

## **POTENTIALITIES FOR DECOUPLED PAYMENTS TO AFFECT STRUCTURAL CHANGES IN CONTEMPORARY PRODUCTION AGRICULTURE**

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**Abstract.** The paper is focused on the direct payments employment in agricultural policy and potentialities for this shape of financial transfers to the recipient's income to affect farmer's production decision making.

**Key words:** agribusiness, agricultural enterprise, agricultural policy, competitiveness, decoupled payments, structural change

### **INTRODUCTION**

The problem faced by the whole Europe and thus also the new member states of the European Union, as the Poland and the Czech Republic are, is how to compete successfully on an increasingly globalised food markets. It follows that one of the key issues accompanying decision-making process of conception of contemporary agricultural policies is to find better suited supportive and regulative system for the next development of agricultural enterprises respecting basic ideas of the new model of the European agriculture. That means the support of competitive agricultural sector able to participate on world markets without being oversubsidised and continuing commitment to ensure a fair standard of living to the agricultural community. This matter of fact influences agricultural policy, which – if it is to be effective in a long-term strategy – should gradually eliminate all quasi-market and (maybe) later also only income-supporting instruments, turning to new instruments motivating individual agricultural companies to restructure their activities effectively instead.

### **NEW ENTREPRENEURIAL ENVIRONMENT AND AGRICULTURAL POLICY**

As today's agriculture has become part of considerably wide-ranging complex that determines not only the conditions of its success in selling products on the future food

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(and non food) markets but also the nature and dimension of agriculture production firms in specific areas. The position of agricultural enterprise is changing from a relatively independent farm to one of components more tightly aligned to agribusiness chains or nets [Bečvářová 2005b, 2006].

Forementioned process has become the decisive factor of a maintenance and development of whole rural areas as well. The “demand driven agriculture” implying both quantitative and qualitative criteria such as food safety and precaution, favourable method of production, environmental impact etc., presented by agricultural policies in last decade and for future, are largely influenced by final stages of agri-food commodity chains. They significantly decide about the dimension, structure and market share of agricultural production and its producers in concrete locality. This could lead to one of contemporary reasons why the agricultural policy is, and should still be reformed.

Those imply entirely new requirements for strategies and agricultural policies economic instruments.

Merits the problem i.e. how to compete successfully on an increasingly globalised food market, can be resolved essentially in two ways:

- preserve the historic production structure based above all on different qualities of natural conditions, especially agricultural land, using this fact to justify the uneven outcome of agricultural production in various regions and also the entitlement of various regions to additional financial means in the form of subsidies, thus enabling traditional agricultural production to continue for as long as possible and “protecting” traditional European producers against increasing competition of cheaper products and food from other parts of the world,
- look for a positive solution, often requiring significant structural changes in production orientation and other economic activities of individual companies in accordance with the principles of a knowledge-based economy capable not only of showing the deeper connections and behavioural principles of the current food markets, but also motivating individual subjects to adopt the necessary restructuring measures reacting actively to the development and conditions of demand on the relevant markets.

The latter method may be used as a key to enhance the competitiveness and economic efficiency of European agricultural companies in the prospective model of agriculture and requires that the reform of the Common Agricultural Policy of the EU (CAP) it's more than that “cosmetic change” objectively. The transition from the system based upon the market prices support to the system preferring to support partially or fully separated from contemporary production structure (decoupled) supplemented by project-orientated structural support is undoubtedly a positive element, in the short run allowing individual countries to decide on the resolution of their specific agricultural problems and to use a larger proportion of budget resources for this purpose.

On the other hand, it may increase the risk of consequences of non-conceptual regulation interventions in the long term.

In general, it concerns two fundamental problems:

- the selection of allocation criteria, i.e. the suitability of subsidies, in this case mainly in terms of conceptual promotion of restructuring, as a necessary condition for further growth of competitiveness on European and global markets, which is the key strategic problem of modern productive agriculture, and

- the efficiency of subsidies related to the determination of transfer forms/instruments and their economic cost. As far as the development of the Union's agricultural policy is concerned, it is impossible to rule out scenarios reacting to requests for a further reduction of subsidies also in the area of production restructuring. That is why it is necessary to try to obtain the highest possible amount from the specified sum of financial means provided by the Union and at the same time, look for other alternatives of their most effective and maximum utilisation.

