Co-design of novel contract models for innovative agri-environmental-climate measures and for valorisation of environmental public goods

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Complexities in Collective Approaches: Traditional Management and Agri-Environmental Contracting in the Pyrenees (France) and Northwest England (UK).

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This research note[1] explains and compares the relevance of collective approaches to land management in two case study areas of France and the UK. It provides a background understanding for interested professionals, practitioners and academics, and may inform national and European policy targeting sustainable uplands management. In outlining 'collective approaches', we discuss the collaboration that occurs as part of the traditional management and governance of these upland landscapes, as well as the tensions that arise when these practices are coupled with the formal collective agri-environmental contracts which also exist in these areas.

Key Points:

- Key to developing successful collective approaches for agri-environmental management is the recognition of how formal contracting can work with and augment existing informal traditional practices of collaboration.
- Common challenges which may impact collective approaches include diverse grazing patterns, land abandonment vs overgrazing, generational changes, farming profitability and development pressures. Land and management rights are complicated by other layers of authority and ownership.
- In both France and the UK, the principle of (individual) agri-environmental contracts has been extended to cover areas of collectively managed land.
- The contracts available to collective managers through AES require substantial input: 1) from them to recruit participants/ farmers/ shepherds and coordinate new practices; 2) from facilitators to negotiate shared objectives between stakeholders.
- To incentivise environmental public good delivery, new contracting arrangements should better recognise and compensate the costs borne by all parties involved in collective approaches.
- The flexibility required in grazing management and existing informal arrangements is incompatible with rigid administrative requirements.
- Collective contract design must have the capacity to incorporate local sociocultural and economic dimensions of upland environments, to foster the effective delivery of environmental public goods.

[1] This research note is an extended work upon which the Practice Abstract 'Collective approaches to agri-environmental management in the Pyrenees (France) and Northwest England (UK)' is based.

An introduction to traditions of collective management in upland landscapes

The Hautes-Pyrénées in Southern France and Northwest England in the UK are case studies selected for the *Contracts2.0* project. Both have similar natural environment and land use, although the details of land management, historical development and the institutional framework vary. Key to understanding the collective arrangements in both the UK and France is the recognition of informal traditional practices of collaboration alongside formal contracting. This abstract will therefore also consider the extent to which the role of 'contracts' is important within traditional collective approaches to agri-environmental management across the case studies.

Both the Hautes-Pyrénées and Northwest England have remote pastoral features representative of many upland regions across Europe. Hautes-Pyrénées is a mountainous region with remote access and a low population density. In Northwest England, there is a greater range of landscape characteristics in the uplands, which varies from the mountainous areas of the Lake District National Park to the more open and expansive moorland of the Yorkshire Dales and North Pennines. A thriving tourism industry has considerably increased the population density of Northwest England, particularly in summer months. The farming practices and grazing systems of these regions have changed much less dramatically than conventional farming systems over time. The terrain and accessibility, as well as strong cultural ties to shepherding traditions, have resisted the industrialisation of commercial agriculture which has redefined farming in lowland areas.

Upland grazing systems and their challenges

The grazing systems in both cases have some similarities: in the Pyrénées, three main 'zones' can be distinguished (Fig. 1). Farmers, mainly sheep and cattle farmers, manage their herds' transhumance on summer pastures of the mountainside between June and October, transiting in May and/or November through 'intermediate' zones of the landscape and spend the winter in the bottom of the valley. This three-tiered grazing system is broadly similar to Northwest England. Hill sheep will spend most of their lives out on the open fells/moorland (Fig. 2) but spend some of the year (such as lambing for some farms) in the intakes and fields closest to the farms. Many farmers also transport their sheep to winter their sheep on lowland fields. Indeed, this off-wintering is often a condition of Higher-Level Stewardship agreements (HLS, part of English agri-environment schemes, AES) in particular parts of England, dependent upon the assessment by local environmental authorities. In recent years, the act of de-stocking became its own option within AES rather than a justified measure for a specified environmental benefit.[2]

The main challenge of the grazing system in the Pyrénées has been an issue of land abandonment in the intermediate zone due to an issue of generational renewal of farms and changes in farming practices. Until the 1960's the intermediate areas which are often characterised by steep slopes were mowed by hand and the hay stored in traditional field barns[3]. This operation has been abandoned with the agricultural mechanisation in these areas, leading to natural reforestation. Another challenge is heterogeneous usage across the mountainside, where different parts of the summer pastures are either over- or under-grazed. This is due to the level of attractiveness of the areas determined by ease of accessibility to the pastures (presence of tracks), availability of water or the hazardousness of particular terrain for both livestock and shepherds.

