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**TRADE AND AGRICULTURE DIRECTORATE  
ENVIRONMENT DIRECTORATE**

**COM/TAD/CA/ENV/EPOC/RD(2010)13  
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**Joint Working Party on Agriculture and the Environment**

**ACTIVITY REPORT**

**28-30 June 2010  
OECD Conference Centre  
Paris, France**

*This document is submitted for INFORMATION and DISCUSSION under Item 4 of the Draft Agenda of the Joint Working Party on Agriculture and the Environment (28-30 June 2010).*

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**JOINT WORKING PARTY ON AGRICULTURE AND THE ENVIRONMENT:**

**ACTIVITY REPORT**

**December 2009 to June 2010**

**1. Publications of work from the JWPAE**

- *Environmental Cross Compliance in Agriculture*. This background document looks at the possible policy options to provide income support and improve environmental performance; examines the links between environmental regulations, agricultural income support payments, agri-environmental payments and cross compliance; and describes the cross compliance approaches in OECD countries.
- *Guidelines for Cost-effective Agri-environmental Policy Measures*. The aim of the report is to provide policy makers with a set of tools for the design and implementation of cost-effective policy measures to address environmental issues in the agricultural sector. It focuses on environmental standards, environmental taxes, agri-environmental payments and tradeable permit schemes to address agri-environmental concerns.
- *Policy Measures Addressing Agri-environmental Issues*. This report focuses on the developments in the overall range of policies addressing environmental issues in agriculture in OECD countries in the past decade (since the mid 1990s). It was published in March 2010 in *OECD Food, Agriculture and Fisheries Working Papers*, No. 24, OECD Publishing.
- *Sustainable Management of Water Resources in Agriculture*. This report explores the economic, environmental and policy dimensions and linkages related to the management of water resources, floods, droughts, and drainage in agriculture. Kevin Parris was featured in a video on Youtube to launch the report: <http://www.youtube.com/watch?v=PAXd3Ool6RM>. The material in the report contributed to the 2007-08 OECD Horizontal Programme on Water, the results of which were presented in *Managing Water for All: An OECD Perspective on Pricing and Financing* at the World Water Forum in Istanbul in March 2009. The report was published together with nine supporting consultant reports, see [www.oecd.org/agr/env](http://www.oecd.org/agr/env).
- *Climate Change and Agriculture: Impacts, Adaptation and Mitigation*. This consultant report prepared by Anita Wreford, Dominic Moran and Neil Adger examines the economic and policy issues related to the impacts of climate change on agriculture and adaptation responses and to the mitigation of greenhouse gases from agriculture.

## 2. Declassification of documents (JWP AE)

Document title	Document code	Date on OLIS	Declassification status
Analysing Linkages Between Agricultural Policies and Environmental Effects: SAPIM Analysis	COM/TAD/CA/ENV/EPOC(2008)45/REV2	23-09-2009	Declassified and in the process of being published.
Land-use change data in climate change assessments: challenges and opportunities. Consultant's report, available in English only.	COM/TAD/CA/ENV/EPOC(2009)15/FINAL	02-02-2010	Unclassified and will be published as a Working Paper

## 3. Other OECD publications (non-JWP AE)

- *Biotechnologies in Agriculture and Related Natural Resources to 2015*, by Anthony Arundel and David Sawaya. This article has been published as part of the OECD Journal: General Papers, Vol 2009/3, special issue entitled "Agricultural and health biotechnologies: Building blocks of the bioeconomy", Editor: David Sawaya. It contains articles originally prepared for the Bioeconomy to 2030 project to provide evidence-based projections on the development of biotechnologies – the building blocks of the bioeconomy – up to 2015 in agriculture and health. It can be found at [www.oecd.org/futures/bioeconomy/2015](http://www.oecd.org/futures/bioeconomy/2015).
- *Agricultural Policies and Rural Development – A Synthesis of recent OECD Work*. This report provides a synthesis of three studies which have been undertaken in the 2007-08 Programme of Work of the Committee for Agriculture. The three studies have focused on aspects of the linkages between agricultural policies and rural development.
- The *Green Growth Strategy Interim Report* was presented to Ministers at the 2010 Ministerial Council Meeting (MCM). The Report outlines the steps that countries have undertaken to promote greener growth, especially in the context of the fiscal stimulus packages. It discusses a green growth policy framework as well as some of the barriers that will need to be overcome to enable the transition. Preliminary findings are presented on selected green policy instruments, on phasing-out fossil fuel subsidies, on green taxes, on jobs and skills development and importantly on innovation. This Report only discusses a small sub-set of the issues that will be addressed by the overall Strategy and, as such, reflects only few parts of ongoing work that will feed into the 2011 *Synthesis Report* (see Item 4e). The Report was very well received by Ministers who, in the Ministerial Conclusions, re-iterated the importance of accelerating the shift to greener economies. The Interim Report is available on the OECD website: [www.oecd.org/greengrowth](http://www.oecd.org/greengrowth) / [www.oecd.org/croissanceverte](http://www.oecd.org/croissanceverte). The report is also supported by an overview flyer in multiple languages.

