

Extended Abstract

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Paper/Poster Title	A Comparison of Landowner and Stakeholder Attitudes to Agri-Environmental Contracts – Evidence from Ireland and the Netherlands
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Abstract prepared for presentation at the 96th Annual Conference of the Agricultural Economics Society, K U Leuven, Belgium

4th – 6th April 2022

Abstract	200 words max
<p>Data is collected on the attitudes of landowners and stakeholders to various types of agri-environmental contracts in Ireland and the Netherlands, as part of a Horizon 2020 funded project. A mixed-methods approach is applied. The results show that annual financial compensation is vital for increasing the uptake of environmental programmes. Irish and Dutch respondents favour different contract types which is explained by the existing agriculture sector in each country. The results are compared to nine other countries in Europe. Knowledge transfer between stakeholders and landowners is important for increasing the adoption of agri-environmental contracts, as a higher portion of stakeholders are knowledgeable of the understandability, applicability and economic benefits of these contracts.</p>	
Keywords	agri-environmental contracts, public goods
JEL Code	Q18, Q20, Q28 see: www.aeaweb.org/jel/guide/jel.php?class=Q)
Introduction	100 – 250 words
<p>The objective of the research is to improve the contract design of environmental programmes. As part of a Horizon 2020 funded project, data is collected on the attitudes of landowners and stakeholders to types of agri-environmental contracts. The types of contracts analysed are results-based, collective action, value chain and land tenure.</p> <p>This paper compares the results in Ireland and the Netherlands with other European countries. Both countries are net exporters of agricultural produce. The two countries differ in that produce in Ireland is predominately from grass-fed livestock. The Netherlands produces mainly non-grass-based meat and dairy produce. In terms of economic value, the Netherlands exports mainly flowers and bulbs. Irish agriculture is facing concerns over ruminant emissions. The Netherlands is recognised for its innovative and sustainable production methods. However, the Dutch government aims to cut nitrogen pollution.</p>	

Methodology	<i>100 – 250 words</i>
<p>A literature review and analysis of data from the national statistical offices outlines the differing agricultural landscape and attitudes to both environmental practices and contracts in Ireland and the Netherlands. This assessment is important given the need for more innovation in the design of agri-environmental programmes.</p> <p>2,275 landowner and 447 stakeholder surveys were completed across 11 European countries. A statistical approach is adopted to assess the results of landowner and stakeholder surveys. This includes the use of ordered probit models to measure varying level of attractiveness/agreement to options that are posed to respondents. This is supported by qualitative analysis of discussion from recent stakeholder events. Both quantitative and qualitative approaches are included to generate a thorough understanding of this important topic.</p>	
Results	<i>100 – 250 words</i>
<p>Landowners in both countries highly rate annual compensation as a factor that increases their willingness to enrol in an environmental programme.</p> <p>Irish landowners are strongly in favour of results-based contracts based on their understandability, applicability and economic benefit. Dutch landowners have a different outlook as they see land tenure contracts being the most understandable and applicable, and value chain contracts are perceived to have the greatest economic benefit.</p> <p>Irish landowners feel that results-based contracts are most important for the improvement of biodiversity and water conservation, respectively. An equal portion of respondents stated that results-based contracts are best suited to improving biodiversity, water quantity/quality and soil health/quality.</p> <p>In Ireland, tillage and forestry landowners are the most open to different types of contracts while the livestock sector is the most hesitant. Amongst these livestock owners, results-based contracts with self-chosen measures are the preferred contract type. This is likely due to a concern over a potential loss of high earnings, which the dairy sector experiences.</p>	
Discussion and Conclusion	<i>100 – 250 words</i>
<p>From the data and stakeholder events it is clear that sufficient financial compensation will be crucial to the adoption of environmental practices by landowners.</p> <p>Compared to landowners, stakeholders have a greater understanding of various contract types. Stakeholders also deem them to be more applicable and economically beneficial. It is important that knowledge transfer is effective, especially with regards</p>	

to the new Common Agricultural Policy which is expected to be heavily focussed on improving farms' environmental sustainability.

Differences in the results between the two countries can be explained by the fact Ireland's existing contracts to protect public goods are pre-dominantly results-based, potentially creating a bias towards this type of contract. Ireland has a low level of land rental which is typically on short-term contracts, which explains why, unlike the Netherlands, land tenure contracts for environmental practices are not attractive.