In contrast to the lack of land use in the Pyrénées, the uplands in Northwest England face a consistent criticism for overgrazing. Both common land and fields in the region, particularly within protected areas such as the National Parks and Areas of Outstanding Natural Beauty[4], are in very high demand. Farmers are under more and more pressure to reduce stocking levels from conservation organisations, including conservation agencies such as Natural England, but also local landowners like the National Trust. This pressure is already evident within the institutional framework of

[2] In 2013, this was explicitly tied to HLS options with a specific environmental benefit, such as the management of wet grassland for wintering waders and wildfowl. For this option, HK10, farmers were paid £255/ha. The current option provides a payment for the restriction rather than the environmental benefits: 'UP6: Upland livestock exclusion supplement' provides a more vague justification, for just £16/ha.

[3] These traditional field barns, or 'fairground barns', are barns-stables located far from the livestock farm's headquarters but integrated into the ordinary operation of the farm.

[4] 'Area of Outstanding Natural Beauty' is a category of UK Protected Area designation

upland options in the AES such as the HLS, where compulsory lower stocking levels and off-wintering have become more and more prominent features of the agreements, with more vague justifications and less financial benefit. This off-wintering creates a further issue for farmers, as over long periods it may compromise the hefting instinct of the sheep.[5] In Northwest England, a unique and well-established system of 'hefting' enables flocks to be left relatively isolated over the summer months; some sheep even staying on the hills for their whole lives. By virtue of this strong homing instinct, instilled in lambs by their mothers on the fell, hill sheep in the Northern uplands do not stray from their own specific area of the common.

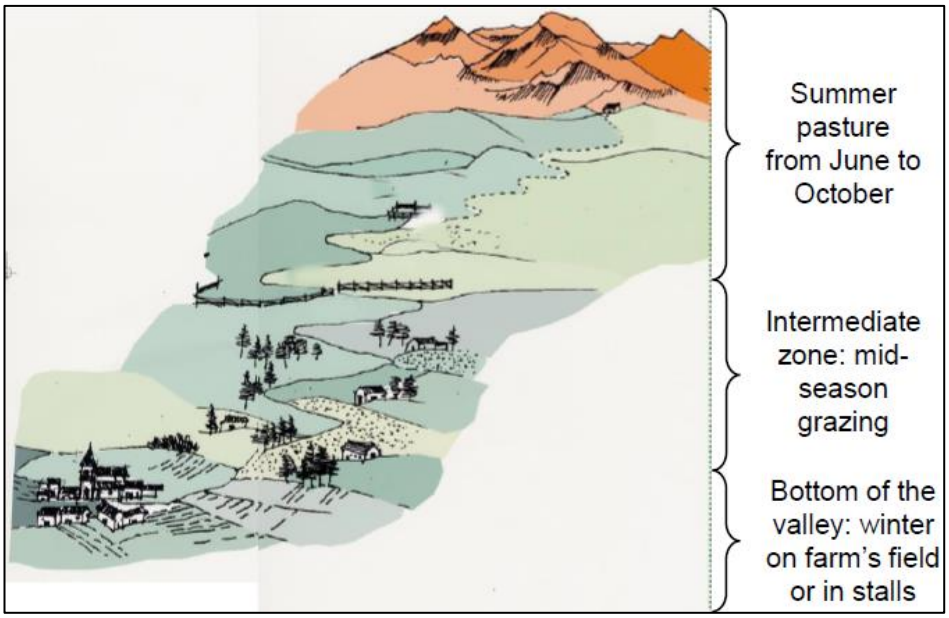

Figure 1: Schematic representation of the tiered grazing system in Hautes-Pyrénées (Source: GIP-CRPGE)