#### 4. Relevant non-JWPAE activities in the OECD - completed or underway

##### a) *Environment*

- A meta-analysis of all Value-of-Statistical-Life (VSL) estimates based on stated preferences surveys in the environment, health and transport areas has been published. More than 900 VSL estimates, where adults have been asked about their willingness-to-pay for reducing their mortality risks, were analysed, along with variables concerning the sample population, the risk context, and the survey methods. Further sensitivity analyses and model testing has also been done, and a “guidance manual” for policy makers will be prepared, addressing how the findings of the analysis could be best used in policy formulation, such as in cost-benefit analyses. The guidance manual will be presented at a workshop for policy makers to be held in Brussels on 19 October 2010.
- As a complement to this work on economic valuation of mortality impacts, a literature review of estimates of values of non-mortal environment-related health impacts has been published, providing additional support for assessments of policies with potential health impacts – including agri-environmental policies.
- As part of a broader project on innovation and environmental policies, there is a discussion of innovation for composting agricultural waste in *Diverting Waste: The Role of Innovation* (see ENV/EPOC/WPNEP(2010)5).
- There is a discussion of “Organic Food Consumption” in Chapter 7 of *Environmental Policy and Household Behaviour* (OECD, forthcoming 2010). A draft is available as ENV/EPOC/WPNEP(2010)1. This material will also be presented in an article in OECD Observer, and it builds on a background report prepared by Stefano Boccaletti, *Organic Food Consumption: Results of the OECD Survey*, paper presented at the OECD Conference on “Household Behaviour and Environmental Policy”, Paris, 3-4 June 2008 ([http://www.oecd.org/document/62/0,3343,en\\_2649\\_34331\\_42638270\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/62/0,3343,en_2649_34331_42638270_1_1_1_1,00.html)).

##### b) *Agriculture*

- The *OECD Review of Agricultural Policies in Israel*, which includes a special chapter on the *Environmental Performance of Agriculture: Key Trends and Policies*, will be released in Israel on 29 June 2010. The launch of the report will include a seminar on the main findings of the report and a press conference. The review was presented to the meeting of the Committee for Agriculture, 24-26 November 2009 [TAD/CA/ACS(2009)2].

##### c) *Joint Meetings of Tax and Environment Experts*

- A major study on *Taxation, Innovation and the Environment* has been declassified, building on a number of case studies, see COM/ENV/EPOC/CTPA/CFA(2009)37/Rev1. One of the case studies now published is on the environmental and innovation impacts of the range of water policies that has been applied in Israel over the last decades – including policies addressing agricultural water use. It is expected that the full report on *Taxation, Innovation and the Environment* be published in the 4<sup>th</sup> quarter this year.

d) ***Co-operative Research Programme on Biological Resource Management for Sustainable Agricultural Systems (CRP)***

The CRP Call for Applications for sponsorship in 2010 had resulted in 22 applications for conference sponsorship and 82 applications for fellowship awards, of which 9 conference sponsorship applications and 32 fellowship applications were successful.

