

Effects of sustainable crop protection policy on Dutch farm results and competitive position

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Abstract

Reducing the environmental impact of plant protection products was the main goal of the Dutch government's policy for 2010. However, the policy document on sustainable crop protection made clear that this should not affect the competitive position of Dutch farmers and growers. The direct economic consequences of the crop protection policy between 1998 and 2010 on agricultural businesses have been studied at 'level playing field'. Dutch crop protection policy measures like the authorisation policy for crop protection products, administrative obligations and emission reduction measures were compared with those in Belgium, France, Spain, Germany and the UK. These policy measures can implicate more or less costs for farmers by investments in techniques, labour, crop protection products, yield effects, etc. Based on different options and limitations between 1998 and 2010 agronomic and economic effects were discussed with crop (protection) experts and calculated for 21 representative crops. The effect on competitiveness was based on a simulation of Dutch crop results under policy in neighbouring countries in 2010.

The crop protection policy of 2010 compared to 1998 resulted in a negative effect of almost zero to four per cent of the farm results. In 80 per cent of the studied crop/country combinations Dutch growers experience little or no competitive disadvantages as a result of the crop protection policy. The others face a negative effect of two to ten per cent of the crop gross margin. The administrative obligations and emission-reducing measures gave limited economic effects and differ little from those in other countries. The effect of the authorisation policy has often been greater over recent years, although the impact varies per crop. The situations in which there are negative economic consequences mainly involve comparisons with Belgium, and are caused by differences in policy or in the authorisation policy of crop protection products.