X	X							X			X	X		X		X	X		X	X	X			X
Pruning, hand weeding, canopy management	12		X	X	X							X	X		X	X		X		X			X	X	X			
Crop residue destruction	10		X	X	X							X	X			X		X		X	X			X	X			
Professional scouting	9		X	X	X							X						X		X				X	X			X
Strategic locations and planting times	11		X	X	X							X	X			X		X		X	X			X	X			X
No method but pesticide not applied	7		X		X							X			X			X		X	X			X				

Table 1.9.1. **Countries recording adoption of environmental farm management practices** *(cont.)*

Late 1990s-early 2000s

Environmental farm management type and practices	Total OECD[1]	Australia[2]	Austria	Belgium[3]	Canada	Czech Republic	Denmark	Finland	France	Germany	Greece	Hungary	Ireland	Italy	Japan	Korea	Luxembourg	Netherlands	New Zealand	Norway	Portugal	Slovak Republic	Spain	Sweden	Switzerland	Turkey	United Kingdom	United States[4]
Soil conservation management practices																												
Conservation tillage	24	X	X	X	X	X	X[5]	X[5]	X[5]	X[5]	X	X	X	X[5]	X	X	X[5]		X	X	X[5]	X	X[5]	X[5]	X		X[5]	X
Zero tillage	10			X	X	X						X			X	X			X	X	X	X			X			X
Crop rotations	10		X	X	X							X			X	X			X	X	X	X			X			X
Winter cover crops	10			X	X				X						X	X			X	X	X	X		X	X			X
Contour cultivation	4		X	X															X	X	X	X						
Grassed waterways	6		X	X	X														X	X				X				X
Strip-cropping	4		X	X	X											X												X
Windbreak	9		X	X	X							X			X	X			X	X	X	X			X			
Irrigation management practices																												
Flooding	7	X		X	X				X		X										X		X			X		X
High pressure rainguns	12	X		X	X	X			X				X					X			X	X		X		X	X	X
Low pressure sprinklers	10	X		X	X				X		X		X					X			X		X				X	X
Drip-emitters	11	X		X	X	X			X		X		X					X			X		X			X		X

StatLink http://dx.doi.org/10.1787/301763453364

1. Total number of OECD countries adopting a specified farm management practice.
2. Data are taken from Australian Bureau of Statistics, (2005).
3. Presents data for Flanders and Wallonia; for Wallonia nutrient management plan characteristics are obligatory for farms where the Basic Soil link Rate (BSL) is > 1; only Wallonia indicates split fertiliser application; all soil conservation management practice data presents only Wallonia apart from winter cover crops which represents Flanders and Wallonia; high-pressure raingun practice is only applied in Flanders.
4. Data are taken from USDA (2001), (2004).
5. Data are taken from EEA (2005).

Source: Australian Bureau of Statistics (2005); EEA (European Environment Agency), (2005); OECD Agri-environmental Indicators Questionnaire, unpublished; United States Department of Agriculture (2001).

Table 1.9.2. **Overview of farmer incentives to adopt environmental farm management practices**

Late 1990s-early 2000s

	Nutrient								Pests								Soil								Water								Biodiversity and landscape								Environmental farm plans							
	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII
Australia	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Austria[1]	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X		X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X
Belgium[2]	..	..	..	..	X	..	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X
Canada	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	..	..	..	X	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Denmark	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Finland	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	X	..	X	X	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	X	..	..	..	..	X	..	X	X	X	X	X	X	X	X	..	X	..	X	X	..	..	X	X
Germany[3]	..	..	..	..	..	..	X	X	..	..	..	..	..	..	..	..	..	..	..	..	..	..	X	X	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Greece	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Hungary	..	..	..	..	X	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	..	..	..	..
Iceland	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ireland[4]	..	..	..	..	X	X	..	X	X	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	X	..	..	..	..	..	..	..	..	..	..	..	X	X	..	X	..	..	..	..	X	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Japan	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Korea[5]	X	..	..	..	X	X	X	X	X	..	..	..	X	..	X	X	..	..	..	..	X	..	..	X	X	..	..	..	X	..	..	X	..	X	..	..	X	X	..	..	X	..	X	X	X	X	X	X
Luxembourg	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mexico	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands[6]	..	..	..	..	..	..	..	X	X	..	..	..	..	X	..	X	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	X	..	..	X	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Norway[7]	X	X	X	X	X	..	X	X	X	..	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	..	X	X	X	..	..	..	X	X	X	X	X	X	..	X	X	X	X	X	X	..	X	X
Poland	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Portugal	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Spain	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sweden[8]	X	..	X	..	X	X	X	X	X	..	X	..	..	X	X	X	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	X	X	X	X	X		X	X	X	..	..	..
Switzerland[9]	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	..	..	..	..	X	X	..	X	X	X	X	X	X	..	X

Table 1.9.2. **Overview of farmer incentives to adopt environmental farm management practices** *(cont.)*

Late 1990s-early 2000s

	Nutrient								Pests								Soil								Water								Biodiversity and landscape								Environmental farm plans							
	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII	I	II	III	IV	V	VI	VII	VIII
Turkey	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
OECD	**3**	**1**	**2**	**1**	**8**	**5**	**4**	**8**	**5**	**0**	**2**	**1**	**5**	**5**	**3**	**6**	**2**	**1**	**1**	**1**	**6**	**3**	**2**	**5**	**3**	**0**	**1**	**1**	**6**	**2**	**0**	**3**	**1**	**2**	**1**	**1**	**8**	**6**	**1**	**6**	**4**	**2**	**4**	**4**	**6**	**3**	**2**	**4**
EU15	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

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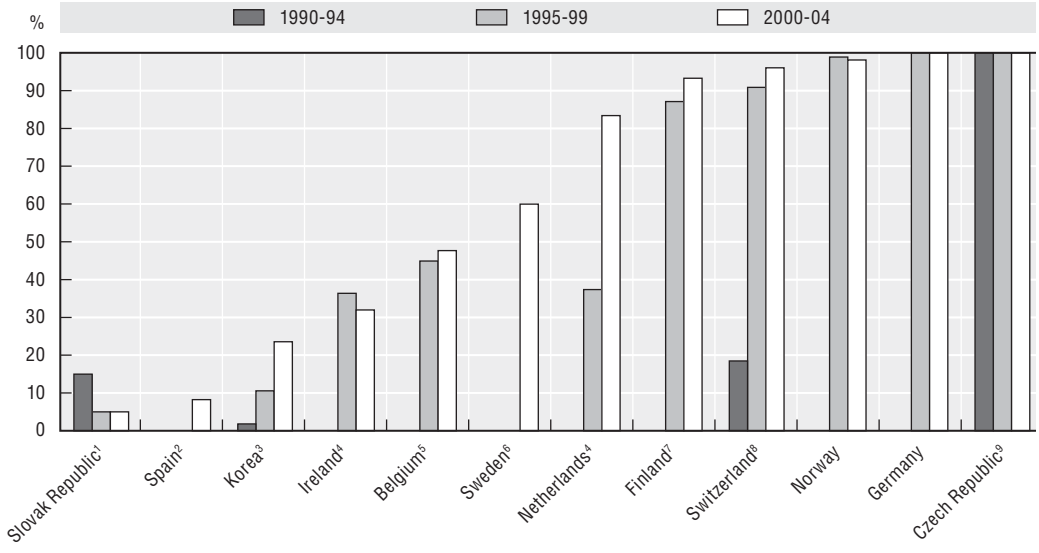
. .: Not available.

Legend: I = farmer-led initiative, II = local community-led initiative, III = promoted by farmers' organisations, IV = promoted by the agro-food industry, V = supported or enforced by government, VI = payment is provided for adopting the practice, VII = practice is obligatory (*i.e.* use of a regulation or standard), VIII = practice is regularly audited.

1. Audit every 3 years.
2. Data presents only Wallonia; for the farm management practices concerning pests, payments are provided for adopting organic farming; farm management practices for soil, biodiversity and landscape are part of the "Framework of Regional Environmental Regulation"; practices for environmental farm plans are indicated as purposed in the new agro-environmental regulation that took place in the end of 2004.
3. Audit every year.
4. Audit every 4 years.
5. Practices that are enforced by the government: nutrients, pests, water = national, soil, biodiversity and landscape, environmental farm plans = national/regional; audit for nutrients, pests, biodiversity and landscape, environmental farm plans: every year, for soil: 2-4 years depending on fields. *Source:* Korea Rural Economic Institute.
6. Audit for nutrients, pests, biodiversity and landscape: every year.
7. Practices that are enforced by the government: nutrients, pests, water = national, soil = national/regional, biodiversity and landscape, environmental farm plans = national/local; for VII pests only for organic farming and VII soil only for some areas; audit every 20 years (*e.g.* every year, 2, 5 years, etc.). Approx. 5% each year (part of a subsidy control).
8. For VIII: diverse programmes and frameworks like "Sweden's 15 environmental quality objectives", agri-environmental programmes on nutrients, pesticides, biodiversity and landscape.
9. Practices that are enforced by the government = national.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

Figure 1.9.2. **Share of agricultural land area under nutrient management plans**



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Note: Nutrient management plans cover nitrogen, phosphorus and potassium, unless stated otherwise.

1. Nutrients not specified.
2. Average 2000-04 = average 2001-03.
3. Data include only arable crops and share of arable crop area.
4. Nutrient management plan covers nitrogen and phosphorus.
5. Data include Flanders for 2000-03 (N, P), and Wallonia for 2003 (N).
6. Average 2000-03 = average 2001-04, data cover nitrogen, phosphorus and calcium. Area of farms that get support for a crop management plan including a nutrient management plan.
7. Average for 1995-99 and 2000-04 refer to year 1997 and 2002-04, data covers nitrogen, phosphorus and calcium.
8. Data for the period 1990-94, 1995-99 refer to year 1993, 1999.
9. Nutrient management plan covers nitrogen, phosphorus, potassium, calcium and magnesium.

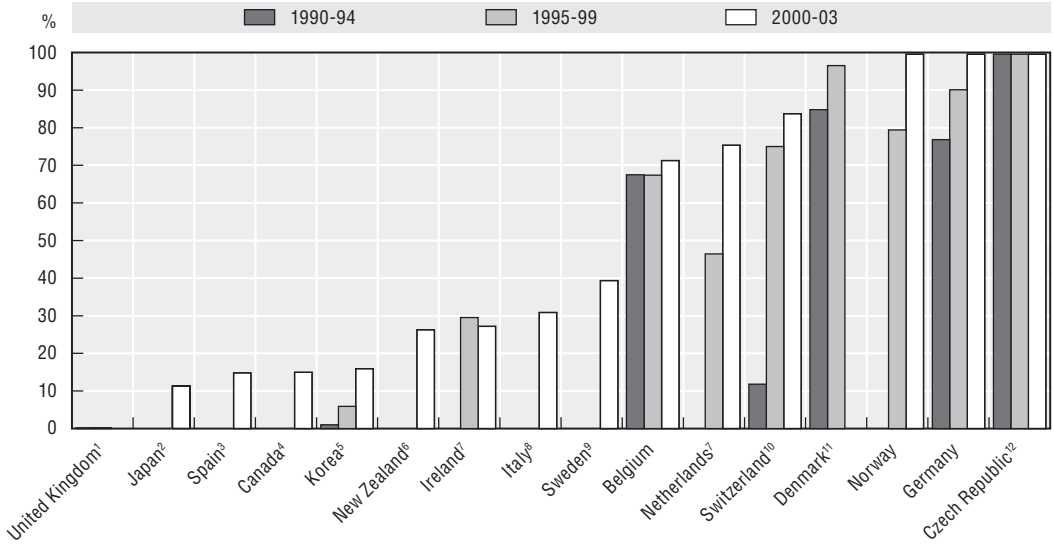
Source: OECD Agri-environmental Indicators Questionnaire, unpublished; national data sources.

In many OECD countries, NMPs are widely supported or enforced by governments, and the plans are regularly audited (Table 1.9.2). For most of these countries NMPs cover a combination of using cover crops to prevent nutrient run-off, soil tests (Figure 1.9.4), recording fertiliser use and nutrient balances, and improving manure storage facilities and livestock housing to reduce nutrient emissions, especially for the pig, poultry and dairy sectors (Table 1.9.1, EEA, 2005; OECD, 2003a; 2004). However, the practice of using legumes in crop rotations seems less widespread (Table 1.9.1). Soil nutrient tests are carried out in almost all OECD countries, with both public and private bodies involved in these tests. Most OECD countries include both nitrogen and phosphorus in soil tests, while some countries test for other soil nutrients and trace elements.

1.9.3. Pest management

Despite the overall increase in adoption of integrated pest management (IPM) practices, the level of uptake is modest, as measured by the share in the farmed area, although only about a third of OECD countries track IPM (Figure 1.9.5). However, the rise in the area under organic farming (Figure 1.9.10) must also be taken into account in this context, as the use of most pesticides are not usually permitted under certified organic farming. Voluntary led initiatives, especially those that are farmer led, are of importance in providing incentives to adopt IPM (Table 1.9.2).

Figure 1.9.3. **Share of total number of farms under nutrient management plans**



StatLink http://dx.doi.org/10.1787/288181521450

Note: Nutrient management plans cover nitrogen, phosphorus and potassium, unless stated otherwise.

1. Data for United Kingdom are 0.2% in 1990-94, 0.2% in 1995-99.
2. Chemical fertilisers only.
3. Nutrients not specified.
4. *Source:* Statistics Canada (2001), Farm Environmental Management Survey.
5. Data include only arable crops.
6. Nutrients covered by the management plan: nitrogen, phosphorus, potassium sulphur, magnesium, and other nutrients.
7. Nutrient management plan covers nitrogen and phosphorus.
8. For 2000 only and plan applies only to inorganic fertiliser.
9. Number of farms that get support for a crop management plan including a nutrient management plan.
10. Data for period 1990-94 and 1995-99 refer to year 1993 and 1999.
11. Data for 1994 and 1995-98.
12. Nutrient management plan covers nitrogen, phosphorus, potassium, calcium and magnesium.

