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## ASSESSMENT OF FUNCTIONING OF FARMS FROM AREAS WITH GREAT NATURAL VALUES AGAINST A BACKGROUND OF OTHER FARMS IN POLAND

## Abstract:

According to the existing findings of the European Commission (EC), one of the priorities of the Common Agricultural Policy (CAP) after 2020 will be to further strengthen the role of the agricultural sector in providing public goods and ecosystem services by preserving and creating in rural areas of landscape features conducive to the conservation of biodiversity. In terms of the environmental concern, such approach by the EC should therefore be considered particularly necessary. However, the challenge of the CAP after 2020 will be to manage the process of promoting the natural value of rural areas in a way to minimise the potential negative effects for the competitiveness of farms.

Poland has a strong potential of areas conducive to the conservation biodiversity conservation. This is indicated by the index of natural and tourist value (INTV) defined by the Institute of Soil Science and Plant Cultivation National Research Institute (ISSPC-NRI) for municipalities in Poland. This index is an average share of the total area of permanent grassland, forests, waters, as well as wetlands in the total area surrounded by all arable land of a given municipality with a radius of 2 km. The average INTV for municipalities in Poland is 35.6% out of 100% which can be achieved. It should be added that the area of municipalities with the INTV  $\geq$ 35.6% accounts for 57.7% of the Polish area and in these municipalities there are 67.5% of permanent grassland, 75.9% of forests and 70.1% of waters in Poland.

Taking into account the EC's findings on a need to strengthen, in the EU financial perspective after 2020, the role of the agricultural sector in the conservation of biodiversity and the significant share of areas conducive to the conservation of biodiversity in Poland, it is therefore reasonable to determine, inter alia, the impact of these areas on the efficiency of farms functioning therein and then to compare them with the efficiency of farms in other areas.

Analysis covered 8,494 farms keeping accounting for the Polish FADN in 2015. Those farms have been then divided into two groups. The first one was made of 3,937 (46.4%) farms that conducted the agricultural production in municipalities with the INTV of  $\geq$  35.6%, referred to in the paper as farms from municipalities with the high natural value. In turn, the second group is composed of 4,557 (53.6%) of other farms.

## **Keywords:**

biodiversity, CAP after 2020, Farm Accourancy Data Network in Poland