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Country-specific mappings of institutional barriers

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EXECUTIVE SUMMARY

This report provides a concise yet comprehensive overview of the institutional barriers hindering the adoption of agroforestry across selected European Union Member States. It examines how agroforestry is defined within national policy frameworks, and how countries interpret and implement agroforestry under Common Agricultural Policy (CAP) regulations to establish financial support schemes at both national and regional levels. Special attention is given to the variability in legal classifications that determine whether agroforestry systems qualify for agricultural subsidies, eligibility criteria, and payment structures.

The report is structured as follows: **Section 2** analyses institutional barriers to agroforestry adoption, including high establishment costs and uncertain returns, as well as inadequate financial incentives and weak policy coherence. The inadequacy of the existing financial incentives is analysed by using examples from 11 EU countries. **Section 3** introduces the Dynamic Agroforestry Management Tool, developed within the ReForest project using the Decision Analysis approach, and applies it to model the economic performance of representative systems in Belgium and Germany under various funding scenarios. The tool enables farmers, advisors or consultants, and policymakers to visualise how specific financial incentives, or combinations of them, affect agroforestry viability at the plot level. **Section 4** presents farmer perspectives collected through an online survey conducted by the Euro-Mediterranean Economists Association (EMEA), which serve to validate and complement the document analysis. **Section 5** consolidates the main findings into actionable policy recommendations to overcome institutional barriers to the adoption of agroforestry.

These include proposals to streamline policy coherence, simplify access to support, and enhance technical advisory services. Ultimately, the aim is to turn current policy and implementation gaps into strategic opportunities to scale up agroforestry as a viable and climate-resilient farming practice across Europe.

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List of Acronyms and Abbreviations

Abbreviation	Definition
AF	Agroforestry
BCAE	Bonnes Conditions Agro-Environnementales
BMEL	Bundesministeriums für Ernährung und Landwirtschaft (Germany's Federal Ministry of Food and Agriculture)
MRV	Monitoring, reporting, and verification
CAP	Common Agricultural Policy
DA	Decision Analysis
EC	European Commission
EMEA	Euro-Mediterranean Economists Association
ES	Eco Scheme
EU	European Union
EURAF	European Agroforestry Federation
FAO	Food and Agriculture Organization
GAEC	Good Agricultural and Environmental Condition
GAK	Gemeinschaftsaufgabe Verbesserung der Agrarstruktur und des Küstenschutzes
GHG	Greenhouse gases
ha	Hectare
INAGRO	Provinciaal Extern Verzelfstandigd Agentschap in Privaatrechtelijke Vorm VZW
LL	Living lab
MAEC	Mesures Agro-Environnementales et Climatiques
OSA	Ogolnopolskie Stowarzyszenie Agrolesnictwa
SOC	Soil organic carbon
SRC	Short-rotation Coppice
UK	United Kingdom
UN	United Nations
WP	Work Package

1. INTRODUCTION

Agroforestry is the deliberate integration of trees and shrubs into crop and livestock production systems. It has been increasingly acknowledged over the last few decades for its capacity to deliver vital environmental and economic benefits. These include improved climate resilience, enhanced biodiversity, soil health regeneration, and diversified income opportunities for farmers, among others. As a multifunctional land-use strategy, agroforestry aligns strongly with the European Union's (EU) climate and sustainability goals. Nevertheless, despite its recognised potential, adoption across EU Member States remains limited.

This paradox does not stem from a lack of farmer interest or environmental relevance, but rather from a complex set of institutional, financial, and regulatory challenges that persist across national contexts. A growing body of European and international literature has highlighted the critical role of these structural barriers, ranging from national definitions of agroforestry, misaligned Common Agricultural Policy (CAP) subsidy rules and inconsistent eligibility criteria to limited access to tailored financial support and cumbersome administrative processes. Regulatory uncertainties surrounding land-use classification, monitoring obligations, and long-term eligibility further discourage implementation, particularly for smallholders or those considering first-time adoption.

While these broader European-level dynamics have been extensively mapped in Deliverable Report D5.1: *Mapping Reports on Agroforestry Sector Finance and Policy 1,* which covers policy intersections with the EU Green Deal, Biodiversity Strategy, Farm to Fork Strategy, and the evolution of CAP from 2007 onwards, this current report narrows the lens to the national level. Specifically, it analyses the institutional and financial barriers that are embedded within the CAP Strategic Plans 2023–2027 as implemented by selected individual EU Member States.

The report critically examines the current financial support schemes at the country level, highlighting how restrictive eligibility thresholds, insufficient coordination between Pillar I and Pillar II measures, and fragmented implementation approaches often lead to underutilization or exclusion of agroforestry systems. Furthermore, it integrates insights from stakeholders, including results from a farmer survey conducted under Work Package (WP) 5, which highlights the disconnect between policy intent and on-the-ground accessibility.

To complement the qualitative assessment, the report also incorporates a farm-level economic analysis using the Decision Analysis (DA)-based dynamic agroforestry management tool, as described in Milestone Report 23. These simulations offer practical insights into how various funding structures impact the economic viability of agroforestry over time.