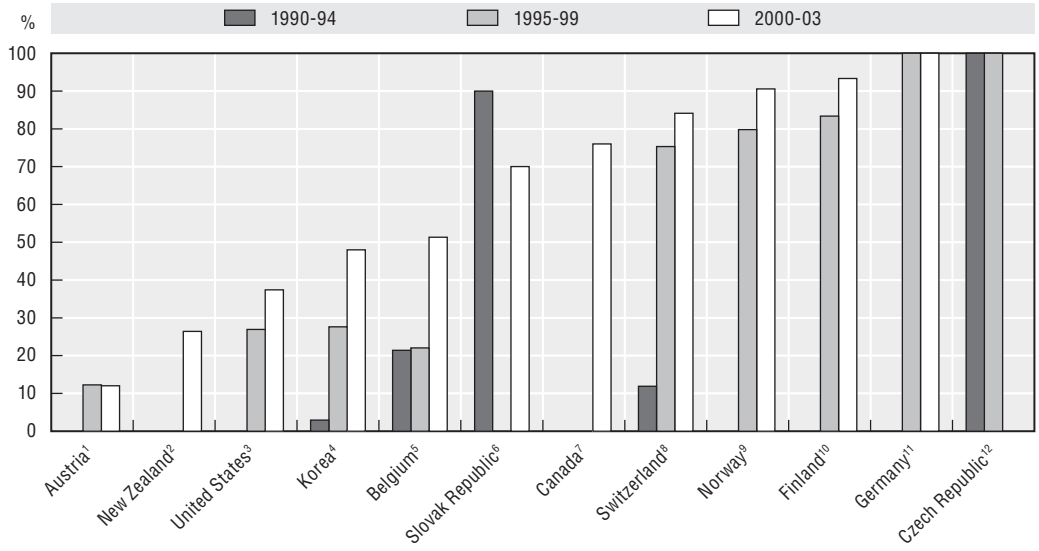
Source: OECD Agri-environmental Indicators Questionnaire, unpublished; OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France; national data sources.

For most countries with a high level or increasing uptake of IPM or organic farming (**Austria, Czech Republic, Denmark, Finland, Germany, Norway, Sweden, Switzerland, United Kingdom**) they have also experienced a reduction in pesticide use over the past decade (Section 1.3). In the **United States**, where pesticide use also decreased during the 1990s, there has been an expansion in the area sown to genetically engineered herbicide-tolerant crop varieties (Section 1.8), together with government programmes that encourage IPM uptake (Figure 1.9.5). In **Canada**, a 2001 survey of farm environmental practices found that most pesticides are applied by a certified operator, and that almost half of producers calibrate their sprayers at the beginning of the season, although only 14% re-calibrate spraying equipment before using a different pesticide. The optimal practice is used for the timing of insecticide applications, but some improvements can be made in the timing of herbicide applications (Lefebvre *et al.*, 2005).

1.9.4. Soil management

The area of OECD farm land under soil management practices (SMPs) has remained stable since 1990 for many countries. But in some cases where adoption rates have increased, this has brought benefits in terms of reducing soil erosion risks, though only

Figure 1.9.4. **Share of total number of farms using soil nutrient testing**



StatLink http://dx.doi.org/10.1787/288228567322

Note: Soil nutrient testing covers nitrogen, phosphorus and potassium, unless stated otherwise.

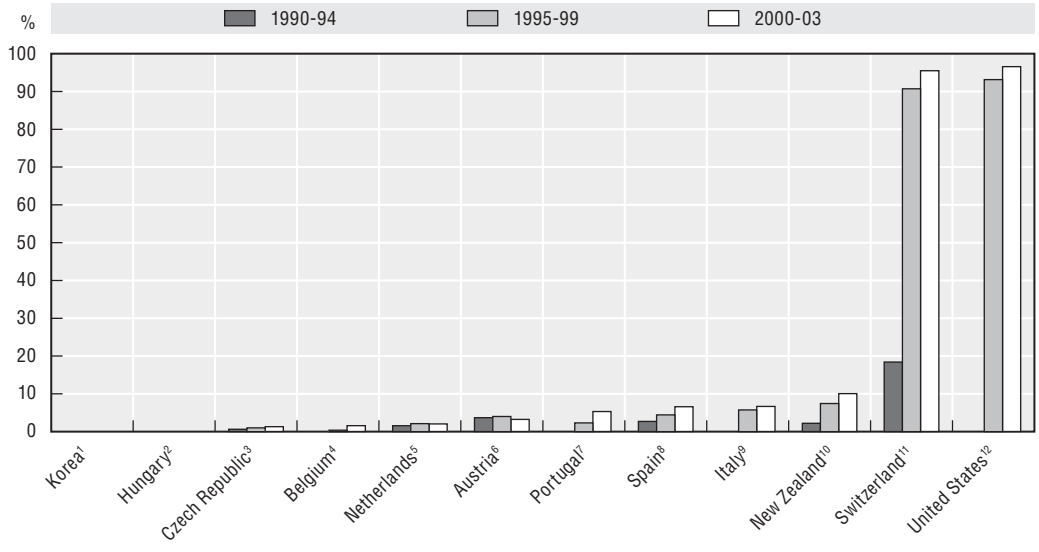
1. Soil tests cover phosphorus and potassium, tests are conducted every 4-5 years.
2. Nutrients covered by the management plan: nitrogen, phosphorus, potassium sulphur, magnesium, and other nutrients. Tests are conducted every 2-3 years; number of farms are estimated by the country.
3. Represents survey data (not directly comparable from year to year) for wheat, cotton, maize and sorghum.
4. Tests were conducted in 1993 every 2-3 years and in 1997 and 2002 every year.
5. Soil test covers phosphorus, potassium, magnesium, calcium and sodium for Flanders and nitrogen, potassium and phosphorus for Wallonia, the standard test for Flanders does not include nitrogen, nitrogen is tested in the N-index which is not shown here but is available for the same years; data include 2000-03 value of Flanders and 2003 value of Wallonia.
6. Data for the period 1990-94 refer to 1985-89.
7. Data represent farms with sales > USD 10 000, with nutrient tests every year up to every 5 years or more.
8. Data for the period 1990-94 and 1995-99 refer to year 1993 and 1999.
9. Soil tests cover phosphorus, potassium, magnesium and calcium. Nitrogen tests are conducted in spring, but the number of farms for nitrogen are not given. Soil tests are mostly conducted every 5-8 years.
10. Soil tests cover nitrogen, phosphorus, potassium, calcium and magnesium, tests are conducted every 4-5 years.
11. Tests are conducted every year, phosphorus and potassium tests are conducted after more than 5 years.
12. Soil test covers phosphorus, potassium, calcium and magnesium, tests are conducted every 3 and 6 years, respectively.

Source: OECD Agri-environmental Indicator Questionnaire, unpublished; OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France; national data sources.

around a third of OECD countries are monitoring changes in SMPs (Figures 1.9.6 and 1.9.7). Countries are using a range of practices to help improve soil conservation (Table 1.9.1), although key amongst these are moving towards no-till or conservation tillage and, to a lesser extent an increase in soil vegetative cover, especially using green cover over winter months rather than leaving bare soil (Figure 1.9.7). These practices can also bring benefits to wild species by providing winter feed (Section 1.8). For some countries soil conservation efforts are mainly focused on arable crop areas (*e.g.* **Canada, United States**), but for others a very high share of the entire agricultural area is under SMPs (*e.g.* **Austria, Belgium, Norway, Switzerland**). Most SMPs are supported or enforced by government, with few SMPs farmer led initiatives or promoted by the agro-food industry (Table 1.9.2).

Where improvements in reducing soil erosion rates have been greatest, such as in **Canada** and the **United States** (Section 1.5), this has been associated with an increase in the area or relatively high share of arable land under soil management practices, notably greater use of low till/conservation tillage and an increase in soil green cover

Figure 1.9.5. **Share of total arable and permanent crop area under integrated pest management**



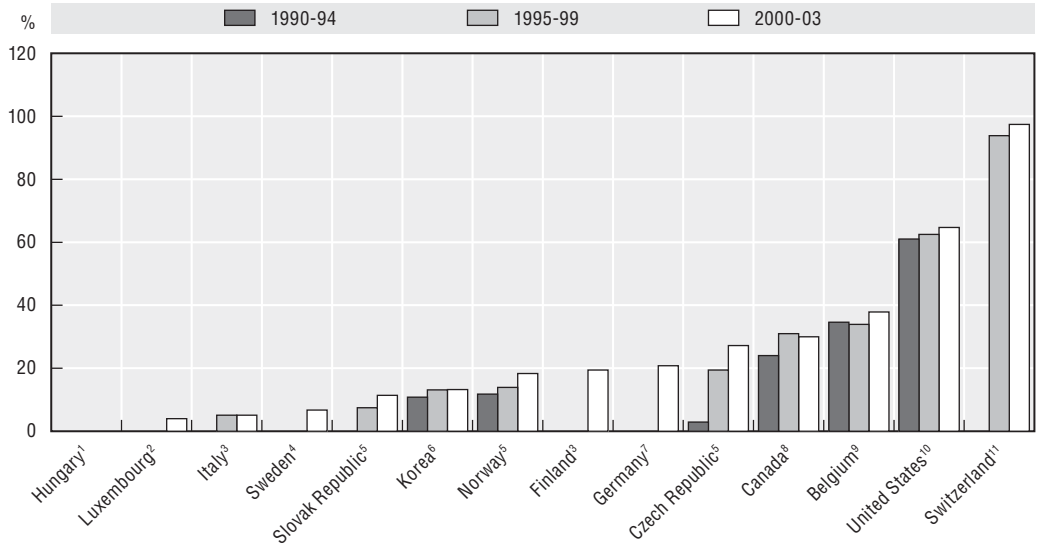
StatLink http://dx.doi.org/10.1787/288258134111

1. Values are 0.17% for 1995-99 and 0.02% for 2000-03. Data for 1995-99 are for 1998, taken from OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France. Data include only crop area.
2. Value for 2000-03 is 0.13%, for other years n.a., data includes total agricultural area and share of total agricultural area.
3. Values are 0.6%, 1990, 1.0% for 1994 and 1.3% for 2003.
4. Data refer to Flanders and Wallonia, data for Flanders include only permanent crops, data for Wallonia include arable and permanent crops; data for 1996 represent the sum of 1996 for Flanders and 1998 for Wallonia. Values are 0.38% for 1995-99 and 1.54% for 2000-03.
5. Arable area and permanent crops (only fruit) with environmental certificate.
6. Values are 3.7% 1995, 4% 1999 and 3.2% for 2000-03.
7. Values are 0.09%, 1995, 2.3% for 1999 and 5.3% for 2002.
8. Data represent only cultivated crops.
9. Values represent data for 1995, 1999 and 2002.
10. Data show values for 1990-94 which include permanent crops (*e.g.* kiwifruit), for 1995-99 which include vegetable crops (*e.g.* outdoor tomatoes) and permanent crops (*e.g.* kiwifruit, winegrapes, apples), and for 2000-03 which include vegetable crops (*e.g.* outdoor tomatoes, brassicas, potatoes) and permanent crops (*e.g.* kiwifruit, winegrapes, apples, avocados, persimmons and stonefruit). Values are 2.21% for 1990-94, 7.45% for 1995-99 and 10.05% for 2000-03.
11. Data for the periods 1990-94, 1995-99 and 2000-03 refer to years 1993, 1999 and 2003.
12. Data from Survey data (not directly comparable from year to year) for wheat, cotton, maize and soyabeans.

Source: OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France; OECD Agri-environmental Indicators Questionnaire, unpublished; national data sources.

(Figures 1.9.6 and 1.9.7). In other countries, such as the **Czech** and **Slovak Republics**, the relatively low uptake of soil management practices may be aggravating soil erosion risks (Section 1.5). The poor uptake of soil conservation practices where soil erosion remains an important agri-environmental issue is also reported for **Hungary, Italy, Korea, Slovak Republic** and **Turkey** (Section 1.5 and Chapter 3).

Figure 1.9.6. **Share of arable crop area under soil conservation practices**



StatLink http://dx.doi.org/10.1787/288265066700

1. Value for 2000-03 is 0.1%, other years not available, includes total agricultural land and share of total agricultural land.
2. National data. Value for 2000-03 is 4%.
3. Includes total agricultural land and share of total agricultural land.
4. Data include arable crops (*e.g.* catchcrops, postponed autumn tillage and protection zones).
5. Data include only arable crops.
6. Data include permanent crops and pasture and share of permanent crops and pasture.
7. Data include only arable crops, data refer to 2003/04.
8. Share of cropland area in conservation tillage practices (%).
9. Data includes arable crops (*e.g.* winter wheat and barley for all years and green cover in winter for 1995 and 2000) for Flanders; the 1990-94 value is the sum of 1990 data for Flanders and 1994 data for Wallonia, the 1995-99 value is the sum of 1995 data for Flanders and 1999 data for Wallonia, the 2000-03 value is the sum of 2000 data for Flanders and 2003 data for Wallonia.
10. Data from USDA (2004), data for the period 1990-94 equal 1994; data represent cropland under crop residue management (*e.g.* no-till, conservation management) in US major agriculture productive areas.
11. Data for the period 1995-99 refer to year 1999. Data not available for the period 1990-94.

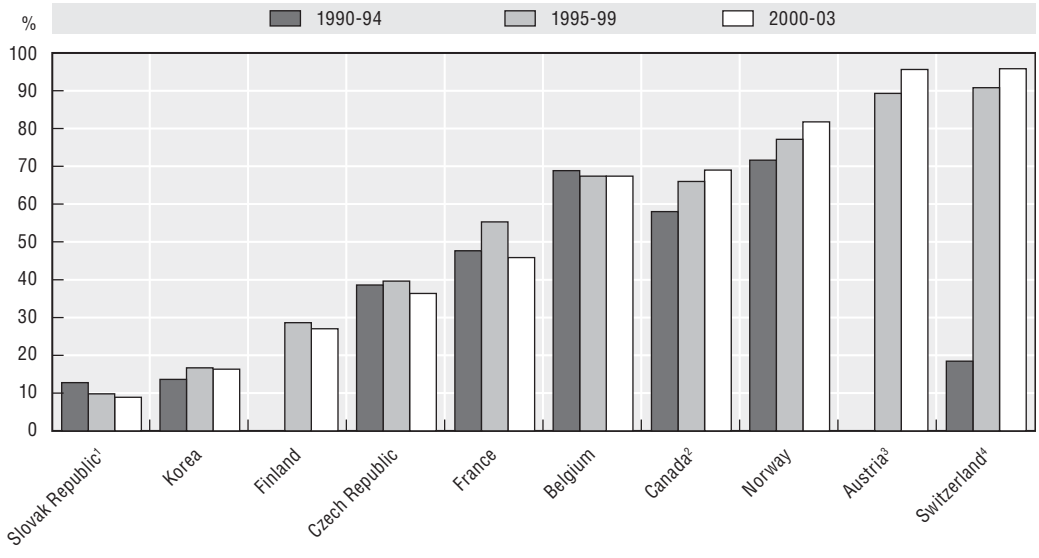
Source: USDA (2004); OECD Agri-environmental Indicators Questionnaire, unpublished.