*CRP-sponsored conferences, March-June 2010*

- *1<sup>st</sup> International Cold Chain Conference: Sustainability and the Cold Chain*, Cambridge, UK, 29-31 March 2010, <https://www.icccuk2010.com>. The conference set out to present and discuss advances in themes related to energy efficiency in the cold chain; improvements in cold chain equipment in storage, transport, retail and the home; monitoring cold chain in relation to food quality and safety; predictive tools for cold chain optimisation; carbon footprinting of food chains. It was organised by the UK Institute of Refrigeration and the International Institute of Refrigeration, which understand the importance of refrigeration in the food chain – 50% (by value) of food products worldwide require refrigerated transport – in developing countries to reduce food losses and help towards improving food quality and security; in developed countries, 60% of total food consumption needs cold application, resulting in 8% of the global electric consumption. The conference discussed new technologies and business practices needed to reduce energy usage in food refrigeration, to reduce the industry's carbon footprint, and recognised the complex trade-off between environmental, social and economic factors. However, it was not envisaged that there will be a considerable change in present day technologies in the next 10-20 years, even though actors are conscious that because of the massive amounts of energy required for refrigeration systems, ways of improving the efficiency need to be found to allow for sustainable growth. It concluded that there is a role for governments in promoting innovation, procurement policy, incentives and regulation, e.g. for the use of natural refrigerants.
- *The Role of Forest Biodiversity in the Sustainable Use of Ecosystem Goods and Services in Agro-forestry, Fisheries and Forestry*, Tokyo, Japan, 26-28 April 2010, [http://www.ffpri.affrc.go.jp/symposium/FFPRI-sympo/2009/CBD\\_COP10/20100426/index\\_e.html](http://www.ffpri.affrc.go.jp/symposium/FFPRI-sympo/2009/CBD_COP10/20100426/index_e.html). This symposium was organised to provide information to the 10<sup>th</sup> meeting of the Convention on Biodiversity (CBD) Conference of the Parties, taking place in October 2010, and focused on how forestry biodiversity affects ecosystem services which benefit agriculture, fisheries and forestry, what causes forest biodiversity loss from ecological, social or economic aspects, and how scientists from different fields, including ecologists, social scientists, and economists can monitor forest biodiversity together to then share their findings with non-scientists, including policy makers. Among the key messages from the symposium are: biodiversity supports ecosystem functioning and enhances system resilience; increasing biodiversity in plantations increases goods and services; diversity among community of pollinators increases crop yield; diversity in landscapes that include natural forests close to crops increases pollinators and reduces pests via natural controls; aquatic and near-shore marine ecosystems are affected by land use practices so management needs to be more holistic; that there is greater biomass in tropical old forests than in other tropical forests, which has clear implications for climate change and for Reducing Emissions from Deforestation and Forest Degradation (REDD); scientists must improve their communication with the public, local communities and policy makers; and that the proposed CBD strategic target of 15% of lands in protected areas needs to be re-evaluated to improve its impact.

- *Delivering Partnerships for Sustainable Water Management and Agriculture in the context of Climate and Global Change*, W. Lafayette, Indiana, USA, 11-12 May 2010. The overarching objective of the symposium was the establishment of new and strengthened research partnerships in key areas of natural resource systems and sustainability. The partnerships will be between experts in their fields from France and the US and southern hemisphere countries. Specifically, these include water resource management, water quality, global warming, agricultural research, soil water modelling, soil surveys, remote sensing applications. The goals need to be attained through a network to increase collaborative activities in research and education, with emphasis on gaining visibility for decision-makers, other researchers and students.

#### *CRP Fellowships*

A number of CRP research fellowships in 2010 are of agri-environmental interest.

- *Wildfire in the frame of preservation of forests as a natural resource.*
- *Improving water quality in agricultural watersheds: Designing a decision framework for managers.*
- *Evaluation of nutrient balances as an indicator for the impact of agriculture on environment - a comparison of case studies from the US and Poland*
- *Hydrodynamic model of the Turkey Creek stream and riparian zone. A tool for assessing the hydrologic vulnerability of a watershed to management practices*
- *Water and carbon dioxide cycling in semi-arid shrub-dominated ecosystems with contrasting rainfall regimes*
- *Eco-Friendly Crop Rotations*
- *Life Cycle Assessment analysis as a tool to evaluate energy efficiency, environmental and economic sustainability of the most strategic energy supply chains in order to make better choices and more tactical investments in the future of sustainable renewable energy resources.*
- *Insect food processing and nutrient allocation under a changing climate*
- *Development of an international impacted agricultural areas standard for ecological services – a synthesis of science, policy and law*
- *Comparing domestic vs. imported greenhouse tomatoes: LCA approaches; to quantify the environmental impact of greenhouse growing systems using anaerobic digestion of waste biomass as a source of energy and nutrients.*
- *Modelling interactions of greenhouse gas abatement measures at the farm level*
- *Sustainable soil management and soil friability: Quantification of soil friability for differently managed soils using novel X-ray computer tomographic methodology*
- *Reduced-risk strategies for alien invasive insect pests.*

A full list of the conference sponsorship and fellowship awards for 2010 can be found on the CRP website under “Results of the 2010 Call for Applications”: [www.oecd.org/agriculture/crp](http://www.oecd.org/agriculture/crp).