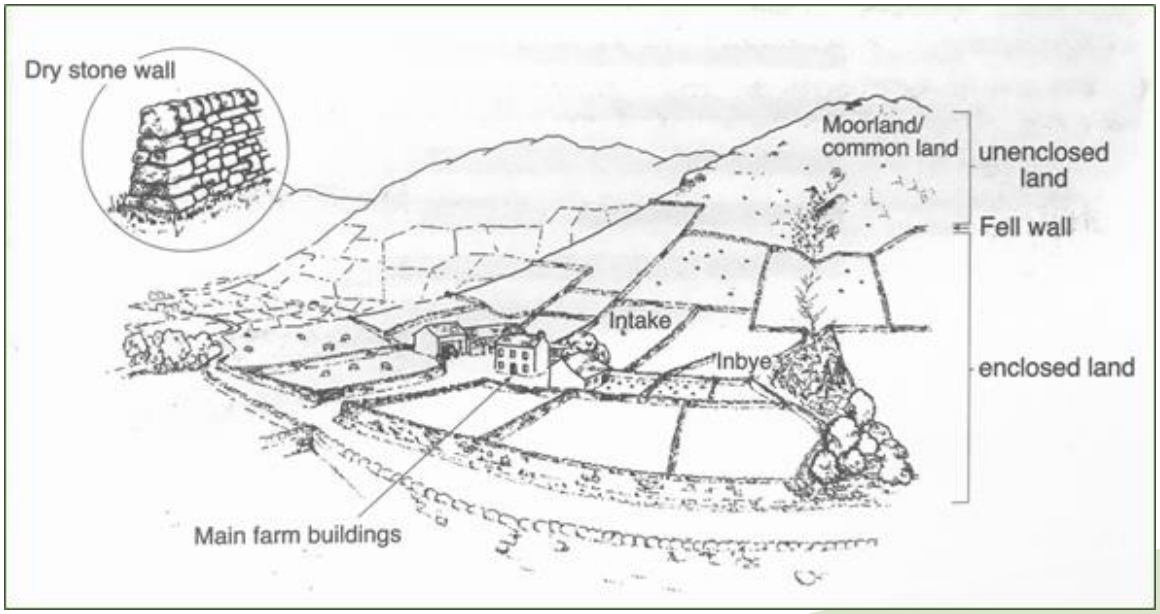

Figure 2: A generalised view of an Upland Farm in Northern England (Source: Mansfield, 2011, p.7)[6]

[5] Davies, O.D., Morgan, M.Werrett, M. 2008. CTE0707 Assessment of the Impact of Hefting

[6] Mansfield, L .2011. *Upland Agriculture and the Environment*. Bowness-on-Windermere: Badger Press Ltd.

Farmers also face another dimension of scarcity, where traditional farmsteads with commons rights attached are highly sought-after as second homes or commercial properties for tourism ventures. These social and economic pressures are well-noted in the UK, and house price increases in the countryside have been exacerbated by counter-urbanisation, tighter planning restrictions, and tourism.[7] Uniquely in the Lake District within North West England, these properties (most significantly the land and grazing rights) are also coveted by conservation organisations as assets for environmental protection. This has led to further pressure on farmers who would like to continue traditional farming practices in the area, as several key farms with large hefted flocks have in recent years been sold at highly inflated prices when organisations have paid well over the market valuation to acquire land. A controversial and highly publicised instance of this was the sale of Thorneythwaite farm in Borrowdale bought by the National Trust for an extraordinarily inflated price, which included the land, grazing rights and a hefted flock of Herdwick sheep but crucially minus the farmhouse. In the process, they denied a local farmer of multiple generations in Herdwick sheep farming the chance to keep this historical farm together and work the land as it has been for hundreds of years in a move dubbed as 'mafia' tactics in press at the time.[8]

Traditional pastoral practices and rights

Both the UK and France have slightly different but nonetheless important traditional practices associated with their upland sheep/cattle. In France, hired shepherds or dedicated farmers will live in a hut in the upland throughout the summer months to take care of and move the sheep on and around the various pastures daily. This tradition of shepherding was almost abandoned in the 1980s but is again supported today partly due to the increasing presence of predators (bear, wolf).

In Northwest England, where the UK uplands are lacking a predator for the sheep, they are mostly left unsupervised apart from regular checks by their farmer, who relies upon the flocks' strong hefting instinct for sheep to remain in place on the large expanse of common land. The heft of neighbouring flocks also acts as an invisible fence which keeps each flock in place relative to the one(s) adjoining.[9]

In both countries, there are strong traditions of cooperation among farmers. In Northwest England, this happens across large regions of this area, where neighbouring farms will work together to gather sheep from the hills several times throughout the year. This collective working pattern among farmers can often reach over several hills and valleys, where neighbouring flocks do not necessarily belong to neighbouring farms. This is most evident in the case of the Lake District fells, where many flocks might meet back to back over the entire central mountain range in Cumbria. In France, collective work is organised among farmers of each common land parcel to maintain pastoral equipment such as fences, tracks, corrals. This work can also be delegated to the shepherd or subcontracted. Farmers also coordinate their practices directly or through the land manager who annually set the dates of grazing access to the common land, the stocking rate and the usage rights of graziers from further afield.