1.9.5. Water management

For those OECD countries where irrigated agriculture is important, they are generally applying irrigation technologies that are poor in terms of water conservation (Figure 1.9.8). Crop irrigation in most countries involves flooding or high pressure raingun technologies, which use considerably greater quantities of water than the more efficient low pressure sprinklers and drip emitters. As in common with many other EFMPs water management practices are typically supported by government, but rarely obligatory or promoted voluntarily (Table 1.9.2).

The uptake of more efficient water management technologies (*i.e.* drip emitters) covers over 20% of the total irrigated area for only a few countries (**Czech Republic, Greece, Italy, Spain**). But for certain countries where irrigated agriculture contributes an important share in total agricultural output and value, and the pressure to conserve water resources is high in certain regions, the share of the more efficient drip emitter water application technology in irrigated areas is under 10% for **Australia, France, Turkey**, and the **United States**. However, for **Australia, France** and the **United States** there is more widespread use of low-pressure sprinklers (Figure 1.9.8).

Figure 1.9.7. **Share of total arable and permanent crop area under all-year vegetative cover**



StatLink http://dx.doi.org/10.1787/288274883027

1. Data for the period 1990-94, 1995-99 and 2000-03 refer to the year 1992 (12.8%), 1997 (9.8%) and 2002 (8.9%).
2. The percentages show the share of Cropland in Different Soil Cover Classes (%).The percentages shown include the following soil cover classes: very high (≥ 325 days coverage), high (300-324 days coverage) and moderate (275-299 days coverage).
3. Data for the period 1995-99 refer to the year 1999, and for 2000-03 refer to the year 2003.
4. Data for the period 1990-94, 1995-99 refer to year 1993 and 1999.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished; Lefebvre *et al.* (2005); national data sources.

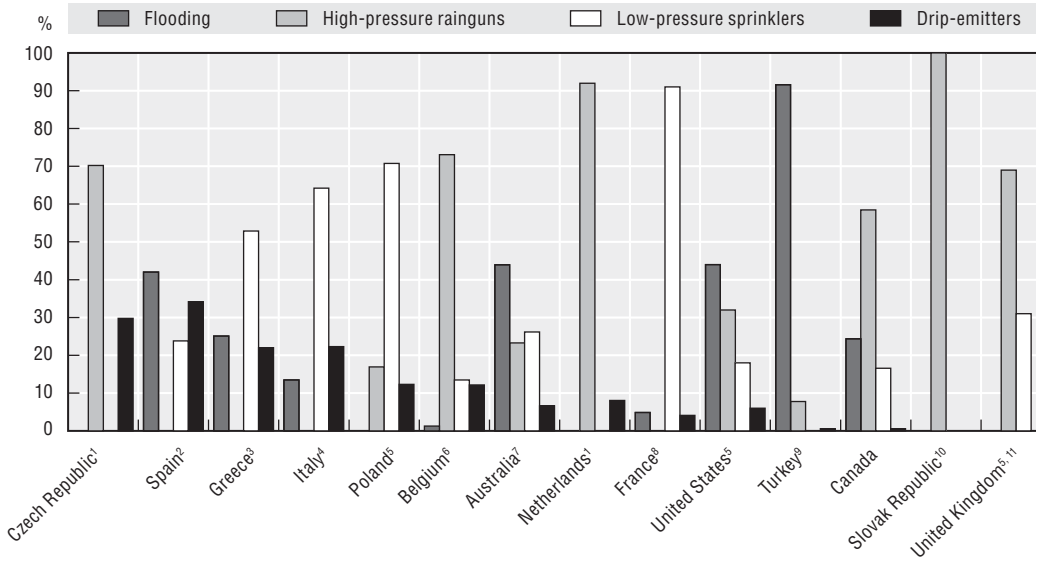
1.9.6. Biodiversity management

The share of agricultural land under biodiversity management plans (BMPs) is low for most OECD countries, except for **Austria, Ireland, Sweden** and **Switzerland** (Figure 1.9.9), although this conclusion should be treated with caution. Most countries are just beginning, or are in the process, of implementing biodiversity management plans in agriculture as part of their broader biodiversity action plans developed under the national implementation of the *Convention of Biological Diversity* (Section 1.8). In addition, many countries are only just starting to monitor the uptake by farmers of biodiversity management plans (about a third of OECD countries in 2003), which in many cases are supported or enforced by governments and regularly audited (Table 1.9.2).

Information on the characteristics of BMPs is currently lacking, but in some cases they cover, for example, conservation of endangered species (Section 1.8) and practices aimed at establishing and managing field margins and riparian buffers. As biodiversity and landscape management practices can be closely linked, it can be difficult to separate the two in a number of countries, such as in many European OECD countries.

Figure 1.9.8. **Share of irrigated land area using different irrigation technology systems**

2000-03



StatLink http://dx.doi.org/10.1787/288280262782

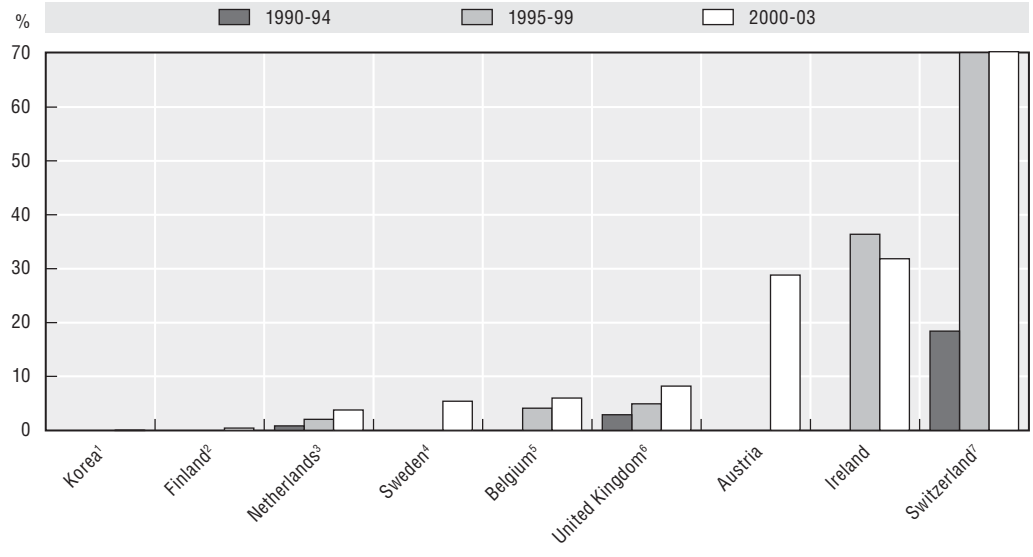
1. Data for 2003.
2. The data are for 2002-03 and represent the area for flooding, sprinklers and drip emitters that are irrigable but not necessarily irrigated.
3. Data for 1999, which show different irrigation technologies' share of total irrigation water use.
4. Data for 2000.
5. National data.
6. Data for Flanders refer to 2002. Flooding data include Wallonia and Flanders data, but for Flanders only ornamental plant cultivation in greenhouses are included; high-pressure raingun data refer only to Flanders; data for low-pressure sprinklers and drip emitters are the sum of Flanders and Wallonia data.
7. Data are taken from the Australian Bureau of Statistics (2005), Irrigation Methods 2002-03; flooding refers to surface, low-pressure sprinklers refer to microspray, drip-emitters refers to drip or trickle, and high-pressure rainguns refers to portable irrigators, hose irrigators, large mobile machines and solid set.
8. Values are an average of data for 2000 and 2003.
9. Data for 2000, value for high-pressure rainguns include area irrigated by low-pressure sprinklers.
10. Data for 2000-03.
11. Data for England.

Source: Australian Bureau of Statistics (2005); OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France, OECD Agri-environmental Indicators Questionnaire, unpublished.

1.9.7. Organic management

The OECD area under certified organic farming has increased substantially, especially since 1993-95, but accounted for less than 2% of total OECD farmland by 2002-04 (Figure 1.9.10). However, there is considerable variation in the importance of organic farming across countries, with the share in the total agricultural area higher in OECD European countries (*e.g.* around 6% or higher in **Austria, Denmark, Finland, Italy** and **Switzerland**) but much lower in non-European OECD countries (*e.g.* under 1% in **Canada, Japan, Korea, Mexico, New Zealand** and the **United States**), except notably **Australia** where it is over 2%, and in **Greece, Iceland, Ireland, Poland** and **Turkey** where it is also very low.

Figure 1.9.9. **Share of agricultural land area under biodiversity management plans**



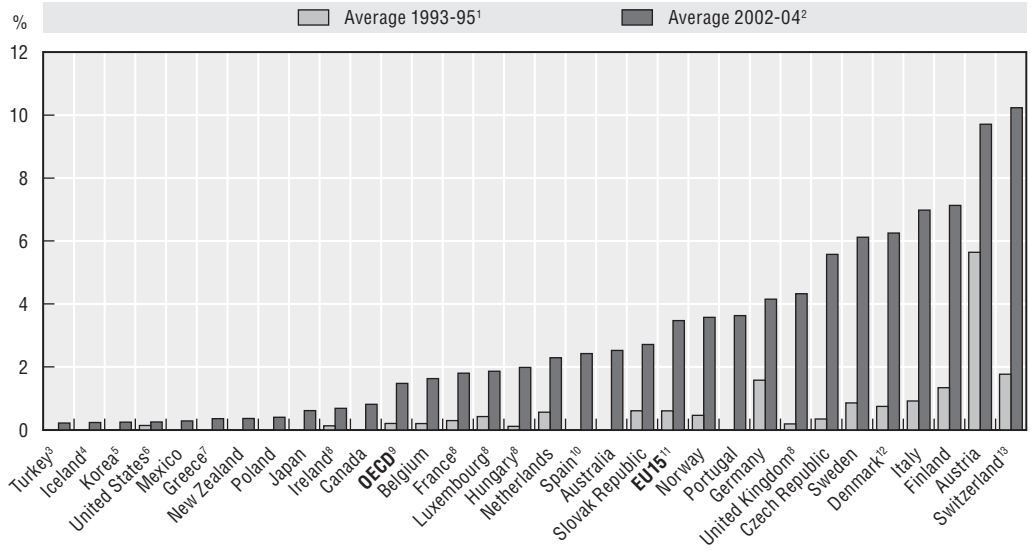
StatLink http://dx.doi.org/10.1787/288303510537

1. Value is 0.02% for 2000-03, data for other years are not available.
2. Value for 2000-03 is 0.42%, other years are not available.
3. Value for 1990-94 is 0.8%, data for 2003 are an estimate by the Netherlands.
4. Data include only pasture and share of pasture area.
5. Data represent Flanders and Wallonia; value of 2001 is the sum of Flanders (2001) and Wallonia (2003).
6. Includes area under the "Wildlife Enhancement Scheme" and "Agri-environment Schemes".
7. Data for the period 1990-94 and 1995-99 refer to the year 1993 and 1999.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

The importance of organic farming varies not only between countries, but also between different commodities within countries. In **France**, for example, pasture is largely under organic systems compared to arable land, while amongst arable crops the share of fruit and vegetables produced organically tends to be higher than for cereals, sugar and oilseed crops. For livestock products growth in organic production has been most rapid for milk and poultry meat. In terms of the share of organic foods in total retail food sales the share varies across countries, but it is also small, for example, around 2% (2003) in the **United States**. Milk, fruit and vegetables account for the major part of organic production and retail sales in both the **United States** and **EU15** (EEA, 2005; OECD, 2003b; USDA, 2005).

Figure 1.9.10. **Share of agricultural land area under certified organic farm management**



StatLink http://dx.doi.org/10.1787/288310605203

1. Data for 1993-95 are unavailable for Australia, Canada, Japan, Mexico, New Zealand, Poland and Portugal.
2. Data for 2002-04 are taken from IFOAM (2007).
3. Value for 1993-95 is 0.01. Data for 1994 are taken from OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France.
4. Value for 1993-95 is 0.004. Data for 1993-95 are taken from OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3.
5. Value for 1993-95 is 0.001. Data for 1995 are taken from OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3.
6. Value for 1993-95 equals data for 1997 (0.14%) and value for 2003 equals data 2001 (0.25%). Data from national source.
7. Value for 1993-95 is 0.02; data are taken from OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3.
8. Data for 1993-95 are taken from IFOAM, other data are taken from OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3.
9. Australia, Canada, Japan, Mexico, New Zealand, Poland and Portugal are not included in the OECD for 1993-95.
10. Data for the period 1993-95 refer to year 1993, the value is 0%.
11. Portugal is not included in the EU15 for 1993-95.
12. Data for 1994 equal 1993-95 average.
13. Data for the period 1993-95 refer to the year 1993.

Source: OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France; OECD Agri-environmental Indicators Questionnaire, unpublished; IFOAM (2007).

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Chapter 2

OECD Progress in Developing Agri-environmental Indicators

2.1. Introduction

This chapter reviews the progress of OECD work on agri-environmental indicators (AEIs), especially in a series of OECD Expert Meetings, held over the period 2001-04 (Box 2.1, *Background and Scope of the Report*, Section II). The indicators described in this chapter are those for which either methodologies and/or data sets are *not* yet at a stage that allows for representative comparative OECD country coverage, as is the case for those in Chapter 1. The OECD Expert Meetings and agri-environmental questionnaires (unpublished) provided the key material for this chapter, as well as for other chapters. Annex 2.A1 provides a list of the indicators covered in this chapter, although a few are not examined here, including the indicators of: greenhouse gases (Section 1.7.3, Chapter 1); and energy (Section 1.4, Chapter 1).

The development of OECD's AEIs has involved intensive collaboration with experts in the relevant areas, co-ordination with other international organisations, and interactive consultation with OECD countries. This chapter examines in:

- ***Section 2.2:*** A review for each indicator area, considering the relevant agri-environmental issue and definitions, followed by an assessment of how far the work has developed in each case, including identifying the main knowledge gaps that need to be addressed for the indicators to be useful for policy monitoring and evaluation; and,
- ***Section 2.3:*** Provides an overall assessment of the common themes that emerge from this review, in terms of examining the indicators against four criteria: policy relevance, analytical soundness, measurability, and ease of interpretation (see also supporting information in Annex 2.A2).

2.2. Progress in developing OECD Agri-environmental Indicators

2.2.1. Soil: Erosion, biodiversity and soil organic carbon

Soil erosion and soil biodiversity

Issues. Soil erosion resulting from agricultural activity occurs not only through the natural agency of wind and water, but also as a result of tillage translocation and mechanical intervention. It occurs across a range of landscapes and affects both agricultural productivity on-site and environmental quality off-site. The interdependence between soil erosion and soil biodiversity is widely acknowledged, thus a range of related indicators reflects the interactions between properties and processes. Damage to soil biodiversity may exacerbate erosion, and the latter accentuate biotic loss. Management practices that degrade soils can negatively impact on soil biodiversity through, for example, reducing the organic matter content, and in turn reduce soil quality. Soil biota are extremely complex and the interrelationships of soil biodiversity indicators with other variables, including soil management, are significant.