Building on this multi-pronged analysis, the report concludes with targeted policy recommendations aimed at reducing institutional complexity, improving the design and accessibility of financial support mechanisms, and fostering an enabling policy environment that can catalyse the wider uptake of agroforestry across Europe.

2. INSTITUTIONAL BARRIERS TO AGROFORESTRY ADOPTION

Agroforestry offers significant benefits, not only improving productivity and resilience at the farm level but also delivering large-scale environmental benefits through enhanced landscape multifunctionality, biodiversity, carbon sequestration, increased soil biomass and soil restoration. Moreover, it supports policy goals by contributing directly to national and European climate targets, encouraging wildlife conservation, and integrating agricultural landscapes into broader sustainability frameworks. A detailed description of the specific benefits of agroforestry systems at the farm and landscape level is provided in Deliverable Report D6.1: *Conceptual graphical model of agroforestry system*.

Despite being supported by European policy frameworks since 2007, the adoption of agroforestry across much of Europe has been slower than expected. While France stands out with relatively strong uptake, bolstered by early policy definitions, integrated CAP support mechanisms, and a coherent national strategy, the broader European landscape paints a more fragmented picture. In most Member States, adoption of agroforestry remains well below target levels, primarily due to persistent institutional and regulatory challenges. Farmers continue to report a lack of accessible information and practical examples, such as demonstration farms, which are crucial for evaluating and understanding agroforestry in real-world contexts. Furthermore, the current financial incentives, particularly establishment and maintenance subsidies, are often seen as insufficient or unattractive given the long-term nature of agroforestry investments.

Additional barriers include restrictive policies on tree species selection and incompatibility with practices like livestock integration or short-rotation coppice (SRC), which limit farmers' ability to adapt systems to their specific needs. On the institutional side, many managing authorities lack sufficient knowledge of agroforestry, viewing it as administratively complex and uncertain in terms of eligibility for direct payments. According to RefreSCAR Agroforestry event in Portugal (25 September 2024) hosted by the Standing Committee on Agricultural Research (SCAR), this is compounded by auditors who often lack the technical expertise to assess agroforestry practices accurately, adding further layers of uncertainty for farmers. These overlapping issues highlight a pressing need for better integration of agroforestry into agricultural and environmental policies, clearer regulatory guidance, and stronger collaboration between institutions and practitioners to support informed, confident adoption.

Yet uptake has been slower than anticipated across much of Europe. While France has seen relatively strong adoption, thanks to early and supportive policy actions, including the definition of agroforestry and integrated CAP support mechanisms, the broader European context reveals a mixed picture. In most Member States, adoption remains well below target levels, hindered by policy misalignment, ambiguous regulations, and insufficient financial incentives. This uneven progress underscores the need for better integration of agroforestry into agricultural policy, stronger support frameworks, and improved clarity for practitioners.

Abdul Salam et al. (2022) used a real options framework to examine why agroforestry uptake remains limited in the UK. By comparing land conversion decisions under uncertainty, they highlight several critical institutional and economic constraints. The authors note that adoption is hindered by a

combination of delayed returns, financial risks, and insufficient institutional support, especially in low-productivity upland systems.

2.1 Definition of Agroforestry

According to Article 4(3) of the CAP Strategic Plan Regulation (2021/2115), '*Agricultural area' shall be determined in such a way as to comprise arable land, permanent crops and permanent grassland, including when they form agroforestry systems on that area. The terms 'arable land', 'permanent crops' and 'permanent grassland' shall be further specified by Member States.*

The Regulation (EU) 2021/2115 provides a clear directive that Member States must recognize agroforestry as a legitimate agricultural activity within their CAP Strategic Plans, where '*trees are grown in agricultural parcels on which agricultural activities are carried out to improve the sustainable use of the land*.' It provides a clear directive that Member States must recognize agroforestry as a legitimate agricultural activity within their CAP Strategic Plans. Specifically, it requires that agroforestry systems, such as tree-based cropping or grazing interlinked with crops, be included under the admissible practices and funding schemes outlined in these plans. This provision ensures agroforestry is not sidelined under forestry rules or excluded due to its hybrid nature but rather is integrated with traditional agricultural cropping supports.

Table 1: Country-wise agroforestry definition as per their respective CAP strategic plan. (Source: Lawson, 2023).

Country	Definition of Agroforestry
Belgium Flanders region	- Systems where trees are combined with agriculture on the same land. Arable land: a) minimum of 30 trees/ha; b) a maximum of 200 trees/ha; c) homogeneous distribution of trees over the plot. Parcels planted with Pillar II premiums can have higher densities. Permanent cropland and permanent grassland have the same thresholds.
Belgium Wallonie Region	- A set of land use systems that combine forestry and agricultural activity on the same land. Forestry means the production of wood or other non-agricultural products from trees. Trees on agricultural land may consist of tree rows, tree groups and isolated trees. On arable land, the tree density is between 30 and 100 trees inclusive. The minimum diameter of the trees will be set at 1.2 metres. To be recognised as part of an agroforestry system, the trees must be of a species adapted to the local climate and soil conditions of the location. Agroforestry is mentioned in Good Agricultural and Environmental Condition (GAEC)-8. Short rotation coppice is taken into account on permanent cropland. On permanent grassland, the density of agroforestry plantation will also be fixed at 30-100 trees per ha, whether aligned in rows or not, with a minimum tree diameter to be measured at 1.2m high.
Bulgaria	Arable land: a) Tree species/mosaic, scattered and /or those in a line/, perpendicular to the slope and the prevailing wind; b) Shrubby vegetation; c) Multifunctional buffer strips (medicinal, essential, leguminous, meadow-grass species).