## **DECOUPLED PAYMENT AS A SHAPE OF SUPPORT FOR AGRICULTURE**

Decoupling has become one of the key issues in agricultural policies both at the national and international levels. The need to minimise international trade distortions associated with support to the agricultural sector was a substantive element of that solution. The idea of policies not affecting marginal prices faced by producers has led to the proposal to establish Production Entitlement Guarantees [Harvey 1989]. The proposal was to limit the volume of production eligible for support issuing these tradable, government financed guarantees. The maximum supported quantity should be less than what would be produced at the world price. However changing world and domestic market conditions could result in the payments becoming relevant at the margin, thus making the proposal at above difficult to manage [Lopez, OECD 2001].

In the early 1990s policy instruments, which redistributed income to farmers without affecting the allocation of resources, has been defined as a lump sum transfers.

Since adoption of the Uruguay Round Agreement on Agriculture of GATT in 1994, policy makers have studied to adopt the instruments of policy having no or minimal effects on production and trade. As a result, policies have been providing a growing and total support to agriculture which is evident from the following outline of the development of support forms in agriculture during last twenty years in a world [OECD 2006].

Decoupled payments can be defined as the lump-sum income transfers to farm operators independent of their current production and commodity prices OECD [OECD 1994] generally characterises the direct income payments that they should be:

- directly financed by taxpayers;
- the size of direct income payment should either be fixed or, related to an agricultural production variable, be outside the farmers control;
- the size of direct income payment should not be determined by the volume of current or future production of specific agricultural commodities or the level of specific inputs used.

From the economic cost of subsidy evaluation [Bečvářová 2001, 2006] the lump-sum income transfers should be no a distorting effect on the gathering and transmission of market signals generally. However, their additional expenses are very high<sup>1</sup>.

Moreover, if other types of subsidies are used, a certain part of agricultural producers will be forced to leave the sector after some time, thus having a positive effect on the

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<sup>1</sup> Transaction costs are high because the realisation of their objective (increase of the recipients' income) requires detailed individual information. Budgetary costs may also become extraordinarily high in the long term.

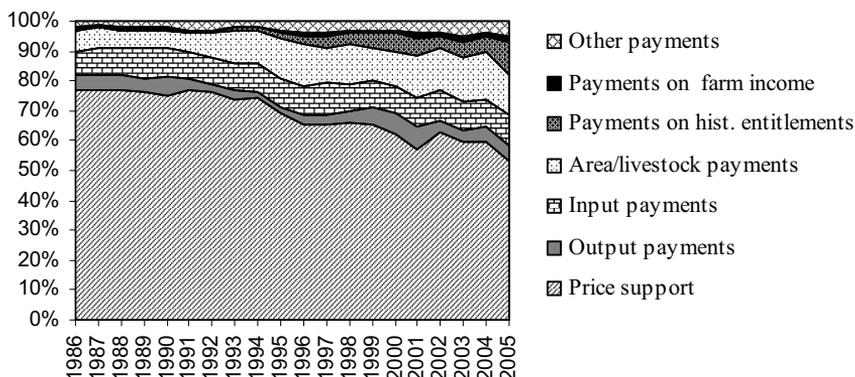


Fig. 1. Development of the agricultural support structure according to the main types of subsidy in 1996–2005 period

Rys. 1. Rozwój struktury wspierania rolnictwa według głównych typów wsparcia w latach 1996–2005

Source: Own elaboration.

Źródło: Opracowanie własne.

overall budget. However, structured transfers may not generate this kind of pressure as they are usually granted even to subjects that would be otherwise forced to leave the sector, losing their entitlement to compensations as a result.

## POTENTIALITIES FOR DECOUPLED PAYMENTS TO AFFECT AGRARIAN MARKETS

Generally speaking, decoupled payments increase the income and thus the wealth of recipient households. Compared to coupled, crop-specific subsidies (e.g. price support), decoupled payments in theory have less effect on the mix of crops planted. That is, an aggregate decoupled subsidy may increase aggregate resource use and production, but the allocation of the resulting increase in acreage to different crops will reflect expected market returns across competing uses rather than the decoupled subsidy. Additionally, lower prices that result from any production increases can moderate the initial production effects and other market impacts.

Decoupled payments may create incentives to increase aggregate production, although the mix of crops planted should be based on market signals (because decoupled payments benefits do not depend on market conditions or the farmer's production).