Indicators. The OECD Expert Meeting on "*Agricultural Impacts on Soil Erosion and Soil Biodiversity: Developing Indicators for Policy Analysis*" (OECD 2003a) recommended that OECD countries could develop the following indicators, in addition to those covered in Chapter 1.

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Soil erosion

i) Area and share of agricultural land affected by tillage erosion in terms of different degrees of erosion, *i.e.* tolerable, low, moderate, high and severe.

ii) Contribution (as a share or physical quantity) of agriculture to off-farm sediment flows into the landscape and water bodies (from water, wind and other erosion sources).

iii) Gross on-farm soil erosion, measured through integrating models of wind, water and tillage erosion.

iv) On-farm and off-farm economic costs of soil erosion.

Soil biodiversity

No specific soil biodiversity indicators were recommended by the Expert Meeting, but experts suggested that countries could exchange information on their soil biodiversity indicator inventory, methodologies, and national case studies revealing the use of these indicators for policy analysis, where available.

Assessment. A lack of scalable, reliable, consistent and comparable datasets is the main limit to developing ***soil erosion*** indicators. In this respect, a comprehensive approach, including consistency in methodologies of modelling, of data collection and use, and collaboration among OECD countries are required in order to develop integrated indicators. While some progress has been made in developing some soil erosion indicators (Section 1.5, Chapter 1), other soil erosion indicators, see above, are less advanced. But in **Canada**, for example, risk indicators of tillage erosion on cropland have been fully developed at the regional as well as national level in addition to indicators of water and wind erosion (Lefebvre *et al.*, 2005).

Further research is needed, for example, to develop measurements of off-site deposits of eroded soil. Developing complete data systems would facilitate this process covering varying types of erosion – water, wind and tillage – as would systematic long-term monitoring (augmented by the establishment of international monitoring protocols) of all relevant variables including land use.

Soil biodiversity embraces genetic, taxonomic and functional forms which interact to provide a wide range of ecological services. Individual agricultural practices may affect this balance, therefore destabilising the ecosystem. It is generally believed that ploughing reduces diversity whilst liming tends to increase species richness in nutrient-poor and semi-natural grasslands. The over-use of agrochemicals and organic waste can also have a detrimental impact on soil organisms (OECD, 2001).

Measurement of soil biodiversity is complex (Box 2.1). Conceptual approaches can vary from taxonomic, functional, ecological, to trophic structure. Soil organisms are multifunctional, highly diverse and difficult to systematise both spatially and temporally. The heterogeneity of soil environments is a reflection of biotic activity which in turn affects biotic diversity and function. The diversity in approaches to monitoring biodiversity (at species, entity, or soil activity levels) adds to the complexity in deriving appropriate indicators.

Measuring soil biodiversity requires identification of scale (local, regional, national); the method of measurements; and the minimum set of elements needed to facilitate comparison, yet also need to reflect heterogeneity. The task is made more demanding since scientific research has varied from impact studies, population characterisation, functional analysis and methodological testing.

Box 2.1. **Soil biodiversity in agricultural land**

Soil biodiversity contributes to crop productivity, soil functions and agro-ecosystems on which the agricultural sector depends. The proper functioning of soil is essential to support life. Yet little is known about the biodiversity of soils, nor how agricultural activities can affect a soil's biological properties. Thus, a greater knowledge of the impacts of farm management practices on soil biodiversity is needed.

Several OECD countries have developed or are progressing with strategies on conserving soil biodiversity stemming from the UN Convention on Biological Diversity. The **Canadian** Biodiversity Strategy, for example, was developed in 1995 to enhance national conservation efforts on the sustainable use of biological resources. **Canada** aims to increase awareness and understanding about soil biodiversity in agriculture as research shows that the soil biotic system and its biodiversity can have wider effects with the capacity to help clean air and water (Fox *et al.*, 2003).

In the **Netherlands** there is concern over the sustainable use of ecosystems, due to agricultural use of soils. A biological indicator has been developed to assess the condition of soil quality (Anton *et al.*, 2003).

The **United Kingdom** recognises that agricultural land use and management practices may have significant (positive and negative) impacts on different components of soil biodiversity. Farmers are encouraged to consider nature conservation and environmental protection practices, as well as biomass production and heritage interests in order to maintain soil functions (Black *et al.*, 2003).

Given the complex nature of the relationships between soil biodiversity, farming practices and agricultural systems on the one hand, and groups of organisms and soil process on the other, appropriate assessment methods are necessary in this process. In this respect, a minimum set of soil biodiversity indicators, which can be adapted as further information is acquired, might include data on micro-organisms; meso- and macro-fauna; and total organic carbon.

Soil organic carbon

Issues. In response to the debates over global climate change, since 1992 the United Nations Framework Convention on Climate Change (UNFCCC) has been concerned with carbon emissions and current trends affecting the atmosphere. Emissions targets and trading in sequestered carbon or sinks are laid out in the *Kyoto Protocol* (1997). In the case of soil organic carbon, the lack of regular and consistent data on carbon stocks in agricultural soils makes it difficult to calculate accurate trends in changes in the organic carbon levels in soils.

In this context, there has been extensive research on soil organic carbon (SOC) given that longer term sequestration of SOC has the potential to mitigate greenhouse gas emissions (Rose, 2003), although the research on these relationships is still in its infancy in many OECD countries. However, this situation is expected to be improved, as the UNFCCC inventories will in future categorise carbon sequestration in agricultural soils separately from soil emissions in general (Section 1.7.3, Chapter 1). The proliferation of national carbon accounting systems is a pre-requisite for such developments, as is a framework for utilising the output of existing models and databases.

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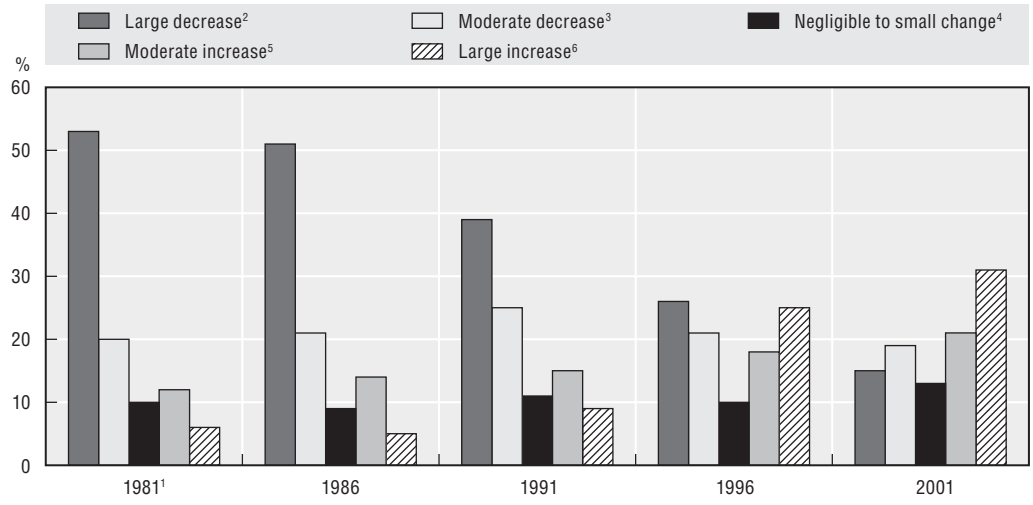
Indicators. The OECD Expert Meeting on "*Soil Organic Carbon and Agriculture: Developing Indicators for Policy Analysis*" (OECD, 2003b), recommended that OECD countries could develop the following indicator:

- Change in total soil organic carbon (SOC) in agricultural land over time.

Assessment. The high estimated opportunity cost of soil carbon in agricultural activities is a reflection of the role of soil organic matter in providing a vehicle for nutrient and water storage and release, as well as the filtration of air and water. Farm practices provide the key drivers of changes in SOC levels. The data required to explain the interactions between these variables cover not only soils, but also climate (*e.g.* degree of wind and precipitation); land use and cover; and farm management techniques. At the same time the SOC indicator needs to be considered alongside other indicators of soil and water quality, to better understand the relationships between these indicators and thus the interactions between the variables covered by them.

A few OECD countries have already begun to monitor changes in SOC and reported them to the UNFCCC. In **Canada**, the level of SOC in farmland soils increased during 1981-2001 (Figure 2.1, Lefebvre *et al.*, 2005, Liang *et al.*, 2003; Patterson *et al.*, 2003). There has been a marked increase in the share of farmland within the largely and moderately increasing class of SOC (Figure 2.1). These positive changes can be mainly attributed to improvement of crop management practices, including reduction in tillage intensity, a reduction in summer fallow on the Prairies and an increase in hay and forage crop production (Lefebvre *et al.*, 2005). Nevertheless, data for 2001 shows that Canada still has a significant share of farmland (34%) within the moderate to large decreasing class of SOC, partly due to excessive erosion on cropland with annual crops in Eastern Canada (Figure 2.1, Lefebvre *et al.*, 2005).

Figure 2.1. **Canadian soil organic carbon stocks in agricultural soils by different classes**



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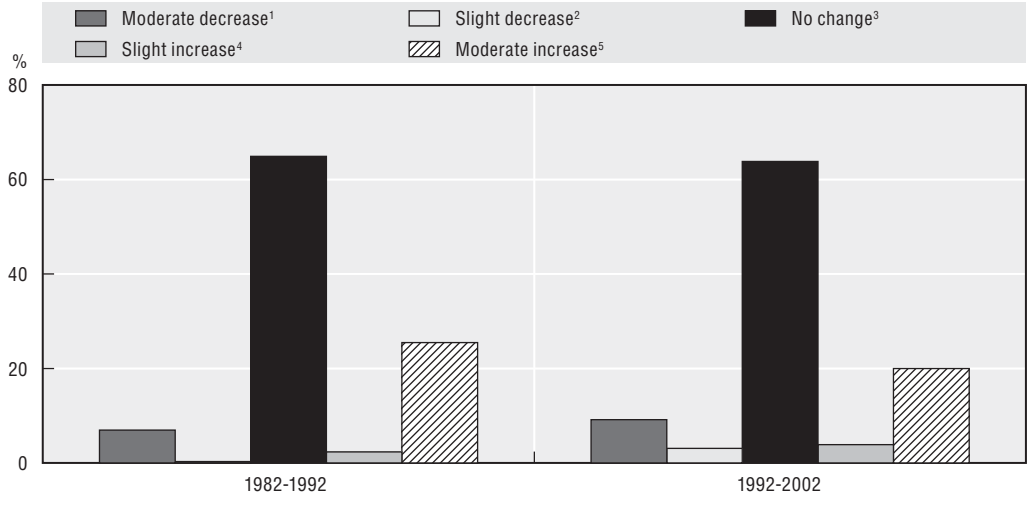
1. Slope of a 10-year regression is taken, centred on each particular year indicated.
2. Large decrease is defined as more than 50 kg decrease in soil carbon per hectare per year.
3. Moderate decrease is defined as between 10 and 50 kg decrease in soil carbon per hectare per year.
4. Negligible to small change is defined as between –10 to 10 kg change in soil carbon per hectare per year.
5. Moderate increase is defined as between 10 and 50 kg increase in soil carbon per hectare per year.
6. Large increase is defined as more than a 50 kg increase in soil carbon per hectare per year.

Source: Lefebvre *et al.*, 2005.

Agricultural soils in the **United States** sequester around 4 million tons of carbon annually, accounting for about 2% of total terrestrial carbon. SOC stocks in agricultural soils declined between 1982 to 1992 but overall changed little over the period 1992 to 2002 (Figure 2.2; USDA, 2004). While adoption of conservation tillage practices have helped toward increasing SOC, more extensive implementation of conservation management practices could lead to sequestration at much higher rates (Ogle *et al*., 2003).

Figure 2.2. **United States soil organic carbon stocks in agricultural soils by different classes**



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1. Moderate decrease is defined as more than 50 kg decrease in soil carbon per hectare per year.
2. Slight decrease is defined as between 10 and 50 kg decrease in soil carbon per hectare per year.
3. No change is defined as between –10 and +10 kg change in soil carbon per hectare per year.
4. Slight increase is defined as between 10 and 50 kg increase in soil organic carbon per hectare per year.
5. Moderate increase is defined as more than 50 kg increase in soil organic carbon per hectare per year.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

Analytical and sampling protocols are required to ensure consistency and comparability, particularly with respect to soil profile depth. A major concern involves measuring potentially very small changes in SOC that might occur within a short time period. Model choice should be determined by biophysical heterogeneity and data availability. The dynamics of carbon and nitrogen cycling are closely linked and other indicators, such as some soil biodiversity indicators, can be extracted from the data sets that produce the SOC indicator.

2.2.2. Water: Use and water quality

Issues. Agriculture is a significant user of water and the main contributor to water pollution in rural areas of many OECD countries. While the links between the use and quality of water are pronounced in some cases, agriculture can, at the same time, provide eco-systems services such as groundwater recharge and flood control. In this context, indicators with respect to water use and quality are crucial to reflect the current status and trends in these variables, as well as links to agricultural water management indicators.

Indicators. The OECD Expert Meeting on "*Agricultural Impacts on Water Use and Water Quality: Developing Indicators for Policy Analysis*" (OECD 2004a) recommended that OECD countries could develop the following indicators, in addition to those covered in Chapter 1:

Water use

1. A net agricultural groundwater balance to take into account both agricultural withdrawals and recharge of groundwater.
2. Annual share of rivers/lakes where agricultural water extraction results in rivers/lakes falling below (seasonal) a minimum reference level.
3. Impact of agricultural water use on ecosystem health (*e.g.* wild species and wetlands).
4. Trend in the average value of irrigated agricultural product(s) per unit of irrigation water consumed (or alternatively water withdrawn or licensed water allocation, where the water withdrawn could be the *gross* value of total water withdrawn or the *net* value of total water withdrawn minus the value of water returned to rivers and lakes and recharged to groundwater).
5. Charges for water supplies to farmers relative to water supply charges for other major users (industry and urban).

Water quality

1. Salt concentrations in surface waters and groundwater in excess of national water threshold values in representative agricultural areas.
2. Pathogen (faecal indicator or pathogenic bacteria) concentrations in surface waters and groundwater in excess of national water threshold values in representative agricultural areas.
3. Share of pathogen contamination derived from agriculture in surface waters and groundwater.