	Permanent crops: a) Multifunctional buffer strips / medicinal, essential, leguminous, meadow-grass species; b) Fruit species grafted on low-growing rootstocks and bearing fruit early in the inter-row; space, medicinal, essential oil, etc. c) Shrubby vegetation perpendicular to the slope and prevailing winds. Permanent grassland; a) Single /mosaic trees/ or trees in a group - linear - Silvopasture; Shrubs strips; Coastal buffer strips of perennial vegetation (trees/shrubs/grasses)
Czech Republic	Silvoarable systems consist of arable land on which linear tree planting of a maximum of 100 trees is provided trees/has been established in accordance with Regulation (EU) 2021/2115 of the European Parliament and of the Council. Permanent crops - agroforestry systems are not proposed for permanent crops where there would be no increased effect of sustainable management. Agroforestry within permanent crops would also be problematic in terms of administrative and legislative issues, especially in relation to the definitions of crops in national legislation. When planting more than 100 trees per ha, it is an orchard culture, silvopastoral systems - permanent grassland on which linear, scattered or grouped grassland occurs, with tree planting with a maximum of 100 trees/ha established in accordance with Regulation of the European Parliament and Council Regulation (EU) 2021/2115.
Denmark	Eligible agroforestry is defined as areas in rotation on which fruit, berries or nuts are grown in combination with at least one other crop, not coppice species. Other ineligible trees and shrubs (scattered trees, clusters and hedgerows) on eligible areas are included in the 20 per cent permitted small habitats on the areas pursuant to compliance with the activity requirement
France	Land use systems and practices in which woody perennials are deliberately integrated with crops and/or grazed areas in the same management unit. Trees can be isolated, in rows or in groups within crop plots (intra-plot agroforestry) or meadows (parcours arboré) or on the boundaries between plots (hedges, rows of trees)". No indication is given of tree number thresholds.
Hungary	For arable land, agroforestry is a mixture of arable crops (including temporary grassland) and forestry or fruit tree species with simultaneous intercropping of woody or fruit crops on the same area, and where the woody plants are grown in parallel rows or other regular geometric arrangement, and their number does not exceed 250 per ha. Also included is a mix of arable crops and SRC, where woody plants are grown in parallel rows or other regular geometrical arrangements, and their number does not exceed 4000 per ha. Detailed national rules for SRC energy crops shall also be respected in these agroforestry systems. The following permanent crops are considered to be agroforestry systems if they are independent objects and are not part of arable or grassland: a) field hedges, field hedge strips, groups of trees and shrubs, and other special tree plantations (short rotation energy plantations and Christmas tree plantations) which meet the criteria for a landscape element under GAEC-8 and are therefore eligible for

	basic payment; b) productive plantations planted with a mixture of forestry and fruit tree species. Wooded pastures shall be considered as agroforestry systems where woody species are planted in parallel rows or other regular geometric patterns and where the number of trees does not exceed 250 per ha. “Woody plants” shall mean forest tree species or fruit trees
Germany	Woody plants of non-excluded species with the primary objective of raw material extraction or food production in accordance with a use concept verified as positive by the competent Länder authority or by an institution recognized by the Länder, in at least two strips covering no more than 40% of the agricultural area or scattered distribution over the area in a minimum number of 50 and no more than 200 such woody plants per ha.
Italy	Agroforestry systems comprise all agricultural systems in which the cultivation of perennial tree or shrub species of forest interest is combined with arable land, with the possible presence of animal components on the same surface, with the aim of improving the sustainable use of the soil on which agricultural activities are practiced, with the possibility of diversifying farm production by providing valuable timber, biomass, or non-wood secondary products such as truffles, cork, acorns, and honey alongside agricultural and livestock products. In cases where perennial tree and shrub species are present on arable land, these must have a density of no more than 250 plants per ha, without the need to ensure the sustainability of agricultural use; in such cases, the eligible area shall not be subtracted from the eligible area. Areas occupied by trees are not subtracted from the eligible area. These systems, excluded in the recent past by mechanization and monoculture, have been rediscovered in modern production contexts for the undeniable advantages they offer to farms and the environment, in terms of landscape, synergetic production increases, crop diversification improvement of the microclimate, increased biodiversity, control of nutrient leaching and erosion with the improvement of hydraulic regulation and water quality, improvement of other natural resources, with particular reference to habitats for wildlife, storage of carbon, etc. Agroforestry systems in Italy, thanks to the important availability of light radiation and favourable climatic conditions, present a considerable variety of systems and combinations of tree species and agricultural crops.
Poland	Agroforestry systems are arable land or permanent grassland meeting the conditions defined for Intervention 10.13 “establishment of agroforestry systems”. It is not applicable to permanent crops.
England	Agroforestry is the integration of trees into the farming system, while maintaining or enhancing the farm’s main agricultural output.