This type of transfers then redistributes income from urban to rural households, and may result in sector changes in resource allocation within the economy. The problem for decision-making should be share of the value of direct payments and if actual income the farmer gets from farming activity.

This could be a sensible question relating to the future of the European agriculture products efficiency and competitiveness.

1. The first fundamental question is whether decoupled payments may alter producers' resource allocation over time and may lead to effects on production.

The main link between decoupled payments and agricultural production in this framework is through recipient households' decisions to invest in agricultural assets. The dynamic dimension is necessary because a stream of annual payments can be expected to influence recipients' decisions about how much to consume versus save over a long-term time horizon. In response, over time, these households are likely to consume more goods and to increase savings. However, whether these individual enterprises decisions affect resource allocation, aggregate levels of agricultural production depend on the behaviour of recipients utilising the possible consumption and investment effects of the payments.

In general, because decoupled payments typically are not crop specific, influences tend to be more at the aggregate level, such as on total land use or on overall productivity gains

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Three potentialities for decoupled payments to affect production based upon recipients' wealth increasing was indicated [cp. Wescott and Young 2005]:

- a direct wealth effect,
- a wealth-facilitated increased investment effect,
- a wealth effect resulting from the increase in investment.

Such instrument can increase the overall level of agricultural production through its direct influence on the wealth of landowners and/or producers/tenants. It reflects gains in agricultural sector equity that result from the capitalization of expected future benefits into the value of agricultural land and decrease in their risk aversion. Greater wealth does not affect the relative returns between alternative crops.

In general, the allocation of any increase in acreage among competing uses (without any production constrains) would be determined by market signals. Furthermore, if lump-sum payment raises producers' wealth and lowers their risk aversion it may entail a producer's choice to increase overall production and may also change the mix of production, perhaps switching to demanded riskier crops with higher expected returns.

Unexceptionable effect could be identified from the investment possibility and its acceleration result in agricultural production point of view. Increased cash flow provided by decoupled payments and higher wealth through capitalization of future benefits into land values may also facilitate additional production through increases in agricultural investment funding by the (banking) loans because of higher guaranteed incomes and lower risk of default. Greater loan availability facilitates additional agricultural production by allowing farmers to more easily invest in their farm operation. In this context, it might be interesting to look at one of somewhat another solution related to the utilisation of subsidies on agrarian loans provided by the Support and Guarantee Fund for Czech agricultural producers [Bečvářová 2006].

2. The second fundamental question from the productivity and consequently the rate of production point of view is how decoupled payments may affect competitiveness of agricultural enterprises through their influences on consolidation in the sector.

Even if consolidation in the European agricultural sector has been a long-term trend, reflecting not only increased productivity movement to the non-farm economy in the sector, but also a very different size and production structures of agricultural enterprises

within the EU member states, two diverse trends regarding the potential effects of decoupled payments on consolidation could be identified in general:

- influence on deceleration of sector consolidation if the payments keep marginally viable, no efficient often smaller enterprises in business longer than otherwise. Such farms may be able to cover short-term variable expenses associated with the yearly decision to produce, but these farms may not be able to cover longer-run total economic costs, remaining in the sector only because of equity gains related to capitalization of benefits into rising land values. In general, these farms tend to be less efficient production operations, so at the margin, keeping them in the sector would be expected to lower aggregate production if the land alternatively would be used by more-efficient, larger producers with higher yields;
- influence on acceleration of sector consolidation if larger operations use the payments to purchase smaller units or to rent more acreage. This would be expected to raise aggregate production because larger producers typically are more efficient due to better management and other economies of size. Larger operations tend to more readily adopt new technology and use production practices precision farming include that raise yields in the course of sustainable development of agriculture and rural areas.

Additional impacts may reflect increased production incentives and competitiveness due to reductions in unit production costs resulting from the higher efficiency and the appropriate utilisation of inputs. If our agricultural producers are to compete successfully in a business environment whose conditions are increasingly affected by the customers, they will have to reduce their production cost, while focusing only on products that can be sold on the relevant markets at adequate prices.

3. The basis for the distribution of decoupled payments may also affect producers' expectations of how future benefits will be disbursed.

Payments that are linked to past production may lead to expectations that benefits in the future will be linked to then past, but now-current, production. Such expectations could affect current production decisions as well.