Assessment. With respect to groundwater use, measuring the net balance (as opposed to outward flows) would provide a more comprehensive indicator, with the information augmented by data on the quality of outward and return flows (Section 1.6.1, Chapter 1). In this regard, recharge of groundwater as well as return flows to rivers has been measured in countries, such as in **Japan** and **Korea** (Table 2.1).

Table 2.1. **Net water balance in a Japanese rice field irrigation system: 2003**

	10 000 m^3/1 000 ha/120 days
Input (into rice field)	**2 220**
Intake from river	1 920
Rainfall	900
Withdrawal evapotranspiration	600
Output (from rice field)	**2 220**
Return flow to a river	1 370
Groundwater recharge[1]	450
Other	400
Ratio of return flow to river/intake from river (%)	71
Ratio of groundwater recharge/intake from river (%)	23

StatLink http://dx.doi.org/10.1787/301817702474

1. A part of water is discharged into downstream rivers after groundwater recharge.

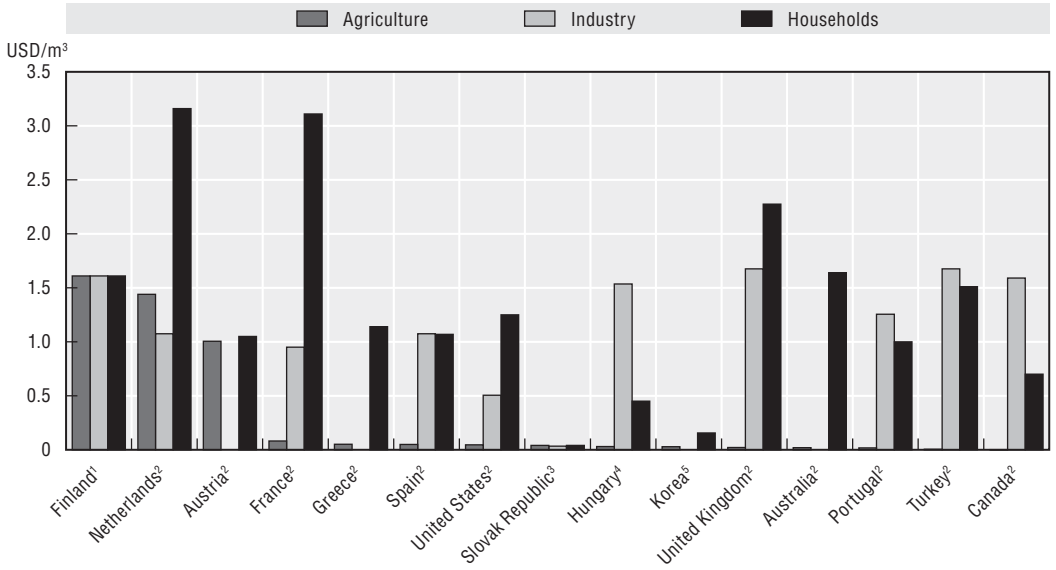
Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

Indicators of volumes used in, and area under, irrigation could describe one aspect of water use efficiency, with a related indicator describing economic efficiency or agricultural output per unit of water consumed. In the **United States**, for example, the average value of irrigated agricultural products per unit of irrigation water is more than four times higher than that of non-irrigated products. Water use indicators may also need to reflect humid as opposed to arid and semi arid conditions.

The indicator of charges for water supplies to farmers relative to water supply charges for other major users (industry and urban) reveals that in many OECD countries agricultural producers pay substantially less for water deliveries than industrial and urban users (Figure 2.3). To an extent the difference in water charges between agriculture and others users reflects the widespread support provided to OECD irrigated farming (Chapter 1). Some caution is required, however, in comparing agricultural water charges with other user charges because water supplied to agriculture is usually of a lower quality than that provided to households and, on occasion, industry; while the capital costs of water conveyance systems are generally lower for agriculture than for household or industry. In addition, variations in water charges between users may not reflect differences in water use efficiency, for example, public water supplies in a particular water catchment

Figure 2.3. **Agricultural, industrial, and household water charges**

Late 1990s-early 2000s



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Note: Some caution is required in comparing agricultural water charges with other user charges because water supplied to agriculture is usually of a lower quality than that provided to households and, on occasion, industry; while the capital costs of water conveyance systems are generally lower for agriculture than for households or industry.

1. Data from OECD Agri-environmental Indicators Questionnaire, unpublished.
2. For agriculture, industry, and households, charges are the median values for the range of charges for each category, and data for late 1990s, see OECD (2001), *Environmental Indicators for Agriculture*, Vol. 3, Paris, France. Agricultural water charges are less than 0.1 USD/m^3.
3. The charges for water used by agriculture and households are the same (0.04 USD/m^3) but for industry are lower (0.034 USD/m^3), data for 2002.
4. Agricultural water charges are less than 0.1 USD/m^3, data for 2003.
5. For households and industry, water charges are for the year 2000, and for agriculture (paddy field), for the year 1995. Agricultural water charges are less than 0.1 USD/m^3.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

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might be drawn from groundwater while that for agriculture from a river. Moreover, water charges may not reflect the value of positive externalities that can be generated by agriculture, such as groundwater recharge, as discussed above.

The development of water quality indicators is complicated because different reference levels are used to define national quality standards, ranging from drinking water to other water uses, including for environmental and recreational use. Similar issues arise with respect to salt and pathogen content, where there are no common standards or indicators across countries (Box 2.2).

Refinement of current measurement techniques of water use and quality is necessary, but the main need of future research is to broaden the range of indicators and associated data, to include measurements of the environmental and social consequences for water

Box 2.2. **Agricultural livestock pathogens and water pollution**

Pathogens in livestock manure (*e.g.* bacterial, parasites and medicines), especially from dairy cattle and pigs, can be transmitted in waterways directly from faecal discharges, leaking slurry/manure stores and from field application of manure. These pathogens can damage fish and shellfish in aquatic ecosystems, and cause human health problems through impairing drinking water quality. There is little information available about how the release of these pathogens into water bodies may affect human health or eco-systems. However, a study in the **United States** found that 9% of farm streams registered positive for several pathogens due to the frequency of manure spreading (OECD 2004b).

Many OECD countries have established guidelines or standards for pathogens in water bodies, in particular drinking water. For example, national guidelines exist for *E. Coli*, which must be undetectable in at least 100 ml of drinking water, in **Canada, Japan, Korea, New Zealand** and the **European Union.** Whilst methods of establishing standards may differ between OECD countries, they all share the objective of reducing water contamination to protect aquatic life and ensuring the safety for human consumption of water.

About 1 000 **Canadians** suffer from *E. Coli* annually, with the majority of recent cases relating to consumption of infected meat or cheese. In May 2000, seven people died and more than 2 000 became ill when the water system of an Ontario town was contaminated with *E. coli*. It is believed that the contamination came from cow manure that had leached into the water table. *Canada* also operates guidelines for freshwater and marine waters and has identified "at risk" areas where higher pathogenic bacterial contamination of surface or groundwater is likely. This especially occurs next to intensive livestock production.

In **Germany** studies show that the harmful effects of pathogens from livestock are reduced in the soil and groundwater aquifers within 50 days of their release in such a way they do not impair drinking water quality. For this reason, slurry and manure application is forbidden in specified water abstraction zones taking into account groundwater leaching velocity and the 50-day release threshold. For example, if the groundwater velocity amounts to 1 metre per day no livestock waste application is allowed around the pumping within a distance of 50 metres).

In the **United Kingdom** investment in the sewerage industry's infrastructure has significantly improved the quality of surface water bodies and highlighted areas where diffuse pollution from agriculture is compromising "guideline" standards, in particular North-West England and Western Scotland. Research is currently being conducted to identify the proportion of contamination derived from agriculture.

use and quality resulting from agricultural activity. There is currently a lack of information regarding these environmental and social interactions, as well as on agriculture's provision of ecosystem services, and the impact of agricultural water use on aquatic ecosystems (Box 2.3). Additionally, better understanding of the links between water use and quality could facilitate the development of both sets of indicators as, particularly with respect to irrigation water, these links can be significant.

Box 2.3. **The impact of agriculture on aquatic ecosystems**

Changes in river flow patterns contribute to the disturbance or degradation of aquatic ecosystems. There is an intricate balance between water levels in rivers, wetlands, groundwater sinks, etc., which can be disrupted by the disproportionate use of one of these resources. For example, withdrawal of excessive amounts of groundwater (in excess of the rate of recharge) can cause the reduction of river flows, the complete stoppage of flows or in severe cases the drying up of streams or the reversal of river flows.

Defining minimum flows for rivers is important to safeguard the water levels in rivers and streams. Monitoring water levels and the quality of rivers will indicate the extent of human interference and the effects of natural events (*e.g.* flooding or drought). Where river flows are regulated, it is expected that aquatic ecosystems can be relatively undisturbed.

Data are limited on the effect that over-extraction of water either from rivers or groundwater for agricultural purposes has on river flows or aquatic ecosystems. In some OECD countries in **Australia, Europe** and **North America** they have experienced problems in retaining minimum river flows as a result of overexploitation by irrigated agriculture. Therefore, monitoring minimum water flow rates in rivers is becoming a key part of environmental planning in river basins.

Source: OECD (2001).

Although current approaches to measuring these indicators have yielded valuable information, other frameworks and methodologies may improve understanding of agriculture's impact on water use and quality, particularly with respect to differentiating impacts by source. In this respect, the impact of alternative farm and water management practices may lead to helpful insights and the use of frameworks that encompass spatial scales that vary from the local to the international level.

2.2.3. Biodiversity: Genetic, wild species and ecosystem diversity

Issues. OECD has developed an Agri-biodiversity Framework to help organise and identify suitable agri-biodiversity indicators (Section 1.8, Chapter 1). In addition, the biodiversity indicators in Chapter 1 take account of the *Convention on Biological Diversity* identification of three levels of biodiversity: the genetic, species and ecosystem levels.

Indicators. The OECD Expert Meeting on "*Agriculture and Biodiversity: Developing Indicators for Policy Analysis*" (OECD, 2003c) recommended that OECD countries could develop the following indicators, in addition to those covered in Chapter 1:

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Genetic resource diversity

- Number and share of national native crop varieties (*i.e.* cereals, oil crops, root crops, fruit and vegetables) that are considered to be at risk of extinction (*i.e.* critical or endangered risk status).

Wild species diversity

- Number of ecologically indicative wild species using agricultural land.

Ecosystem diversity

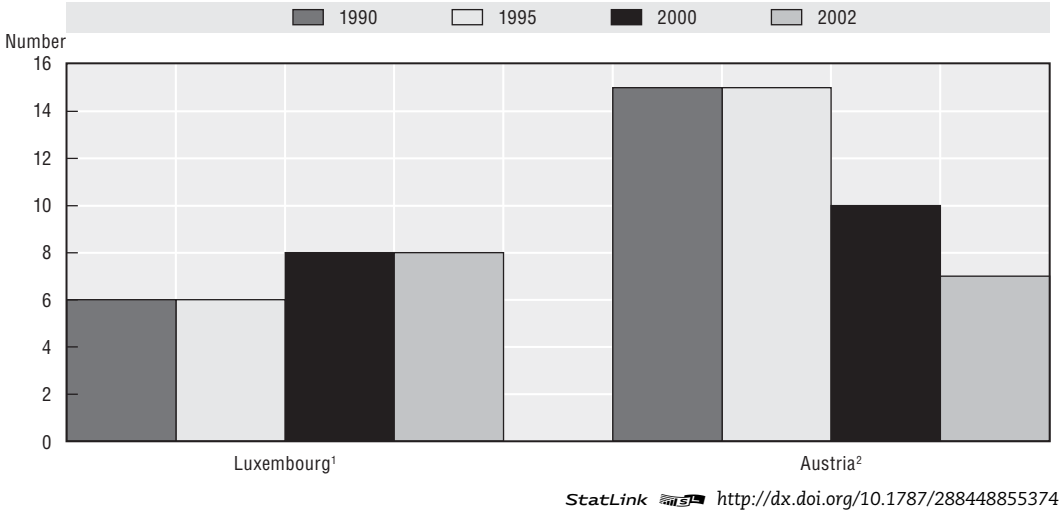
- Quality and quantity of habitat features (*e.g.* patch size, linear features and networks) and their spatial composition (*e.g.* fragmentation, vertical structures, mosaics) across agricultural land.

Linkages between habitats and species

1. *Habitat-Species Matrix*, linking changes in the area and management of all agricultural habitat types on wild species (flora and fauna) through data from either explicit field observation or indirect information (*e.g.* expert knowledge).
2. *Natural Capital Index*, the product of the quantity of agricultural habitat types and their quality in terms of wild species abundance, richness, habitat structure and management, measured between the current state of the agro-ecosystem and a baseline state.

Assessment. For indicators related to the ***diversity of genetic crop resources***, only a few countries have developed a database on the national crop varieties that are extinct, critical or endangered from being lost, or not at risk (Figures 2.4 and 2.5). The **United States** also reports genetic erosion is less of a problem for wheat and maize, although genetic uniformity of rice, beans and minor crops is a concern (Chapter 1). Identifying crop varieties that are endangered can be difficult. For example, a plant variety may be endangered *in situ*, but the genetic material of the variety could be held *ex situ* in a gene bank.

Figure 2.4. **National crop varieties that are endangered**

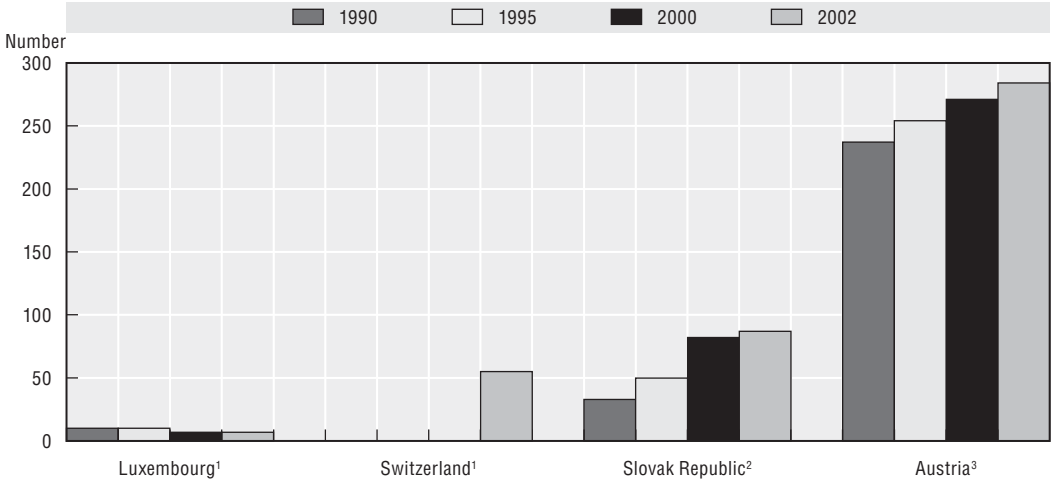


StatLink http://dx.doi.org/10.1787/288448855374

1. Crop varieties include fruit and vegetables.
2. Crop varieties include: cereals, oil crops and fruit.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

Figure 2.5. **National crop varieties that are not at risk**



StatLink http://dx.doi.org/10.1787/288456310701

1. Crop varieties include only fruit.
2. Crop varieties include: cereals, oil crops, root crops and vegetables.
3. Crop varieties include: cereals, oil crops and fruit.