The Call for Applications for sponsorship in 2011 is open for fellowship applications until 5 September 2010 and for conference sponsorship applications until 15 September 2010.

**e) *Horizontal projects***

*Water: strengthening policy implementation*

- The work in the second phase (2009-10) of the Horizontal Water Programme is organised around three components. The first component concerned the dissemination of the work carried out in the first phase (2007-08) at the 5<sup>th</sup> World Water Forum, held in Istanbul on March 2009. At the Forum, the Secretary-General launched the synthesis report *Managing Water for All – An OECD Perspective on Pricing and Financing* that includes a chapter on managing water resources in the agricultural sector based on the report *Sustainable Management of Water Resources in Agriculture* (OECD, 2010). The second component focuses on water supply and sanitation. The third component focuses on integrated water resources management. Within this component TAD is leading the intermediate output 3.3 *Improving the information base to better guide water management decision-making*, including through the organisation of a Workshop on *Improving the information base to better guide water management decision-making* that took place on 4-7 May 2010 in Zaragoza, Spain, and is contributing to intermediate outputs 3.4 *Guidance on effective governance across levels of government* and 3.5 *Guidance on improving coherence between water policies in other sectors*. The Horizontal Water Programme is further described in documents ENV/EPOC/GSP(2009)4 and ENV/EPOC/GSP(2009)16. The Secretary General launched three new publications on water at the OECD Expert Meeting on Water Economics and Financing that took place in Paris on 15-17 March 2010. OECD work related to water can be followed on the dedicated website, see: [www.oecd.org/water](http://www.oecd.org/water).

*Green Growth Strategy*

- The Green Growth Strategy will be delivered a year from now in 2011. It will be a framework that spells out the priorities and some of the policy tools that will be needed if green growth is to be more than a slogan. The *Synthesis Report* will outline: (1) The drivers of greener growth and the challenges to shift away from “business-as-usual” and on to greener production and consumption patterns, as the status quo is unsustainable and the economic costs of inaction could seriously undermine future growth; (2) The barriers created through poor policy that get in the way of an economically efficient response to these challenges (e.g. environmentally harmful subsidies, trade barriers, ‘green’ protectionism); (3) How to help the transformational changes through innovation. Growth should aim towards zero carbon emissions by the second half of the 21<sup>st</sup> century, implying radical technological innovation. If transformational change can be unlocked, the economic opportunities in new green industries and the greening of old ones could be vast; (4) Transformational change implies dislocation - and that dislocation is and will continue to happen swiftly, requiring good policies to support structural adjustment in labour markets and elsewhere; (5) Need to be able to measure whether progress is being made and the report will produce a set of key indicators so governments can measure whether or not they are moving onto the right trajectory; (6) A ‘policy tool box’, a mix of policies to cost-effectively shift economies away from business as usual will be developed.

*f) International Futures Programme (IFP): case study on “space technologies and food security”*

- As part of its foresight mission and analysis of emerging sectors, the IFP is currently conducting case studies on the socio-economic contributions of selected space technologies. After publishing the results of its first case study *Space Technologies and Climate Change (2009)*, the IFP has launched another case study on the potential role of space applications in tackling current and upcoming challenges of food security (e.g. satellite imagery for agriculture monitoring, use of GPS for fisheries’ management). A first workshop took place in November 2009 with the participation of experts from TAD and ENV, as well as from international organisations (e.g. FAO) and the space community. Another IFP workshop will take place on September 23<sup>rd</sup>, 2010. OECD work related to space technologies can be followed on the website: [www.oecd.org/futures/space](http://www.oecd.org/futures/space).

**5. Secretariat activities**

- a) Presentations at conferences and seminars

(Please visit TAD Delegates’ Corner to view presentations by TAD staff at <https://community.oecd.org/community/agriculture> Username: coag; Password: delegate).