However, the definition of agroforestry is far more than semantic; it determines which parcels qualify for CAP Pillar I payments, which subsidies farmers can claim for tree establishment, and which parts

of forestry legislation related to harvesting are triggered once trees mature. Several recurring design features make today's rules inherently restrictive.

- **Uniform tree-density caps**: Most Member States translate "maintains agricultural character" into a single band of allowable number of trees per ha (Hungary ≤ 250, Czech Republic ≤ 100), yet optimum spacing varies with species, crown architecture, climate, crop type and machinery width. Fast-growing poplar belts on German loess soils may need 200 stems per ha for effective windbreaks, whereas a grazed walnut parkland in Hungary can remain fully productive at 25 m spacing. A rigid threshold, therefore, forces design toward the lowest common denominator and excludes technically sound and innovative combinations of tree alternatives (Burgess & Rosati 2018; Santiago-Freijanes et al. 2018).
- **Static canopy or cover thresholds:** Several regulations (Germany ≤ 40 % canopy; Hungary < 30 %) treat canopy measurements as fixed, even though trees and crops grow, are pruned, or are harvested in rotation. There is always a fear that crossing an arbitrary threshold in a single satellite image could re-classify the plot as "forest", retroactively invalidating agricultural payments and invoking forestry compliance costs. This uncertainty encourages conservative spacing or complete avoidance of tree planting.
- **Crop-blind criteria:** A single density limit applied to both grassland and high-input horticulture ignores contrasting light requirements and equipment needs. For example, Flemish rules allow at most 200 trees/ha irrespective of whether the alley crop is shade-tolerant field beans or light-demanding potatoes. The result is underutilization of sites where higher tree densities would be agronomically appropriate.
- **Short rotation and species exclusions (negative lists):** Some countries exclude SRC, orchards, or nitrogen-fixing shrubs from the definition of agroforestry, despite evidence that mixed woody strips (e.g., willow, hazel, or alder) can deliver erosion control and biomass revenues while remaining compatible with arable traffic. These exclusions curtail the design options, particularly for smaller farms that favour multi-purpose shrubs over timber trees with long rotations. Robinia (in Germany and other Central and Eastern European countries) is often restricted due to ecological concerns (including its ability to spread aggressively and outcompete native vegetation) despite its nitrogen-fixing ability, rapid growth, resilience on marginal soils, and high-value timber and biomass production. As a result, farmers who might otherwise adopt agroforestry practices using this well-adapted and economically valuable species find themselves excluded from subsidy frameworks. This creates a significant disincentive, particularly in regions where Robinia is already established and provides clear agroecological and economic benefits.

Another consequence of stricter national definitions for agroforestry is the substantial administrative burden placed on farmers seeking financial support that is designed based on the national definition of agroforestry. These definitions often come with rigid eligibility criteria that require extensive and highly specific documentation, making the application process for subsidies or grant programs disproportionately complex

- Bureaucratic transaction costs: Complex mapping requirements detailing every tree row, canopy outline, and understory width raise transaction costs and the risk of penalties for geospatial misalignment. Smaller holdings often lack the GIS skills necessary to comply, leaving support programs dominated by large enterprises with dedicated administrative staff. Several farmers

have reported that more than three working days are required to prepare the paperwork for financial support, at least in the first year, when there is already a significant amount of work due to the establishment of agroforestry. In England, farmers have to navigate multiple overlapping schemes, including Pillar I safety nets, Pillar II grants, and Woodland Carbon funding. Each requires distinct applications, detailed mapping, GDPR-compliant plans, and annual reporting, which many smallholders find overwhelming. Farmers described the system as "complicated and incomprehensible."

- Policy silos and inconsistent land codes: Where forestry and agriculture fall under different ministries (e.g., Hungary, Spain), agroforestry parcels must satisfy two sets of sometimes conflicting rules. Ambiguities about which codes to use in the annual "single application" discourage uptake, as farmers prefer simpler schemes with clear and stable compliance criteria.

Collectively, these institutional design elements shrink the economic space in which agroforestry is profitable, raise perceived regulatory risk, and reinforce the status quo of pure arable or pasture systems. Until definitions evolve to recognise the diversity and dynamic nature of tree-based farming by incorporating flexible density ranges, growth-stage-specific canopy metrics, and simplified mapping protocols, the ambitious climate-biodiversity goals of the CAP will remain out of reach.

2.2 High upfront costs for establishment

Designing and planning an agroforestry system (self-made or by hiring a consultant), planting of trees and establishing supporting infrastructure (like irrigation systems, post-harvest processing facilities, etc.) create additional barriers, as these expenses are irreversible and must be borne well before any returns are realised (Tranchina, et al., 2024). Analysis by Abdul Salam et al. (2022) on agroforestry adoption in the UK shows that without clear financial compensation, these sunk costs deter commitment. Although subsidies can improve adoption prospects, current financial support schemes are often misaligned with farmers' needs. They tend to fall short in offsetting initial costs or adjusting to regional productivity levels, leaving many farmers unsupported (Sollen Norrlin et al., 2020).