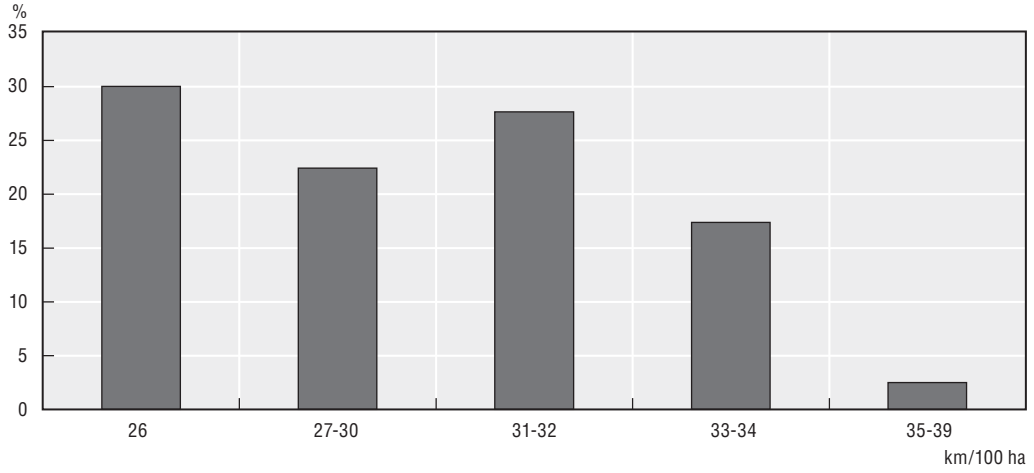
Source: OECD Agri-environmental indicators Questionnaire, unpublished.

Some progress has been made across OECD countries in developing indicators of ***wild species***, especially bird populations (Section 1.8.2, Chapter 1). But data and indicators related to other wild flora and fauna species are poorly developed.

Some progress is being made on the analysis of ***ecosystem diversity***, especially in terms of improved monitoring of agricultural semi-natural habitats (*e.g.* improving the distinction between different types of grasslands). In addition, some countries are developing methods and measurements of the quality of agricultural habitats, notably the structure of habitats. For example, **Finland** has developed an indicator of the edge density of field margins (Figure 2.6; Hietala-Koivu, 2003), which shows the abundance (or lack) of the ditch

Figure 2.6. **Edge density of agricultural fields in Finland**

2002



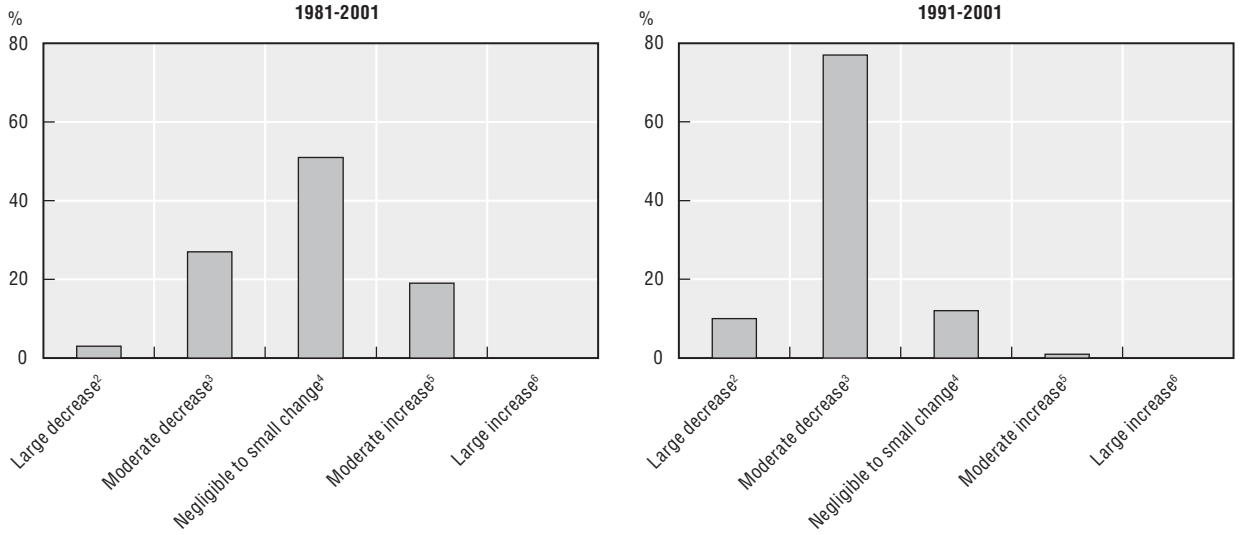
StatLink http://dx.doi.org/10.1787/288472430331

Source: Hietala-Koivu (2003).

boundaries between fields and other forms of land use (*e.g.* forest, roads). The indicator also shows the regional variation in edge density, and that where edge density is low this is likely to adversely impact biodiversity and cultural landscape values.

Habitat-Species Matrix and *Natural Capital Index* indicators integrate habitat quantity and quality indicators to provide information on how land use and land cover changes are affecting wild species (flora and fauna) in their use and requirements of habitats in agro-ecosystems (OECD, 2003c). The *Habitat-Species Matrix* (termed as a habitat capacity index in Canada) has been developed in some countries, such as **Canada** that aims to improve understanding of how wildlife habitats on agricultural land could be affected by sectoral, market and policy changes (Lefebvre *et al.*, 2005). In Canada, while a moderate improvement (increase) in habitat capacity was observed on nearly 20% of farmland between 1981-2001, there was a corresponding reduction in habitat capacity (moderate and large decrease) on nearly 30% of farmland (Figure 2.7). This was mainly occurred during 1991 to 2001 due to an expansion in cropland and decline in species-rich natural pasture (Lefebvre *et al.*, 2005).

Figure 2.7. **Share of Canadian farmland in various classes of the habitat capacity index**[1]



StatLink http://dx.doi.org/10.1787/288513561267

1. The habitat capacity index is calculated by relating the number of species that use each of the five selected land cover categories (*i.e.* cropland, summerfallow, tame pasture, natural pasture and "all other land") to the relative area occupied by each land cover type.
2. Large decrease is defined as more than a 10% decrease during the period in each figure.
3. Moderate decrease is defined as between a 2.5% and 10% decrease.
4. Negligible to small change is defined as between a –2.49 and 2.49% change.
5. Moderate increase is defined as between a 2.5% and 10% increase.
6. Large increase is defined as more than a 10% increase.

Source: Lefebvre *et al.*, 2005.

The *Natural Capital Index* (NCI) is being developed in the context of the implementation of the Convention on Biological Diversity (OECD, 2001). The NCI is calculated as the product of the quantity of the ecosystem (*e.g.* agro-ecosystem) multiplied by the quality of the ecosystem (*i.e.* average of changes in wild species numbers from a baseline period), and has similarities with the habitat-species matrix. The **Netherlands** has been active in developing the NCI, both at the broad national ecosystem level and for agro-ecosystems, tracking the decline in natural capital associated with agro-ecosystems in the country (Brink, 2003; RIVM, 2004).

2.2.4. Land: Landscapes and ecosystem functions

Agricultural landscapes

Issues. Agricultural landscape indicators attempt to show the relationship between agricultural structures and practices, and landscape structures, functions and values. These relationships are complex, often highly site specific and open to differing interpretations, reflecting the diverse situations among countries.

Indicators. The OECD Expert Meeting on "*Agriculture Impacts on Landscapes: Developing Indicators for Policy Analysis*" (OECD 2003d) recommended that OECD countries could develop the following indicators:

1. Landscape Structure: land use, cover, patterns and cultural features (*e.g.* hedges and historic farm buildings), some of which are partly covered in other indicator areas.
2. Landscape Functions: recreation (*e.g.* accessibility), cultural identity, tranquillity, and ecosystem functions covered in the biodiversity indicator area.
3. Landscape Values: monetary value of agricultural landscapes calculated through the use of methods, such as contingent valuation.

Assessment. Agricultural landscape indicators should ideally cover three areas: structures; functions; and societal value. Where local/regional landscape targets (*e.g.* cultural elements) have been defined, the national level indicator could be expressed in terms of the percentage of regions or sub-regions that meet their own targets. Management practices which also affect landscape are also considered in the context of the farm management group of indicators (Section 2.2.5).

With regard to indicators of agricultural function and values, no consistent data across OECD countries are available, as a range of different methods has been adopted or are under development, while marked differences in data gathering activities (*e.g.* surveying or sampling landscape, collection of statistical data) also exist between OECD countries. In this context, the current emphasis has focused on landscape structure such as land use, cover, patterns and cultural features, such as stone walls, historic buildings, etc., in terms of recording the current status and change rather than anticipating future trends.

Regarding landscape structures, much less information is available concerning land cover, patterns and cultural features across OECD countries compared to land use. Nevertheless, in the case of cultural features, several countries have measured these changes over the past decade (Figure 2.8). The changes in these elements have been usually measured at the regional level, in particular, in **Europe**. For example, the European Environment Agency has established comparable agricultural landscape indicators, such as measuring field patch density and linear features (EEA, 2005).

For a more comprehensive approach, an Agri-Landscape Indicators Framework which was developed through the OECD Expert Meeting on Landscape, could be used by countries (OECD, 2003d). This links the range of indicators expressed through regional and local targets to policy objectives. But more research is needed to understand the linkages between policy and landscape development. Few countries have clearly defined targets for landscape conservation, or have undertaken trend analyses of landscape feature developments. In this respect, future emphasis on spatial differences is appropriate.

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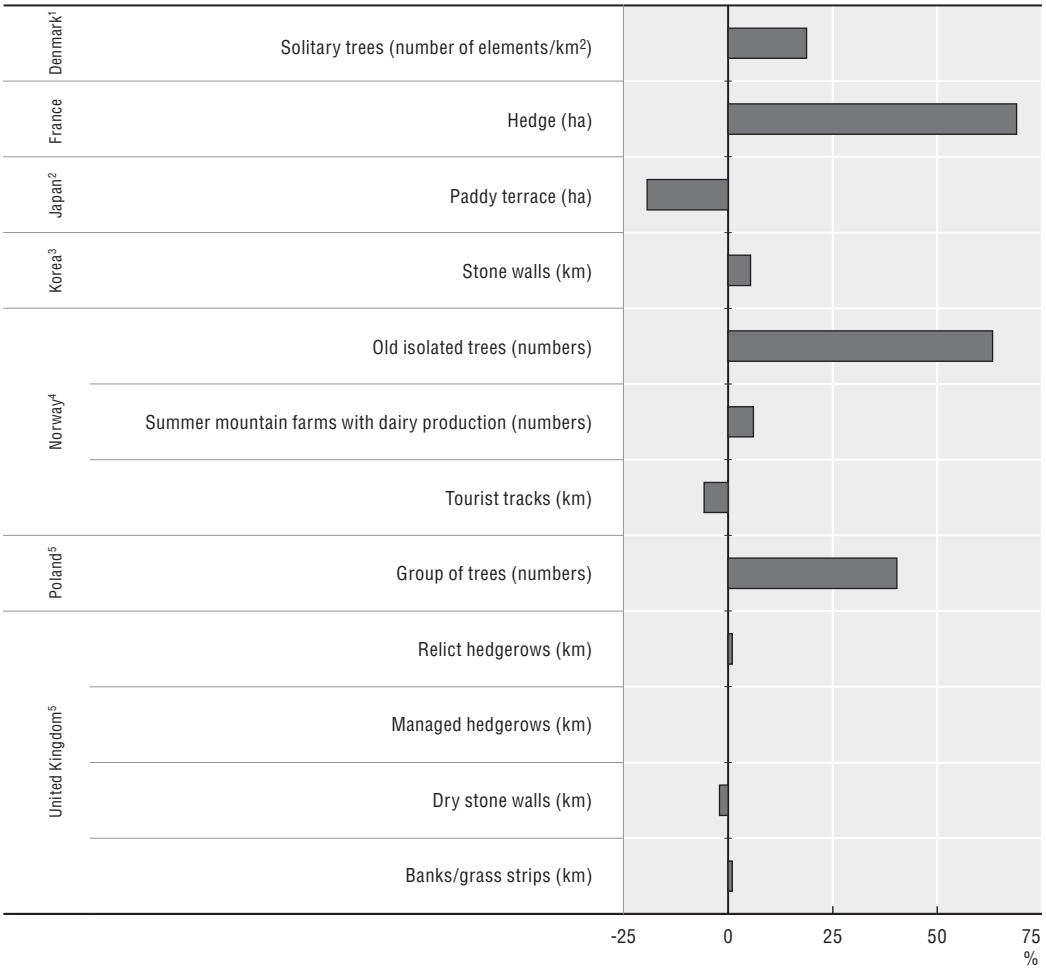
Figure 2.8. **Cultural landscape features on agricultural land**

% change 1990 to 2000



StatLink http://dx.doi.org/10.1787/288557083627

1. Data for 1990 and 2000 refer to 1991 and 1996, respectively.
2. Data for 2000 refer to average of 2001-03.
3. Only in Cheju Provincial Area.
4. Data for 2000 in tourist tracks refer to 1995.
5. Data for 2000 refer to 1998.

Source: OECD (2001); OECD Agri-environmental Indicators Questionnaire, unpublished.

The current emphasis on structural indicators could be broadened to capture more fully the functional diversity of landscapes (recreation, cultural identity, tranquillity); farm management variables (farming systems, landscape provision); and societal demand. A better understanding of the relationships between these and other indicators, together with refinement of the methodologies of data collection and greater uniformity of techniques used by different countries in data collection, would be necessary to use these indicators in policy analysis.

Land ecosystem functions

Issues. There are a range of ecosystem functions or services associated with agriculture, and land ecosystem function indicators are designed to reflect changes in the provision of some of these services. An illustrative example of ecosystem services linked to agriculture

concerns the potential of farming to help control the incidence and severity of floods and landslides. Increasing climate variability is leading to the growing incidence and severity of flooding and landslides in many regions across the world. Agriculture can be both the cause and solution to help mitigate damage from floods and landslides depending on various factors including which farming practices and systems are adopted.