For either case, updating acreage bases or updating payment yields, economic efficiency in production is reduced because producers would not be fully responding to signals from the marketplace, but instead would be responding to market signals augmented by expected benefits of future payments base and condition changes. Those refer to decisions as to keep the land in agriculture and not to convert it to a permanent non-agricultural use, to produce on that land if expected revenues exceed production costs. Even if the land is permitted to be idled, it is more readily available to return to agricultural production if economic conditions warrant. Some specific speculation are identified for instance in context of the single farm payments scheme.

## CONCLUSIONS

The existence of market power in upstream or downstream agricultural and food markets and/or in the world market could change the production effects of different policy measures open yet another very fundamental question that should be taken into account for an appropriate estimation of the trade and wealth effects of policy changes.

The integration of global food production chains and nets is becoming stronger and stronger.

The analyses of economic environment of agricultural companies engaged in agribusiness uncover new connections, which determine and will continue to determine the rate of market success of particular subjects in whole verticals. Agricultural companies as a part of a complex system requiring that the final product, its structure, quality and supply in time (and thus also the extent and method of utilisation of production factors) be formed in accordance with demand information (and competition conditions) from the very beginning of the production process.

The efficiency of protection of internal food markets has been decreasing objectively. This process increases the pressure on changes in the concept, level and shape of support within the sector. That is why it is possible to expect quick implementation of subsequent liberalisation measures, above all in the areas of agrarian policy focusing on market intervention, whether in the form of price subsidies or national production and structural limits. These changes will have to be incorporated into agricultural policy, which – if it is to be effective – must gradually eliminate all quasi-market and later also income-supporting instruments, turning to new instruments motivating individual agricultural companies to restructure their activities effectively instead.

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#### **PERSPEKTYWY WPŁYWU PŁATNOŚCI ODDZIELONYCH OD PRODUKCJI NA ZMIANY STRUKTURALNE WE WSPÓŁCZESNEJ PRODUKCJI ROLNEJ**

**Streszczenie.** Treść artykułu koncentruje się na zastosowaniu płatności bezpośrednich w polityce rolnej oraz potencjalnego wpływu tego rodzaju transferu na proces podejmowania decyzji przez rolnika.

**Słowa kluczowe:** agrobiznes, przedsiębiorstwo rolnicze, polityka rolna, konkurencyjność, płatności oddzielone, zmiany strukturalne

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and capabilities of the whole national economy (e.g. reduced food demand, export difficulties, openness to imports, etc.). The family agricultural economy in Poland has been experiencing basic adjustment difficulties. Specific conditions for agricultural production in the south-eastern part of Poland, Malopolska region, meaning very small and fragmented farms, hidden and official agrarian overpopulation and unemployment make farmers life rather difficult.

In this region few farms are able to ensure (apart from food for the farming household, although even that part of farms activity is often ceased or stopped) a sufficiently high level of income to meet contemporary needs of farmers and their families. The family farm, considering its character and requirements as a place of work and source of income fails to provide such a level of income. Small farms mean also low competitiveness, small potential to invest, low labour productivity, low incomes, low accessibility to the market, low resistance to unfavourable development conditions etc. For decades small farms in that part of Poland supported their income from non-agricultural wages that had been lost in the beginning of 90. with the industry restructurisation. That dual-occupation population lost their chances of easy obtained jobs and now had to create jobs by themselves. Given the existing level of unemployment in non-agricultural sectors, the scope of jobs available for farmers is extremely limited. Multifunctional rural development and entrepreneurship of farmers seems to be seen by politicians and economists as the best or at least the quickest way of moderating the problem. Family farming in Poland, including the Malopolska region, has some of important assets, such as low labour costs, good ecological quality of the agricultural environment, advantageous location in relation to foreign markets. In combination with excessive labour force and free rooms in often quite spacious family houses favourable conditions for agritourism seem to be obvious. With relatively small costs and the knowledge that for years has been provided for farmers during countless trainings and courses they can start a new activity – farm tourism, agritourism. The obvious advantage of that kind of activity is that the product is produced in the farms but the market is in the towns and cities. With the growing interest of city dwellers, in Poland and other countries, in that kind of spending free time, providing tourism services can be a way of supporting family income, especially on small farms situated in a picturesque part of Poland.