2.3 Delayed and Uncertain Returns

Farmers often perceive agroforestry as economically unattractive due to long and uncertain yield timelines, particularly when compared to the quicker and more reliable income from conventional agriculture. This reluctance is further exacerbated by exposure to volatile market prices for tree crops and carbon credits, which makes long-term investments in agroforestry a risky proposition (Abdul Salam et al., 2022). Many landowners, especially those who are risk-averse, prefer to retain flexibility rather than locking land into tree-based systems. In Poland, typically, only hobbyists are interested in diversifying their crops with trees, at the same time risking a reduction in area subsidies if they do so. Farmers focused on producing field crops do not see the benefits of having trees in the landscape, but rather a loss of yield in their immediate vicinity. For this reason, they usually eliminate trees and shrubs, increasing the area of cultivation.

2.4 INADEQUATE OR POORLY DESIGNED FINANCIAL INCENTIVES

Many financial incentives currently available are either too modest or structurally misaligned with the realities of agroforestry (FAO, 2024). A brief overview of the current and key legal and policy frameworks governing agroforestry eligibility for subsidies under the CAP (2023–2027) period across selected EU Member States is provided in Table 2. Country-wise thresholds reflect national interpretations of agroforestry within the broader EU policy framework and highlight the variability in implementation, which can influence adoption rates and system design at the farm level.

Table 2: Overview of national thresholds defining agroforestry eligibility for agricultural payments under the CAP Strategic Plans (2023–2027) across selected EU countries.

Country	Key policy reference (for period 2023-27 unless noted)	Country-wise threshold that defines "agroforestry" to receive agricultural payments
Belgium (Flanders)	Agroforestry premium (Besluit van de Vlaamse Regering 11 Nov 2022)	• 30 – 200 trees per ha; plot ≥ 0.5 ha.
Bulgaria	RDP 2023-27, Intervention 78.02 "Establishment of agro-forestry systems"	• 40 – 200 trees per ha; ≥ 0.5 ha block. • SRC & orchards not eligible.
Czech Republic	CAP Plan Intervention H 6 "Agrolesnictví"	• New alley-cropping systems 100 – 250 living trees per ha; min strip width 6 m.
Denmark	Guidance for Basic Payment 2024, Section 7.1	• Parcel remains eligible for Pillar I if tree density ≤ 50 trees per ha or crown cover ≤ 10 %.
England	Sustainable Farming Incentive (SFI) 2024 actions AGF1 & AGF2	• Density classification on sensitivity of the land parcels • "Very low-density" in-field AF: 30 – 50 trees per ha (AGF1) or 51 – 130 trees per ha (AGF2). • Wider spacing so no Forestry-EIA is triggered.
Germany	Ökoregelung 3 "Agroforstsysteme in Acker- und Grünland" (CAP Strategic Plan 2023-27)	• Tree strips ≥ 3 m wide, ≥ 2 rows. • Agricultural aspect must be maintained: cumulative tree canopy ≤ 40 % of parcel; crown line height ≥ 2 m above crop. • Spacing must guarantee agricultural use.
Hungary	National CAP Plan – Intervention F 15 "Agroerdőgazdálkodás"	• AF parcel must maintain agricultural aspect: crown cover < 30 %; otherwise parcel will be re-classified as forest (and ineligible for Pillar I).

Country	Key policy reference (for period 2023-27 unless noted)	Country-wise threshold that defines "agroforestry" to receive agricultural payments
		• Maximum 150 trees per ha for alley cropping; ≥ 10 m inter-row.
Poland	Rural Development Program – Measure 8.2 (rules carried into 2023-27)	• Alley or silvopastoral designs only. • 30 – 200 trees per ha (dbh ≥ 8 cm) after year 8. • Plot ≥ 0.1 ha; strip width ≤ 50 m.
Spain	Eco-scheme E10 "Implantación de sistemas agroforestales" (Real Decreto 147/2023)	• 40 – 200 adult trees per ha; combined crown cover 10 – 50 %. • Pasture beneath trees must be managed to retain agricultural status.

As can be seen from the table, there are a few financial support mechanisms that reward ecosystem services, such as biodiversity enhancement or carbon sequestration, which represent key long-term benefits of agroforestry (Abdul Salam et al., 2022). Specifically, incentives tied to carbon sequestration or greenhouse gas (GHG) regulation have so far proven insufficient. Their impact is too minor or uncertain to shift farmer behaviour in favour of agroforestry, particularly in the absence of a stable and transparent carbon pricing framework (Montero-de-Oliveira et al., 2025). The following sub-sections provide an in-depth analysis of country-specific policy barriers and the limitations in accessibility and adequacy of existing financial support mechanisms for agroforestry systems across selected European Union Member States.

2.4.1 Belgium

As a member of the European Union, Belgium actively aligns its agricultural policies and legal frameworks with the objectives of the Common Agricultural Policy (CAP). Agroforestry was formally introduced into Belgium's CAP Strategic Plan during the 2014–2020 programming period and further strengthened in the 2023–2027 CAP Strategic Plan. In both Flanders and Wallonia, agroforestry is now explicitly recognised as a sustainable land use system that contributes to key environmental and climate goals, including carbon sequestration, soil and water protection, biodiversity enhancement, and landscape connectivity.