Another key dimension of traditional practices relates to management rights. Pastoral areas in the Pyrénées and Northwest England are characterized by bundles of rights regulating the grazing rights and the responsibilities in organizing land and grazing management.
In the Hautes-Pyrénées, the summer grazing areas and some of the intermediate areas have the particularity of being managed largely by collective entities. These '**collective land managers'** can either be

i. landowners (communes, pastoral land tenure association, group of communes owning undivided land and represented by a specific organization called ***Commission syndicale***) or
ii. land users (**pastoral groups** that bring together livestock farmers who use the same summer pastures).

[7] Woods, Michael. 2005.Rural Geography. London: Sage.
[8] 2016. 'Melvyn Bragg accuses National Trust of bullying in farm row'. *The Guardian*. https://www.theguardian.com/uk-news/2016/aug/30/melvyn-bragg-accuses-national-trust-of-bullying-in-farm-row (date accessed 02/11/2020)
[9] Davies et al., 2008.

Similarly, in the UK there are different bundles of collective rights linked with different associations to the land. On common land, particular farmsteads (the farm itself rather than the individual who owns/ rents the farm at a given time) local to an area of common land have rights tied to them for an amount of livestock which can be grazed there. However, these rights can be complicated by other layers of authority and ownership. For instance, land tenure may play a role whereby a landlord may restrict the common rights of his tenant. A current example of this would be the reduced size of tenant flocks imposed by the National Trust on many of their upland farms. Commoners associations may attempt to strengthen the hand of farmers where all farmers with rights group together to discuss land management of their common.

Collective approaches within agri-environmental contracting

France and England are both experimenting in collective contracting although through different approaches. In both countries, the principle of agri-environmental contracts has been extended to cover areas of collectively managed land.

The continued extensive grazing of sheep and cattle in the mountains and upland regions of France is enabled mainly by the support received through the basic payment subsidies and the Less Favoured Area Support Scheme (LFASS). These payments are directed towards individual farms. 'Collective land managers' are not entitled to direct payments but are supported through rural development programs to hire shepherds or develop and maintain pastoral infrastructures (tracks, water canals, corrals, huts). However, since 1992, collective land managers are entitled to contract agri-environmental measures. In the Hautes-Pyrénées, within the current AES, collective contracting takes two forms: the first measure (SHP02) promotes the sustainable management of permanent grasslands and pastoral areas by supporting existing practices, while the second ("localized" measure) consists of more restrictive and targeted commitments in areas limited to Natura 2000 sites (wetlands, habitat of protected species, etc.). Since 2015, collective land managers are no longer obliged to redistribute AES payments to individual farmers, so the funds are directly invested to support collective management, such as the pastoral infrastructures. Pastoral extension services (GIP-CRPGE)[10] are active stakeholders in adapting the existing AES contracts to better align with the needs of collective entities.

In Northwest England, the main collective contracts are also seen in two forms through the national AES, each as specialised parts of the 'Environmental Stewardship' (ES) and 'Countryside Stewardship' (CS) schemes respectively. Although ES was replaced with CS in 2015, as the agreements last for 10 years, many Higher Level Stewardship (HLS) agreements are still running today. Both, HLS in ES and Higher Tier (HT) CS agreements are contracts first developed within Environmental Stewardship to encourage the delivery of significant environmental benefits in 'high priority areas' such as the uplands, through complex and bespoke contextual agreements. These contracts aim to better address local circumstances than the broader, more basic Entry-Level Stewardship (ELS) agreements in both ES and CS, and as such agreements are often made with groups of farmers on high priority areas of common land. The main environmental priorities for HT CS are biodiversity and water quality. Collective HLS and

[10] Groupement d'Intérêt Public - Centre de Ressources sur le Pastoralisme et la Gestion de l'Espace

HT contracts are often 'layered' with individual contracts: farmers will usually also have a separate agreement, either another HLS or an ELS, for their own land.

An indirect collective contract within CS is the Facilitation Fund (CSFF) programme. CSFF provides funding for a nominated person or organisation to aid a group of neighbouring farmers in coming together to align the delivery of environmental public goods at a 'landscape scale' rather than at a farm level. The Facilitation Fund solely provides coverage for the costs of the facilitator's role and their coordination efforts, and not any capital costs which might be incurred in the delivery of these landscape scale environmental measures.