Although agricultural non-food economy (fibres, biofuels, production niches, landscape and environmental protection etc.) seems to be a new way of integrated agricultural economy, the processes undergoing in those directions can still take a lot of time and political decisions. The declining role of agriculture in terms of its functions related to food provisions and the growing importance of agribusiness, something which is already evident in developed countries, is directly associated with an increasingly wide acceptance of non-agricultural functions of agriculture and farms [Tomczak 2005].

In Malopolska region rural tourism has always been an important part of rural population's activity and meaningful source of income. Thanks to the mountains and sub-mountains regions the tourist season has been much longer than for instance at the seaside. Winter sports give additional income if only winter is frosty and snowy enough.

Rural tourism is a multi-faceted activity that takes different shapes in different parts of the world [Lane 1994]. Part of the universal appeal of rural tourism rests on the ordinary and everyday happenings of a rural community. The conceptual definition

embraces notions of local identity, personal contact, closeness to nature, and access to the heritage and residents of the area.

Definition of farm tourism [Denman and Denman 1990, 1993] refers to rural tourism conducted on working farms where the working environment forms part of product from the perspective of the consumer. Farm tourism, as the definition suggests, is wider in scope than accommodation provision; it covers attraction, activities, and hospitality plus mutually supportive combinations. Although accommodation understood as renting rooms in farmers' houses is the most basic and frequent form of agritourism services, the other forms such as providing meals, offering additional facilities can enrich the offer and provide additional income.

The European Union policy supporting development of rural areas also has been supporting development of rural tourism and agritourism. The financial support is available also to Polish farmers and rural areas dwellers. One of the goals of the regional policy of European Union is protection of regional and traditional products and dishes. Regional products and cuisine are and should be a very important part of regionally-oriented tourism concept.

The importance of what is offered to tourists as food confirms International Culinary Tourism Association (ICTA), a non-profit organization comprised of professionals who represent the world's food, beverage and travel industries. Member businesses include associations, destination marketing organizations, chambers of commerce, lodging properties, attractions, tour operators, special events, food/drink service establishments, food growers, food/beverage manufactures and individuals. Association membership is currently comprised of nearly 500 businesses in a dozen countries. The Association's educational events are produced by ICTA's education and training arm, the International Culinary Tourism Institute. The main goal of the Association is to promote food/beverages a tourism attraction.

The same goal should be a guiding principle of our rural tourism services' providers. In the conditions of strong competitiveness it is more and more difficult to attract tourists. Traditional, regional products and dishes can distinguish tourist offer, attract not only a gourmand but also less sophisticated clientele.

It is also important to protect and preserve traditional ways of production, products themselves and the whole culinary heritage of regions and countries. Growing interest in that part of tourist offer leads to a special kind of tourism – the Culinary Tourism.

The European Union regulations take special care in that matter. In 1992 the European Union created systems known as Protected Designation of Origin (PDO), Protected Geographical Indication (PGI), and Traditional Speciality Guaranteed (TSG) to promote and protect food products.

A PDO (Protected Designation of Origin) covers the term used to describe foodstuffs which are produced, processed and prepared in a given geographical area using recognised know-how. In the case of the PGI (Protected Geographical Indication) the geographical link must occur in at least one of the stages of production, processing or preparation. Furthermore, the product can benefit from a good reputation. A TSG (Traditional Speciality Guaranteed) does not refer to the origin but highlights traditional character, either in the composition or means of production [Jasiński 2005].

Those European systems have three main goals:

- to encourage diverse agricultural production,
- to protect product names from misuse and imitation,
- to help consumers by giving them information concerning the specific character of the products.

The systems protect the names of wines, cheeses, hams, sausages, olives, and even regional breads, fruits and vegetables. As such, foods such as Gorgonzola, Parmigiano Reggiano, Asiago Cheese, Camembert de Normandie and Champagne can only be labelled as such if they come from the designated region. To qualify as Roquefort, for example, cheese must be made from milk of a certain breed of sheep, and matured in the natural caves near town of Roquefort in the Aveyron region of France where it is infected with the spores of a fungus (*Penicillium roqueforti*) that grows in these caves.

There are several categories of products covered by EU Regulations, starting from fresh meat, meat based products, fish, beer up to prepared dishes, ice-creams and sorbets.

Poland has long and creditable tradition of good cuisine, several traditional and specific products and dishes known and served in the whole country. But has also hundreds of products and dishes known and sometimes served only in particular regions of Poland. It is very important to recognize, preserve and market those products for the glory of diversity of Polish cuisine and attracting tourists, also the foreigners appreciating culinary art and regional specialties.