Despite this policy-level recognition, several institutional barriers persist that impede farmer uptake. In Flanders, the planting subsidy for agroforestry systems (aanplant-subsidie) mandates detailed tree mapping, restrictions on species and planting density, and ongoing maintenance commitments, including annual pruning, which raises the administrative burden and excludes many small farms. Meanwhile, Wallonia's eco-regimes and non-productive feature subsidies similarly require farmers to fulfil stringent criteria, such as defined buffer widths, species mixes, and vegetation types (e.g., high-value prairie, erosion-control strips), making the application process complex and discouraging many potential adopters who want to implement farm-specific agroforestry systems.

These overlapping, region-specific requirements, ranging from strict geospatial mapping and species restrictions to labour-intensive maintenance obligations, have contributed to a fragmented uptake of agroforestry across Belgium. The complexity and variability of administrative conditions between Flanders and Wallonia often deter farmers from pursuing support. While CAP recognition is an important first step, the current blend of administrative complexity and narrow eligibility rules limits the broader implementation of agroforestry, particularly among smallholders or those with limited access to advisory services. Currently available financial support measures for agroforestry in Flanders and Wallonia, along with the key eligibility criteria for each subsidy and incentive, are listed in Table 3. This table highlights the practical and regulatory hurdles that farmers must navigate.

Table 3: Available financial support measures for agroforestry in Flanders and Wallonia, alongside the key eligibility criteria as of April 2025.

Region	Agroforestry Financial Scheme	Value	Unit	Eligibility criteria
Flanders	Planting subsidy for new agroforestry plots (as per Agromilieu Klimaatmaatregelen (AMKM))	75 %	% of initial costs	Active farmers (as per the definition by the Flemish government), only on new plots eligible, need to meet the Flemish definition of agroforestry
	Agroforestry maintenance subsidy (as per Agromilieu Klimaatmaatregelen (AMKM))	270	EURO/ha/year	Active farmers (as per the definition by the Flemish government) only; 5-year agreement
	Non-productive investment support (VLIF)	50 - 100 %	% of initial costs	Active farmers only (as per the definition by the Flemish government), and autochthonous species. This support mechanism can be used for tree rows and hedges functioning as windbreaks (including tree protection)
	Agroforestry planting advice through the 'Kennisportefeuille' of the Agency for Agriculture and Fisheries	70 %	% of consultation costs	Active farmers (as per the definition by the Flemish government)
	Pruning of hedges (for example, windbreaks)	1.95	EURO/ha/year	Active farmers only; 5-year agreement
	Provincial subsidies for the buying and planting of trees	80 - 100 %	% of initial costs	

Region	Agroforestry Financial Scheme	Value	Unit	Eligibility criteria
Wallonia	Yes, We Plant - orchard	25	EURO/tree	Subsidy 'x 1.5' when planted by a specialised company (max. 80% of plantation costs)
	Yes, We Plant - hedges	9	EURO/m	Subsidy 'x 1.5' when planted by a specialised company (max. 80% of plantation costs); based on number of plant rows
	Yes, We Plant - wooded edge	1.5 - 4	EURO/m	Subsidy 'x 1.5' when planted by a specialised company (max. 80% of plantation costs); number of plant rows
	Yes, We Plant - tree rows	6	EURO/tree	Subsidy 'x 1.5' when planted by a specialised company (max. 80% of plantation costs)
	Eco-régime maillage écologique - hedges and tree rows within Natura 2000 area	90 - 136	EURO/200 m	Should be within Natura 2000 area
	Eco-régime maillage écologique - hedges and tree rows	90	EURO/200 m	
	MAEC Pré-verger – MC4	470	EURO/ha/year	No fertilizer; No phytosanitary products, No drainage or cleaning of ditches, Neither sowing nor overseeding
	MAEC Parcelle rivulaire – MC7	1800	EURO/ha	Alder-based buffer crest for an area between 0.02 and 1.5 ha

2.4.2 Bulgaria

Bulgaria, as a member of the European Union, actively aligns its agricultural policies and legal frameworks with the objectives of the CAP and the Europe 2020 strategy for smart, sustainable, and inclusive growth. Multiple laws already govern agroforestry-relevant practices, notably the Law on Ownership and Usage of Agricultural Land (LOUAL), the Law on Forests (LF), the Law on Protection of Agricultural Land (LPAL), and the Law for Supporting Agricultural Producers (LSAP). Since 2023, Ordinance No. 3 under the Strategic Plan has explicitly enabled agroforestry systems that meet criteria listed in Annex 17, focusing on multistrata planting and soil stabilisation. The Ministry of Agriculture and Forestry oversees these measures, manages direct payments, coordinates Rural Development Programmes, and administers eco-schemes aimed at environmental stewardship.