You can access the Delegates Corner in two ways:

1. If you or your institution has access to **OLIS**, under the tab ‘Committee Discussion Group /Web Sites’ you will now see a link to OECD Agriculture in the bottom half of the page.
  2. If you do not have OLIS access, you can access Delegates Corner through our MyOECD service. You are registered on MyOECD but you will need to create a personalized password:
    - Go to [www.oecd.org/MyOECD](http://www.oecd.org/MyOECD), click on ‘Forgotten password?’ and follow the instructions: this will allow you to create a password for access to Delegates Corner.
    - Then, to access Delegates Corner, go to <https://community.oecd.org/community/agriculture> and login using your password.
- **Dimitris DIAKOSAVVAS (TAD):**
    - Participated in the International seminar, on *The Role of OECD in the Agricultural Policy Reform Agenda – Emphasis on the EU CAP* held in Warsaw, Poland, 10-11 May 2010 and made a presentation on *The Role of Agricultural Policies in Rural Development*.
  - **Andrzej KWIECINSKI (TAD):**
    - Will visit Israel on 29 June to present an overview of the *OECD Review of Agricultural Policies in Israel* including a chapter on *The Environmental Performance of Agriculture: Key Trends and Policies*.
  - **Wilfrid LEGG (TAD):**
    - Gave a presentation on *Policy Issues of Climate Change and Agriculture: an OECD Perspective* in a PRIMAFF (Agricultural Economics Research Institute of the Ministry of Agriculture) Seminar on Agri-environmental Policy in OECD – Analysis of Climate Change, held on 22 January 2010, Tokyo, Japan;



- Introduced two Workshop sessions on *Climate change: agriculture and rural development as part of the solution* at a Conference on The future of the Common Agricultural Policy, 27 January 2010, The Hague, Netherlands ;
- Lead a working group of the *Integritas* SUB ROSA meeting : An Informal Conversation - Rural Development and Cohesion Policy: Time to Rethink, hosted by the Norwegian mission to the EU, 12 February 2010, Brussels, Belgium;
- Prepared and presented the recommendations from the workshop for the OECD Joint Working Party on Agriculture and the Environment (June 2010) based on the five Rapporteur reports and the Chair's summary to the OECD Workshop on *Agri-environmental Indicators: Lessons learned and future directions* held 23-26 March 2010 in Leysin, Switzerland [www.oecd.org/agriculture/env/indicators/workshop](http://www.oecd.org/agriculture/env/indicators/workshop) ;
- Gave a presentation on *Future challenges for agricultural economics* and participated in a panel discussion at the 30<sup>th</sup> Anniversary of the Belgian Association of Agricultural Economists: Conference on challenges for agricultural economics, 1 April 2010, Brussels, Belgium;
- **Kevin PARRIS (TAD):**
  - Gave a presentation on *Identifying research priorities for improving agricultural water management in France : an OECD perspective* for the Atelier économie, Office national de l'eau et des milieux aquatiques (ONEMA), 2 February 2010, Vincennes, France;
  - Participated in a meeting with FAO and Eurostat to coordinate data collection efforts between the three international organisations related to Agri-environmental Indicators, for the preparation of the report "*Environmental Performance of Agriculture at a Glance*", as well as to improve data collection for inputs into work on climate change and water, 4-5 March 2010, Rome, Italy;
- **Hiroki SASAKI (TAD):**
  - Gave a presentation on *The Japanese Case Study on SAPIM (Stylised Agricultural Policy Impact Model)* to the Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries (PRIMAFF) seminar, Tokyo, 22 January 2010.

**b) Publications**

- **Wilfrid LEGG** wrote a chapter on "Payments for agri-environmental services: an OECD perspective" in (ed) Stephan Goetz and Floor Brouwer *New Perspectives on Agri-Environmental Policies: a multi disciplinary and transatlantic approach* (Routledge, 2010).
- **Hiroki SASAKI** wrote an article on "Activity and Discussion on Agriculture and the Environment at the OECD", *Science for Environment & Sustainable Society*, 7(1), forthcoming 2010. (In Japanese with English summary).

**6. Secretariat changes**

**Andrea CATTANEO** rejoined the Agricultural Policies and Environment Division (TAD) in April 2010, returning from a two years secondment at the Woods Hole Research Center (US) where he carried out research on the economics of land-use as it relates to climate change.