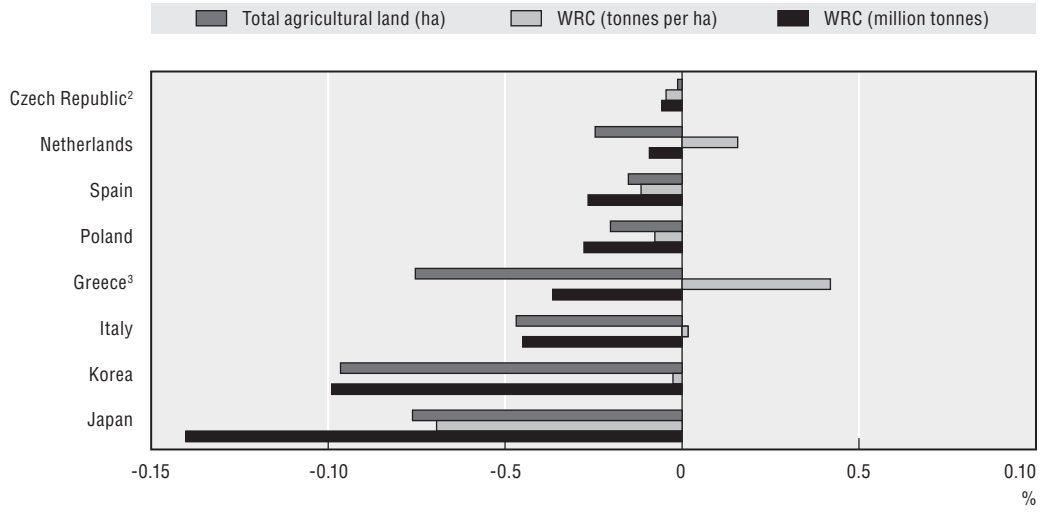
Indicators. The OECD Expert Meeting on "*Agriculture and Land Conservation: Developing Indicators for Policy Analysis*" (OECD, 2004c) recommended that OECD countries could develop the following indicators:

1. Water retaining capacity (WRC): quantity of water that can be retained in the short term, in agricultural soil, as well as on agricultural land where applicable (*e.g.* flood storage basins) and by agricultural irrigation or drainage facilities.
2. Water retaining capacity by agricultural irrigation or drainage facility (Wf): extent to which on-farm water storage facilities retain water (*e.g.* on farm dams, dykes, canals, etc.).
3. Landslide mitigation index (LMI): proportion of managed agricultural land within the agricultural land area subject to landslide risk.

Assessment. The WRC indicator describes the quantity of water that can be retained in the short term by agricultural soils; on agricultural land such as flood storage basins; and by on-farm water storage such as irrigation and drainage facilities. The lack of available national coefficients of WRC per area is the main constraint in developing this indicator. Nevertheless, the WRC has been calculated for several countries and shows that the WRC has declined in all countries over the past decade (Figure 2.9). Also the indicator of water retaining capacity of farm irrigation or drainage facilities (Wf), varied among countries

Figure 2.9. **Water retaining capacity of agriculture**[1]

% change 1990-92 to 2000-02

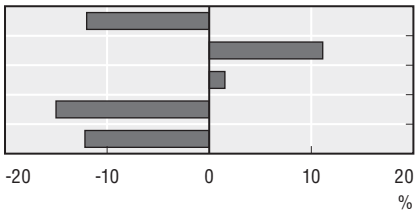


StatLink http://dx.doi.org/10.1787/288607865006

1. The WRC of agricultural facilities is not included.
2. Data for 1990-92 refer to 1993.
3. OECD estimates for WRC coefficients based on OECD (2001).

Source: FAO Database; OECD (2001); OECD Agri-environmental Indicators Questionnaire, unpublished.

Figure 2.10. **Water retaining capacity for agricultural facilities**



	% change 1990 to 2002	1990	2002
		Million tonnes	
Korea	–12	3 758	3 295
Switzerland	11	0.9	1
Slovak Republic[1]	2	65	66
Japan	–15	5 897	4 987
Italy[2]	–12	5 155	4 527

StatLink http://dx.doi.org/10.1787/288657022861

1. Data include small dams only.
2. Data for 2002 refer to 2000.

Source: OECD Agri-environmental Indicators Questionnaire, unpublished.

(Figure 2.10). In countries where both the WRC and Wf indicators have declined significantly, such as **Italy** and **Japan**, it is implied that the potential risk of flooding has increased during the past decade.

The WRC indicator could be further improved by taking into account different soil conditions and farm management practices, while the Wf indicator could also be further developed to reflect the ability of agriculture to retain water during periods of drought. An approach that includes the water retaining capacity of non-agricultural land use, within the catchments, would provide a more holistic view of the potential of different land use types (*e.g.* agriculture, forest) to help mitigate floods and landslides. A few countries have also begun work on developing the landslide mitigation indicator (**Hungary** and **Japan).** More generally land ecosystem function indicators could be better integrated into policy analysis and contribute to international initiatives, such as the projects of the International Flood Network launched during the Third World Water Forum in 2003.

2.2.5. Farm management

Issues. The focus of farm management has changed over time to include productivity within the broader concept of sustainability. Farming systems are constantly evolving and their environmental impact is always complex, reflecting the interaction of the key agents in this process: farmers, policy makers, and markets. A more holistic and environmental focus on farm management indicators needs further development, in addition to those covered in Section 1.9, Chapter 1.

Indicators. The OECD Expert Meeting on "*Farm Management Indicators and the Environment*" (OECD, 2004d) recommended that OECD countries could develop the following indicators, in addition to those included in Chapter 1:

Environmental farm management plans

- Number (area) and share of farms (agricultural land area) under environmental farm management plans.

Nutrient management

- Number and share of farms (agricultural land area) using nutrient balances.

Pest management

- Number and share (agricultural land area) of farms with appropriate storage/handling/cleaning and disposal facilities for treatment of pesticide wastes (*i.e.* packaging and unused pesticides).

Soil management

- Number and share of farms where soil biophysical properties are monitored as part of the soil test programme and/or used as land management decision support tool.

Water management

1. Area and share of agricultural land that is drained.
2. Area and share of drained land under different forms of drainage technology (*e.g.* surface, subsurface, controlled).

Landscape management

- Number (area) and share of farms (agricultural land area) under public and private schemes committed to natural and cultural landscape maintenance and enhancement.

Farm management capacity

1. Number and share of farmers participating in agri-environmental education programmes.
2. Expenditures on agri-environmental management research and extension as a share of total agricultural budgetary expenditures on research and extension.

Assessment. The range of farm management indicators (FMIs) need to reflect the complexity and diversity of agricultural systems, with reliable data derived from spatially and temporally appropriate levels. The obstacle in developing FMIs is that much national census and survey data are of poor quality as the most appropriate unit of measurement may often be at the individual farm level. Key aspects of these indicators are their complementarities with all other indicators. The interactions between farm management systems, policies and environmental outcomes are not well developed, while identifying suitable data sets and better co-ordination of data collection methods are also needed.

Methods to integrate social factors (*e.g.* agri-environmental education) in the design of these indicators are needed if farm management indicators are to be better integrated into policy and projection models, and be more effectively used in evaluating the economic and environmental costs of changes in farming practice. One example of this is farmer education. Some countries have developed indicators to reveal the extent to which farmers have participated in agri-environmental education programmes in the early 2000s (Figure 2.11; EEA, 2005).

2.3. Overall assessment

This section provides an overall assessment of the common themes that emerge from the review of indicators listed in this chapter, supported by background information in Annex 2.A2. The assessment is intended to identify the areas of research that could be strengthened if they are to make a contribution to providing policy makers with analytical and monitoring tools on the impact of agriculture on the environment.

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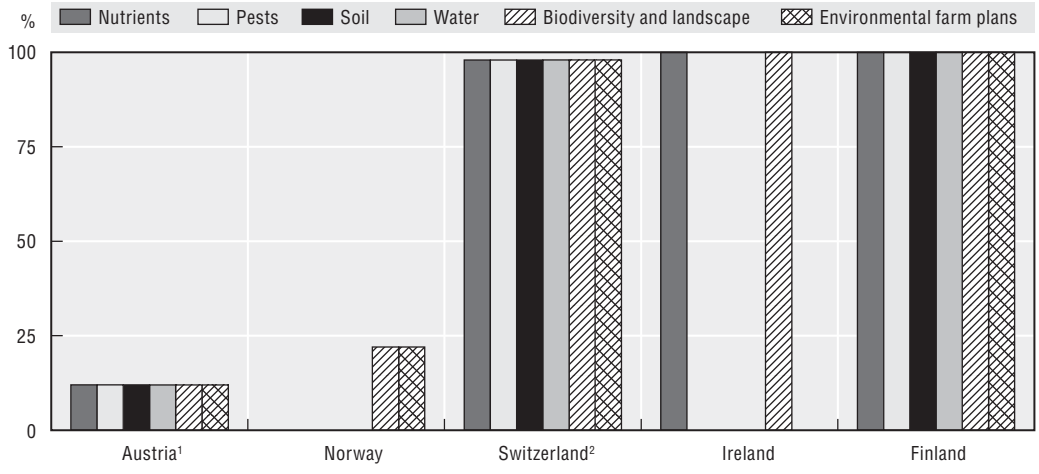
Figure 2.11. **Share of farmers participating in agri-environmental education programmes**

Early 2000s



StatLink http://dx.doi.org/10.1787/288662011751

1. Estimated data for 2000-02.
2. The share is 98% for all categories.

Source: OECD (2005).

OECD has identified a number of general criteria which agri-environmental indicators need to meet, including that indicators should be (OECD, 2001):

- ***policy relevant*** – address the key environmental issues faced by governments and other stakeholders in the agriculture sector;
- ***analytically sound*** – based on sound science, but recognising that their development involves successive stages of improvement;
- ***measurable*** – feasible in terms of current or planned data availability and cost effective in terms of data collection; and
- ***easy to interpret*** – communicate essential information to policy makers and the wider public in a way that is unambiguous and easy to understand.

Policy relevant: The indicators covered in this chapter could be broadly divided into two main groups in terms of their policy relevance across OECD countries. ***First***, those AEIs that are of policy relevance across most OECD countries, although as yet neither the methodology nor the data are sufficiently advanced to develop comprehensive cross country time series indicators. This group covers indicators of: soil erosion, soil organic carbon and soil biodiversity (Section 2.2.1); water use and water quality (Section 2.2.2); biodiversity (Section 2.2.3); and farm management (Section 2.2.5). The ***second*** group of indicators are of policy relevance to a smaller group of countries and cover the indicators related to landscape and land ecosystem functions (Section 2.2.4). Annex 2.A2 identifies the extent to which countries are developing quantitative and/or qualitative information for the indicators examined in this chapter, based on member country replies to the OECD agri-environmental questionnaire.

Analytically sound: Although indicators should provide an accurate and scientifically rigorous reflection of the actual situation, it is sometimes a difficult task in developing certain types of indicators. For example, in the case of farm management indicators, the links between farming activities and biodiversity are complex and not fully understood.

This is also an issue in the case of soil biodiversity and environmental farm management practices, where the lack of consistent methodologies as well as the underlying data are major obstacles in developing these indicators. The degree to which the indicators are analytically sound across OECD countries (from high to poor) is identified in Annex 2.A2, but it should be emphasised that for some indicators this is variable. For example, the habitat-species matrix analytical methodology is well developed in Canada but other countries are beginning to explore the possibilities of how such a matrix could be developed for their country.

Overall, the Expert Meetings identified the following needs to strengthen the analytical basis of AEIs: developing scientific and socio-economic knowledge underlying AEIs; improving consistency and transparency in methods used to collect, process and interpret data; reporting indicators at a spatially appropriate level, in order to provide effective analysis and in order to discover "false" relationships, which will also include the better integration of data from local to national data sets; and ensuring that social factors (*i.e.* human and community development) are better integrated into analysis of agri-environmental outcomes.

Measurable: The collection of appropriate data available across regional as well as national boundaries involves the development and widespread adoption of appropriate data collection methods. This may include survey techniques, such as questionnaires; distribution of standardised spreadsheets for data collection; and co-operation with other international organisations that have developed databases for the relevant indicator areas. This not only concerns the quantity and quality of data collected, but also reflects the methodologies used to derive the indicators. In many of the OECD Expert Meetings, it was argued that individual OECD country approaches should strive for greater uniformity of data used across countries. Reinforcing this view, the work on some of farm management indicators shows that available data are often of poor quality, and that measurability requires reliable data that are derived from spatially and temporally appropriate levels. Annex 2.A2 shows for the countries that have replied to the OECD questionnaire whether data is already regularly collected to measure the indicator or at the other extreme if data collection systems for the indicator are still under construction.

Overall, the Expert Meetings identified the following needs to strengthen the measurability of AEIs: identifying suitable data sets, collected through surveys and census; taking into account the different degree of uncertainties among indicators when presenting data and indicator outputs to encourage appropriate use of the information; and seeking more intensive verification of data to ensure accuracy.

Easy to interpret: Indicators need to be as unambiguous as possible so that it is clear what the data and trends mean. This is particularly important for some types of indicators, such as the agri-biodiversity area as comprehensive knowledge about the interactions between farming activities and biodiversity is not yet fully developed (Section 1.8, Chapter 1; OECD, 2003c). A similar issue can be seen in the soil-biodiversity area where in the Expert Meeting, experts noticed that a particular challenge for this indicator area is to identify interpretable indicators (OECD, 2003a). Although Annex 2.A2 attempts to identify from the indicators that exist across countries to what extent they are easily interpreted (from very easy to poor) this task is difficult especially for many of these indicators which are still at an early development stage.

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Overall the Expert Meetings identified the following needs to strengthen the ease of interpreting AEIs: improving knowledge (analysis) of the cause and effect relationships between agricultural systems, policies and environmental outcomes, to better serve the needs of decisions makers, including individual farmers, the farming and agro-food industry, governments and other stakeholders (*e.g.* environmentalists and consumers); and developing methods that can better integrate improved indicators into policy and projection models.

Finally, the importance of national and international agencies concerned with developing and collecting data to calculate agri-environmental indicators was stressed at the OECD Expert Meetings in terms of:

1. improving co-ordination of data collection techniques and efforts within OECD countries and between international agencies, taking into account farmer survey and census fatigue, and the costs of data collection;
2. encouraging OECD countries to invest more in agri-environmental education and promotion of awareness of those who provide data (the farmers) and those who process and interpret data (the policy makers and evaluators both at the national and international level);
3. considering the costs of collecting the primary data to calculate indicators; and,
4. fostering receptive conditions for the use of indicators by decision makers at all levels, from the farm to the international level.