The Bulgarian CAP Strategic Plan (2023–2027) further reinforces the relevance of agroforestry by aligning with EU-specific objectives. These include guaranteeing sustainable farm incomes and food security (Specific Objective, SO1), supporting climate mitigation and adaptation strategies (SO 4), conserving biodiversity and environmental resources (SO 6), and fostering innovation and knowledge transfer (SO 10). Definition as "elements of agroforestry systems" appears in Section 4.1.2.1.1, which mentions the restriction of 100 trees per ha, and lists acceptable combinations, detailing indicators like multispecies planting, buffer strips on arable and permanent crop land, and scattered trees in grasslands. While Section 4.1.2.1.2 mentions elements of agroforestry across different land-use categories (arable land, permanent crops, and grasslands), but does not provide a unified, legally binding definition. This leads to ambiguity in eligible practices. According to the Ministry of Agriculture of the Republic of Bulgaria (2022), a SWOT analysis highlights that agroforestry is considered an effective intervention strategy for reducing GHG emissions, while farmers tend to underestimate the benefits of agroforestry. This clearly indicates that there is lack of awareness about the benefits of agroforestry.

Further support is provided under GAEC-8, which requires farms to dedicate 4–7% of their arable area to non-productive features, including hedgerows, fallows, and tree lines, with restrictions on cutting during the bird-nesting season. Eco-schemes (Section 5.1, Scheme I.B.2) advocate for habitat-enhancing features like tree rows, anti-erosion belts, terraces, and riparian vegetation. Environmental, climate-related measures under Pillar II (ENVCLIM70) mirror these actions. While indicators R.17 and O.16 nominally support agroforestry, the absence of disaggregated targets limits implementation guidance and farm-level uptake.

Despite this structured policy landscape, several institutional barriers remain in Bulgaria for increasing the adoption of agroforestry. The lack of a clear, integrated definition of agroforestry systems, inconsistent elements across land-use categories, and fragmented administrative oversight, which is split between agricultural and forestry ministries, creates confusion among farmers. While Bulgaria's legal frameworks permit agroforestry under both national laws and CAP eco-schemes, the complexity and lack of clarity in eligibility and implementation hinder its wider adoption. Currently available financial support measures for agroforestry in Bulgaria, provided the conditions mentioned by the CAP Strategic Plan (2024) are fulfilled, are listed in Table 4.

Table 4: Available financial support measures for agroforestry in Bulgaria as of April 2025.

Agroforestry Financial Scheme	Value	Unit
R.17 - Assisted Area for Afforestation, restoration or Agroforestry System	1	% of initial costs
I.B.7_Eco-07 - Eco scheme 07 Payment for maintaining forest biodiversity	215	EURO/ha
I.B.2_Eco-scheme 02 Ecological infrastructure Establishment of buffer strips in arable land	451.51	EURO/ha
I.B.2_Eco-02_06 - Eco scheme 02 Ecological infrastructure Habitats	98.68	EURO/ha
I.B.2_Eco-02_02 - Eco scheme 02 Ecological infrastructure Permanent crops	901.17	EURO/ha

I.B.5_Eco-05_01 - Eco scheme 05 Ecological permanent crops Intermediate	168.93	EURO/ha
ENVCLIM. II.A.7 Traditional seasonal grazing practices (pastoralism)	168.15	EURO/ha

2.4.3 Czech Republic

Although agroforestry was granted a broader definition under the 2014–2020 Common Agricultural Policy (CAP), particularly through Pillar II Measure 8.2 for establishing agroforestry systems, adoption across Europe remained uneven. In the Czech Republic, while Measure 8.2 was not implemented, Submeasure 8.1, which focused on woodland creation, was pursued alongside investments in landscape features under § 45 of Regulation 639/2014. This included the integration of Ecological Focus Areas (EFAs) aimed at enhancing biodiversity on farms larger than 15 ha (Santiago-Freijanes et al., 2018).
The Czech Republic's CAP Strategic Plan (SP) 2023–2027 marks a more integrated approach, explicitly aligning agroforestry with broader climate and environmental goals. Agroforestry is identified as a strategy to reduce GHG emissions (European Commission, 2023, p. 51), enhance carbon sequestration, and address soil degradation, including water erosion (p. 88) and broader land degradation (p. 92). Its value in mitigating climate change impacts (p. 138) and restoring biodiversity (p. 145) is also clearly recognised. Under CAP intervention codes 25.70 and 26.705, afforestation and agroforestry maintenance are supported, with subsidies extended for five years following establishment, formally integrating agroforestry within the Rural Development Programme and legal frameworks (MZE, 2022).

The Czech system provides two types of assistance: financial support for establishing agroforestry systems and funding for their maintenance over a five-year period. Farmers can apply these on a minimum area of 0.5 ha across arable areas or permanent grasslands. Agroforestry can also be integrated with measures such as sub-measure 21.70 ("Integrated Production"), which supports crops like strawberries, vegetables, and potatoes, and sub-measure 17.70, focused on cover crops. Czech legislation formally distinguishes between two agroforestry types: silvoarable systems (tree rows on arable land, with a maximum of 100 trees/ha) and silvopastoral systems (trees scattered, grouped, or in rows on permanent grasslands, also limited to 100 trees/ha). Notably, if the density of fruit trees surpasses this threshold in permanent crops, the land is reclassified as an orchard per § 3g of Government Regulation No. 52/2023. Trees listed as ecologically significant (Gov. Reg. 307/2014 Coll., §5(2)) are excluded from density calculations. Additionally, farmers must ensure 100 viable trees/ha are planted evenly over a five-year period, excluding fast-growing trees where it is possible to plant 1000 trees/ha (Gov. Reg. No. 52/2023 Coll. detailed records of land use according to user relations).