Tensions between traditional collective approaches and agri-environmental contracting

The sections above have sought to illustrate the complexities involved in the development and implementation of collective contracts in the UK and France for all stakeholders, from governments to individual farmers. The realisation of a collectively applied approach to the delivery of environmental public goods in English and French upland environments is dependent upon many multifaceted, interrelated and often overlapping institutional, economic and socio-cultural factors. These tensions could also be relevant in other landscapes; in considering how collective contracts can/ should be amended for upland environments, we feel that many of these factors are also relevant to other types of collective contracting within different settings.

In both countries, formal contracting is not specifically built for collective delivery of environmental public goods. Current contracts are usually designed for individual landowners over a clearly defined piece of land. In these cases, the collective dimension of agri-environmental contracts only comes into existence where a pre-existing social structure of commonly managed land forms the prerequisite and fundamental basis for a collective contract.

This institutional constraint has led to agreements which do not adequately outline and detail the various responsibilities, obligations and rights of all stakeholders. Those who are actively engaged in the delivery of environmental public goods are often excluded as contract parties, where the contract signatory (such as collective land manager/representative) may not be the contract executor (common's farmers, shepherds). In France, collective land managers are not necessarily from the agricultural profession, and when signing the contract may not be aware of certain operational constraints of which farmers are more likely to be aware. Similarly, in England, HLS agreements are signed by an organisation (such as a commons association) or a representative on behalf of all commoners, which leaves a crucial opening for ambiguity in terms of the specific rights and responsibilities of each respective commoner.

In addition, AES are implemented in the context of institutional arrangements that can take the form of formal contracts (e.g. shepherds' contracts, land rental) but also informal arrangements (e.g. annual agreement on the dates of ascent and descent of the summer lands with the livestock farmers or rights of way with their neighbours). Therefore, the contract is not only a formal obligation between two parties, but it consists of a much broader set of nested agreements and social arrangements with different pastoral actors. There are thus a wide variety of transaction costs incurred by collective land managers (whose facilitatory role is not specifically remunerated) and farmers in implementing AES which are not currently considered. In fact, the basis for calculating compensation payments in collective agri-environmental contracts is the same as for individual contracts; representing the opportunity costs of maintaining or changing practices. However, collective contracts may also incur in-group coordination 'costs' (such as negotiating shared objectives and explaining rationales for different practices) as well as costs for coordination between the collective and the contracting agency (the administrative costs of group organisation). There are also significant potential social implications for the farmers in the delivery or failure of AES, beyond any potential financial penalties explicit in the contract, where to break from the prescriptions set in collective agreements could negatively impact not only neighbours' incomes but also a dissenting individual's social status in small rural communities. The perception of 'freeloaders' or a farmer who has jeopardised the work of their neighbours in intimate rural communities may have a significant impact upon their social network.

The adaptability of individual agri-environmental contracts to a collective situation is limited and not sufficiently flexible to take into account local conditions and traditional knowledge. Mountainous areas like the Pyrénées are subject to hazards (climate events, predation) which necessitate continuous adaptation of pastoral practices. The current

contractual forms do not give room for these adaptations and, worse, tend to fix the practices which render the mountains less accessible for newcomers and may in the long term increase the vulnerability of livestock farmers. This static and centralised approach to agri-environmental scheme development does not allow room for contracts to translate into the localised and dynamic settings of upland farming. In England, attempts have been made through the HLS to address some of these issues by developing agreements through local Natural England officers. However, controversies remain where the approach and application of the dialogic approach is inconsistent. Farmers are acutely aware of agreements perceived to be more flexible or beneficial being implemented in similar regions. The role of the individual contract negotiating officer is also disproportionately powerful, where some may be more restrictive upon farmers' stocking levels, or even their broader vision for the land parcel, in areas where conservation agencies have a strong agenda regarding their own vision for particular parcels of common land.

Due to the complex nature of contracts, supporting or extension services (such as GIP-CRPGE) or facilitators (through the CSFF) are required to help align contracts and make them more accessible to collective entities. Although a budget is often dedicated to such services for the first years of AES to cover the costs of identifying and recruiting appropriate contract partners and land managers, communication and facilitation (or for the establishment of groups through the CSFF), there is a lack of funding for monitoring and evaluation and the necessary adaptations required for future contracting periods. There are also some related issues in the longevity of these services, where funding may run out as new groups begin to develop the necessary social ties, or where the position of a key supporting actor makes the longevity of collective contracts vulnerable. An individual facilitator's personality or relationship with their group can have a huge impact on the success of collective contracts. Future iterations of collective contracting must carefully consider the social and economic dimensions of existing traditional networks and supporting services alongside the desired environmental public goods within upland environments, to develop robust collective contracts which make a positive difference for farmers and for nature.

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