Traditional, regional product and served dishes can be as important to tourists as perfect accommodation, castles, sea beaches or mountains. The best would be the combination of high class accommodation, superb regional cuisine and other tourist attractions.

For several reasons Poland does not have wine production, wine cellars, famous cheeses production, oceans' seafood that could be the magnet for tourist. France seems to be the country with long and rich tradition in that matter – the whole country has some specific traditional local products (from wines and ciders to fish and shellfish, chesses and meat dishes) served in local restaurants, pensions and farms accepting tourists. Local, regional, traditional products are and always have been an important part of marketing strategy, all tourists' guides include suggestions for gastronomic stays, traditional culinary feasts and markets. Wine-testing is included in all organised tours and visits to the country.

Poland should also do all that should be done to register our regional, traditional products. By now only two products – oscypek and bryndza have been undergoing the process of the EU registration.

Holidays in farms with vineyards have become very popular all over Europe, it is an important feature of an educated, successful person to know about wines as much as possible. A visit in a specialized vineyard where the grapes are transformed into a precious and delightful liquid seems to be the best and rather quick way to learn how to evaluate, serve or drink wine.

To have an offer of that kind the Malopolska region has to wait some more years if the project or vineyards' revitalisation is successful. But even now we have in Poland famous, regional drinks with a very long tradition – especially meads and tinctures, if not mention vodkas. That kind of tourism attracts also more and more Poles.

Our culinary heritage is not less rich or differentiated. The problem is, for decades we have not pay attention or care to preserve it, to teach young generations or use it in our

tourist marketing. Tourist “consume” landscape, rural atmosphere, quiet environment but not enough have been done to let them know and taste local products, traditional dishes and drinks – that part of consuming is also very important, can attract people and increase income of providers. In the last three years a lot has been done to popularise the idea of local, regional traditional products, to recognise and locally register those products in particular regions, mostly as a first step of the EU registrations. But even now this process can help and give additional meaning to tourists’ board in local inns, restaurants, agricultural farms. Part of the process of revitalisation of traditional cuisine and products are competitions organised by the Rural Housewives Circles, Extension Advisors and other rural organisations, seminars and conferences, training and courses supported with the EU funds [Byszewska 2005; Gašiorowski 2000].

## **GOALS AND METHODOLOGY**

The survey of 110 agritourism farms conducted in the second part of 2006 and beginning of 2007 in four provinces (Wadowice 30 farms, Andrychów 25, Czorsztyn 32, Bochnia 23) concerned several issues of such activity. Among them were questions concerning knowledge of traditional, regional products and dishes and their utilisation, serving for tourists, planes in that matter, participation in regional products and dishes competitions and so on.

The survey was also conducted among dwellers of Tarnow (56 persons) and Nowy Sącz (60 persons). They were asked several questions about spending free time, tourism habits, agritourism, and also about traditional and regional products, knowledge, expectations as part of tourist product.

Similar surveys were conducted in 2005 and 2006 in different provinces and towns in the Malopolska region [Tyran 2006] but results to some degree could be, in authors’ opinion, comparable.

## **RESULTS AND DISCUSSION**

All together 110 farms were surveyed, 68 of them (71%) provided full board, 9 only breakfasts, the rest – 23 farms (21%) guaranteed access to kitchens for self preparation of meals. Women running the farms and feeding tourists were using their own vegetables and fruits, also in processed forms – jams, juices, desserts, and so on. Some of farms (about 50%) served also their own dairy products, meat (poultry mostly), bread or batter. Much higher percent than in the previous surveys declared knowledge of traditional, regional products and dishes (100%), all farms providing meals declared to some extent serving traditional products and dishes (at least once during a guest stay on farm). Women running the agritourism farms (70%) declared taking part in Rural Housewives Circles activities of which some concerned traditional regional cuisine, exchange of recipes, discussion on propositions of traditional dishes prepared for local competitions “Our culinary heritage” as an elimination to higher level competition – for instance in a district.

Traditional dishes have also been served during Agritourism Fairs organised every year by and at the Agricultural University in Cracow. Last one was organised on April 14–15, 2007 in the Congress Centre and Students Club “Arka”.