ANNEX 2.A1

*Agri-environmental Indicators of Regional Importance and/or under Development**

Theme	Indicator title	Indicator definition (trends over time for all indicators)
I. Soil	***i.* Soil erosion**	1. Area and share of agricultural land affected by tillage erosion in terms of different classes of erosion, *i.e.* tolerable, low, moderate, high and severe.
		2. Contribution (as a share or physical quantity) of agriculture to off-farm sediment flows into the landscape and water bodies (from water, wind and other erosion sources).
		3. Gross on-farm soil erosion, measured through integrating models of wind, water and tillage erosion.
		4. On-farm and off-farm economic costs from soil erosion.
	***ii.* Soil organic carbon**	5. Total soil organic carbon in agricultural land.
II. Water	***iii.* Water use**	6. A net agricultural groundwater balance, where information is available, to take into account both agricultural withdrawals and recharge of groundwater.
		7. The annual share of rivers/lakes where agricultural water extraction results in rivers/lakes falling below a (seasonal) minimum reference level.
		8. The impact of agricultural water use on ecosystem health (*e.g.* wild species and wetlands).
		9. Average value of irrigated agricultural product(s) per unit of irrigation water consumed (or alternatively water withdrawn or licensed water allocation, where the water withdrawn could be the *gross* value of total water withdrawn or the *net* value of total water withdrawn minus the value of water returned to rivers and lakes and recharged to groundwater).
		10. Charges for water supplies to farmers relative to water supply charges for other major users (industry and urban).
	***iv.* Water quality**	11. Salt concentrations in surface waters and groundwater in excess of national water threshold values in representative agricultural areas.
		12. Pathogen (faecal indicator or pathogenic bacteria) concentrations in surface waters and groundwater in excess of national water threshold values in representative agricultural areas.
		13. Share of pathogen contamination derived from agriculture in surface waters and groundwater.
III. Climate change	***v.* Greenhouse[1] gases**	14. Net agricultural greenhouse gas emission balance (*i.e.* emissions less sinks).
IV. Biodiversity	***vi.* Genetic resource diversity**	15. Number and share of national native crop varieties (*i.e.* cereals, oil crops, root crops, fruit and vegetables) that are considered to be at risk of extinction (*i.e.* critical or endangered risk status).
	***vii.* Wild species diversity**	16. Number of ecologically indicative wild species using agricultural land.

* All of the indicators listed in this annex are those for which either methodologies and/or data sets are not yet at a stage that allows for representative comparative OECD country coverage or in certain cases (*e.g.* cultural landscape indicators and water retaining capacity) are only policy-relevant to some OECD countries, as shown in this chapter.

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Theme	Indicator title	Indicator definition (trends over time for all indicators)
	***viii.* Ecosystem (habitat) diversity**	17. Quality and quantity of habitat features (*e.g.* patch size, linear features and networks,) and their spatial composition (*e.g.* fragmentation, vertical structures, mosaics) across agricultural land.
	***ix.* Linkages between habitats and species**	18. *Habitat-Species Matrix*, linking changes in the area and management of all agricultural habitat types on wild species (flora and fauna) through data from either explicit field observation or indirect information (*e.g.* expert knowledge).
		19. *Natural Capital Index*, the product of the quantity of agricultural habitat types and their quality in terms of wild species abundance, richness, habitat structure and management, measured between the current state of the agro-ecosystem and a baseline state.
V. Landscape and land ecosystem functions	***x.* Landscape**	20. Landscape Structure: land use, cover, patterns and cultural features (*e.g.* hedges and historic farm buildings).
		21. Landscape Functions: recreation (*e.g.* accessibility; cultural identity, tranquillity, and ecosystems (see biodiversity).
		22. Landscape Values: monetary value of agricultural landscapes (*e.g.* calculated through methods such as contingent valuation).
	***xi.* Land ecosystem functions**	23. Water retaining capacity, quantity of water that can be retained in the short term, in agricultural soil, as well as on agricultural land where applicable (*e.g.* flood storage basins) and by agricultural irrigation or drainage facilities.
		24. Water retaining capacity by agricultural irrigation or drainage facility, to reveal extent to which on-farm water storage facilities retain water (*e.g.* on farm dams, dykes, canals, etc.).
		25. Landslide mitigation index, proportion of managed agricultural land within the agricultural land area subject to landslide risk.
VI. Farm management	***xii.* Environmental farm management plans**	26. Number (area) and share of farms (agricultural land area) under environmental farm management plans.
	***xiii.* Nutrient management**	27. Number and share of farms (agricultural land area) using nutrient balances.
	***xiv.* Pest management**	28. Number and share (agricultural land area) of farms with appropriate storage/handling/cleaning and disposal facilities for treatment of pesticide wastes (*i.e.* packaging and unused pesticides).
	***xv.* Soil management**	29. Number and share of farms where soil biophysical properties are monitored as part of the soil test programme and/or used as land management decision support tool.
	***xvi.* Water management**	30. Area and share of agricultural land that is drained.
	***xvii.* Landscape management**	31. Number (area) and share of farms (agricultural land area) under public and private schemes committed to natural and cultural landscape maintenance and enhancement.
	***xviii.* Farm management capacity**	32. Number and share of farmers participating in agri-environmental education programmes.
		33. Expenditure on agri-environmental management research and extension as share of total agricultural budgetary expenditures on research and extension.
VII. Agricultural inputs	***xix.* Energy**[2]	34. Total amount of energy contained in key agricultural inputs.
		35. The energy efficiency of agricultural production is the monetary value of annual agricultural production per unit of energy directly consumed by agriculture to produce that annual agricultural production.
		36. Production and use of renewable energy by agriculture.

1. See Box 1.7.1, Section 1.7.3, Chapter 1.
2. See Section 1.4, Chapter 1.

Source: OECD (2007).

ANNEX 2.A2

A Qualitative Assessment of the Agri-environmental Indicators included in Annex 2.A1 according to the OECD Indicator Criteria

Indicator definition[1]	General criteria[2]				Expert meeting[3]	Countries[4]	
	Policy relevant	Analytically sound	Measurable	Easy to interpret		Coverage	Comparability
***i.* Soil erosion** 1. Area and share of agricultural land affected by tillage erosion	+++	++	+	++	Soil erosion and soil biodiversity (OECD, 2003a)	Belgium, Canada, Norway, Switzerland, United Kingdom	+++
2. Contribution of agriculture to off-farm sediment flows	+++	+	+	+		Belgium, Czech Republic, Greece, Norway, Switzerland	+++
3. Gross on-farm soil erosion, measured through integrating models of wind, water and tillage erosion	++	+	+	+		Netherlands, Switzerland, United States	+
4. On-farm and off-farm economic costs from soil erosion	+++	++	+	+++		United States	+++
***ii.* Soil organic carbon** 5. Change in total soil organic carbon in agricultural land over time	+++	+	+	+++	Soil organic carbon (OECD, 2003b)	Belgium, Canada, Finland, France, Ireland, New Zealand, Slovak Republic, Spain, Sweden, Switzerland, United Kingdom, United States	+++
***iii.* Water use** 6. A net agricultural groundwater balance, where information is available, to take into account both agricultural withdrawals and recharge of groundwater					Water use and water quality (OECD, 2004b)		
7. The annual share of rivers/lakes below a minimum reference level	+++	+	+	+++		Japan, United Kingdom	++
8. The impact of agricultural water use on ecosystem health	+++	+	+	+		Japan, Korea, United Kingdom, United States	+

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Indicator definition[1]	General criteria[2]				Expert meeting[3]	Countries[4]	
	Policy relevant	Analytically sound	Measurable	Easy to interpret		Coverage	Comparability
9. Trend in the average value of irrigated agricultural product(s) per unit of irrigation water consumed	++	+	+	+		Korea, Netherlands, United States	+++
10. Charges for water supplies to farmers relative to water supply charges for other major users (industry and urban)	+++	++	++	++		Australia, Austria, Canada, Finland, France, Greece, Hungary, Korea, Netherlands, Portugal, Slovak Republic, Spain, Turkey, United Kingdom	+++
***iv.* Water quality** 11. Salt concentrations in surface waters and groundwater in excess of national water threshold values	+++	++	+	+++	Water use and water quality (OECD, 2004b)	France, Greece, Netherlands, Slovak Republic, Turkey	+++
12. Pathogen concentrations in surface waters and groundwater in excess of national water threshold values in representative agricultural areas	+++	++	+	+++		Denmark, Finland, France, Ireland, Korea, Netherlands, New Zealand, Norway, Switzerland	+++
13. Share of pathogen contamination derived from agriculture in surface waters and groundwater	+++	++	+	+++		Canada, Denmark, Ireland, Netherlands, Switzerland	++
***v.* Greenhouse gases** 14. Net agricultural greenhouse gas emission balance	+++	+	+	+++	No expert meeting or questionnaire response	Canada, Switzerland	+++
***vi.* Genetic resource diversity** 15. Number and share of national native crop varieties that are considered to be at risk of extinction	+++	++	+	++	Biodiversity (OECD, 2003c)	Austria, Luxembourg, Slovak Republic, Switzerland	++
***vii.* Wild species diversity** 16. Number of ecologically indicative wild species using agricultural land	++	+	+	++	Biodiversity (OECD, 2003c)	Canada, Czech Republic, Denmark, Finland, Korea, Netherlands, Switzerland	+

Indicator definition[1]	General criteria[2]				Expert meeting[3]	Countries[4]	
	Policy relevant	Analytically sound	Measurable	Easy to interpret		Coverage	Comparability
***viii*. Ecosystem (habitat) diversity** 17. Quality and quantity of habitat features and their spatial composition across agricultural land	++	++	+	++	Biodiversity (OECD, 2003c)	Denmark, Finland, Germany, Greece, Italy, France, Japan, Korea, Netherlands, Norway, Portugal, Sweden, Switzerland, United Kingdom	+
***ix*. Linkages between habitats and species** 18. Habitat – species matrix	+++	+	+	++	Biodiversity (OECD, 2003c)	Canada, Finland	+++
19. Natural capital index	++	++	+	+		Netherlands	+++
***x*. Landscape** 20. Landscape structure	+++	+	+	++	Landscape (OECD, 2003d)	Denmark, Finland, France, Germany, Greece, Italy, Japan, Korea, Netherlands, Norway, New Zealand, Portugal, Sweden, Switzerland, United Kingdom	
21. Landscape functions	++	+	+	+		Denmark, Finland, Korea, Netherlands, Switzerland	+
22. Landscape values	++	+	+	++		Denmark, Finland, France, Greece, Japan, Korea, Netherlands	++
***xi*. Land ecosystem functions** 23. Water retaining capacity (WRC)	++	++	+	++	Land conservation (OECD, 2004c)	Greece, Italy, Japan, Korea	++
24. Water retaining capacity by agricultural irrigation or drainage facility (WF)	++	++	++	++		Greece, Italy, Japan, Korea, Slovak Republic, United Kingdom	++
25. Landslide mitigation index (LMI)	++	+	+	++		Hungary, Japan	++

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Indicator definition[1]	General criteria[2]				Expert meeting[3]	Countries[4]	
	Policy relevant	Analytically sound	Measurable	Easy to interpret		Coverage	Comparability
***xii.* Environmental farm management plans** 26. Number (area) and share of farms (agricultural land area) under environmental farm management plans	+++	+++	++	+++	Farm management (OECD, 2004d)	Austria, Belgium, Canada, Czech Republic, Finland, Germany, Hungary, Ireland, Japan, Korea, Netherlands, New Zealand, Norway, Slovak Republic., Switzerland, United Kingdom	++
***xiii.* Nutrient management** 27. Number and share of farms (agricultural land area) using nutrient budgets	+++	+++	+	+++	Farm management (OECD, 2004d)	Ireland, Japan, New Zealand, Norway, Switzerland	+++
***xiv.* Pest management** 28. Number and share (agricultural land area) of farms with appropriate storage/handling/cleaning and disposal facilities for treatment of pesticide wastes	+++	+	+	++	Farm management (OECD, 2004d)	Belgium, Finland, Norway, New Zealand, Switzerland	++
***xv.* Soil management** 29. Number and share of farms where soil biophysical properties are monitored as part of the soil test programme and/or used as land management decision support tool	++	+	+	+	Farm management (OECD, 2004d)	Austria, New Zealand, Switzerland	+
***xvi.* Water management** 30. Area and share of agricultural land that is drained	+	+	+	+	Farm management (OECD, 2004d)	Belgium, Czech Republic, Finland, Germany, Greece, Hungary, Netherlands, Norway, Slovak Republic, Turkey	++
***xvii.* Landscape management** 31. Number (area) and share of farms (agricultural land area) under public and private schemes committed to natural and cultural landscape maintenance and enhancement	++	++	++	++	Farm management (OECD, 2004d)	Austria, Belgium, Korea, Netherlands, Norway, Switzerland, United Kingdom	+++
***xviii.* Farm management capacity** 32. Number and share of farmers participating in agri-environmental education programmes	++	+	+	++	Farm management (OECD, 2004d)	Austria, Finland, Ireland, Norway, Switzerland	++

Indicator definition[1]	General criteria[2]				Expert meeting[3]	Countries[4]	
	Policy relevant	Analytically sound	Measurable	Easy to interpret		Coverage	Comparability
33. Expenditure on agri-environmental management research and extension as share of total agricultural budgetary expenditures on research and extension	++	+	+	++		Korea, Norway, Sweden	+++
***xix*. Energy**[5] 34. Trends in the total amount of energy contained in key agricultural inputs	+	+	+	+		Switzerland	++
35. The energy efficiency of agricultural production is the physical (monetary) value of annual agricultural production per unit of energy directly consumed by agriculture to produce that annual agricultural production	++	+	+	++		Canada, Switzerland	++
36. Production and use of renewable energy by agriculture	+++	+++	++	+++		Many OECD countries	+++

The notation for each criterion is as follows: +++ = very good/strong; ++ = average; + = poor.

1. For a full definition of each indicator see Annex 2.A1.
2. For a discussion of each criterion see Section 2.3 of this chapter.
3. This column indicates at which OECD Agri-environmental Indicator Expert Meeting the indicator was discussed. see Bibliography for a list of these meetings.
4. This column shows which countries are developing the indicator, quantitatively and /or qualitatively, based on member country replies to the unpublished OECD Agri-environmental Indicator questionnaires The column also reveals the extent to which the indicator is comparable across countries.
5. Energy indicators are from an unpublished OECD consultant's paper.

Source: OECD (2007).

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