The whole set of projects, seminars, printed materials promoting recognition, “revitalisation” and appreciation of regional products and dishes in the last years have been much more active and successful in the rural areas than in the urban areas.

Nearly all city dwellers (116 persons) associated the term “traditional products” (92%) but asked about examples, the most often they indicated, like in the previous surveys, “oscypek” (kind of hard cheese), and “śliwowica łącka” (strong plum vodka made in Łącko region). About 48% was able to add other examples such as “bryndza podhalańska” (kind of soft cheese), “karp zatorski” (carp produced in Zator province) – probably thanks to the TV programs mentioning attempts of registering those products according to the EU rules.

Traditional regional dishes were even less recognised. Examples provided by respondents were dishes known and treated as traditional in the whole Poland, for instance: barszcz czerwony (red beetroot soup), bigos (dish prepared from pickled cabbage and meat) and flaki (soup made of tripe).

This means that during nearly last two years the knowledge about regional products and dishes has significantly improved in rural areas, they are more often served in agritourism farms, persons running such farms try to improve their skills in that matter. The products and dishes are more often prepared and included in culinary proposition of agritourism farms and rural inns and restaurants. City dwellers need much more education to know, appreciate and demand those unique products and dishes.

## CONCLUSIONS

Rural tourism and agritourism are growing industries in several countries and present a number of opportunities for rural dwellers and farmers in those countries, ranging from seasonal to year-round activities, to enhance the profitability of farming operations accommodation should be enriched by very specific food served as a part of the tourism offer. Of course there are several other components necessary for successful operations, but this article is devoted to the role of traditional, regional products as a part of agritourism offer.

If rural tourism, agritourism should consist a meaningful part of income it must win the competition with other needs and products offered to city dwellers.

Our everyday life, rush and duties, quite often makes us rather poor connoisseurs, that hardly have time or care about preparing “slow” food. We mostly eat our meals at home and try to prepare them as quickly as possible. This also causes that our expectations about food as tourism clients are rather low and blurred and mostly describes as “healthy, fresh, ecological, rural, differentiated, regional (although research confirmed that term “regional” is not clear to investigated city dwellers).

Domestic and European Union activities connected with promotion of traditional and regional products have been much more successful among the rural population, which was proved by the survey and personal discussions with persons providing agritourism

services, also in the areas included in the previous surveys. Practical knowledge was obtained through participation in culinary competitions of traditional, regional products and dishes.

Much more has to be done to familiarize city dwellers and teach them to appreciate traditional products and dishes, especially as they very often can be equated with “slow” food winning more and more enthusiasts.

Products and dishes registered as traditional in particular districts of Poland or in EU should be also associated with best quality, uniqueness, be the pride of our country. If connoisseurs can travel to France because of its food and beverages we should do as much as possible to promote our culinary heritage as part of tourism offer.

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## PRODUKTY REGIONALNE I TRADYCYJNE JAKO WAŻNA CZĘŚĆ OFERTY TURYSTYKI WIEJSKIEJ

**Streszczenie.** Rosnące zainteresowanie spędzaniem wolnego czasu na obszarach wiejskich stanowi szansę dla obszarów atrakcyjnych turystycznie, w tym również dla gospodarstw rolnych, na wytworzenie dochodu poprzez świadczenie szeroko rozumianych usług turystycznych. Badania wykazują, że wyżywienie jest ważne dla osób przebywających na wypoczynku. Tradycyjne produkty i dania regionalne stanowią część niepowtarzalnej oferty turystycznej lub same w sobie być magnesem przyciągającym klientów. Unia Europejska stworzyła systemy chroniące tradycyjne produkty regionalne. Polska posiada szeroką gamę produktów regionalnych i tradycyjnych – należy zadbać o ich rejestrację oraz wykorzystanie w ofercie turystycznej. Badania przeprowadzone wśród właścicieli gospodarstw agroturystycznych w powiatach czorszyńskim, wadowickim, andrychowskim i bocheńskim wskazują na rosnące zainteresowanie, znajomość i zastosowanie produktów i dań regionalnych w ofercie dla turystów. Badania mieszkańców miast – Tarnowa i Nowego

Sącza wskazują na dość słabą znajomość produktów i dań regionalnych, ale wyrażali oni gotowość poznania tego rodzaju produktów.

**Słowa kluczowe:** produkty regionalne i tradycyjne, turystyka wiejska, agroturystyka. oferta turystyczna

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