Further administrative complexities arise for organic farmers, or those operating in Natura 2000 zones or Areas with Natural Constraints (ANCs), who require environmental authority approvals to establish agroforestry systems. Importantly, SRC plantations are excluded from the current agroforestry definitions (MZE, 2022, p. 193). To qualify for the €9.4 million budgeted for afforestation and agroforestry, farmers must adhere to strict criteria: no more than 40% of one tree species, annual pruning, spacing requirements (10–100 m), and ongoing maintenance like mowing or mulching by October 31 (Gov. Reg. No. 140/2023 Coll. on determining the conditions for the implementation of

agroforestry measures, §10). Currently available financial support measures for agroforestry in the Czech Republic, with key eligibility criteria, are listed in Table 5.

Table 5: Available financial support measures for agroforestry in Czech Republic, alongside the key eligibility as of April 2025.

Agroforestry Financial Scheme	Value	Unit	Eligibility criteria
Agroforestry – ALS establishment support (CAP 2023–2027, measure 42.73)	4353	EURO/ha	Only for farmers; 100 structural trees/ha; max. 15 pre-existing trees may be counted (–44 EUR/tree); only on R, G, T; not in Prague
Agroforestry – 5-year maintenance support for established ALS (CAP 2023–2027, measure 42.73)	754	EURO/ha/year	Only for farmers; applies to approved ALS with 100 trees/ha; annual mowing or mulching by 31 Oct; must be declared in LPIS; not combinable with AEKO
AOPK – landscape elements planting (e.g. trees, solitaires) PPK B program	1785	CZK/tree	Outside protected areas; according to MoE standards; up to 100% eligible costs; max 250,000 CZK; legal right to the land required
AOPK – Restoration of natural landscape functions (POPFK program)	1785	CZK/tree	Based on care plans or MoE standards; legal right to land required; includes tree and shrub planting, wetland restoration, erosion control etc. outside forests;
MŽP / AOPK – Landscape elements via OPŽP or simplified schemes	1785	CZK/tree	For municipalities, NGOs, individuals, etc.; covers planting incl. shrubs, restoration, 3-year maintenance; must use native species; no land removal from LPIS needed
Ecopayment – new landscape elements		EURO/ha	Only for farmers receiving the basic farm-wide ecopayment; new elements only after 1 Jan 2025; max 50% of arable land
Eco payment – maintenance of landscape elements	364	EURO/ha	Only for farmers with basic ecopayment; maintenance includes mowing/grazing, tree replacement, invasive species removal, and sapling protection

New amendments introduced in July 2024 (MZE, 2024) establish a cap of 15 permitted tree species/ha and explicitly allow agroforestry integration into AECM sub-measures that limit pesticide use in water protection zones. Farmers are also required to adopt soil protection technologies such as no-till farming, strip cropping, or terracing to address erosion-prone conditions.

However, land use regulations complicate long-term planning. Under § 8c of Act No. 334/1992 Coll. of the Czech National Council on the Protection of the Agricultural Land Fund, tree plantations on agricultural land are capped at 10 years (30 years for SRC), with mandatory post-harvest restoration. This contradicts the biological lifespan of many tree species suitable for agroforestry, making long-term planning incompatible with the current legal framework. Compounding this, Section 20 of Act No. 289/1995 Coll. (Forest Act on the management, protection, and use of forests) prohibits livestock grazing or rotational movement through forests, undermining silvopastoral potential.

Regional implementation is also burdened by complex permitting requirements, particularly in sensitive zones like South Bohemia, South Moravia, or Liberec, where coordination with multiple environmental authorities is mandatory. The Nature and Landscape Protection Act (Act No. 114/1992 Coll.) protects all trees in non-forest areas, meaning even routine agroforestry practices require official clearance, hindering scalability and flexibility.

These multifaceted legal and administrative constraints reveal the pressing need for streamlined coherent policy instruments and better institutional coordination to scale agroforestry in the Czech Republic.

2.4.4 Denmark

Denmark formally incorporated agroforestry into its national CAP Strategic Plan in the 2023–2027 period, with systems now eligible for support under Pillar I (Basic Income Support and Eco-schemes) and Pillar II (Rural Development). This reflects a positive shift from previous phases, where agroforestry operated in policy grey zones. Under the Basic Payment and organic area support schemes, agroforestry, locally termed "skovlandbrug", is eligible provided farmers meet specific structural conditions. A minimum of 100 trees or bushes per ha from a defined species list, planted in up to three rows within belts that are no more than 40 m apart and max 40 m from field edges. Only up to 100 additional woody plants per ha taller than one meter are allowed. Low-density plantations (e.g., poplar and willow) are explicitly ineligible under this category.

Success also hinges on meeting conditionality standards (GAEC) such as maintaining active agricultural production and preserving ecological features like tree belts and buffer strips. Currently available financial support measures for agroforestry in Denmark with key eligibility criteria are listed in Table 6.

Table 6: Available financial support measures for agroforestry in Denmark, alongside the key eligibility as of April 2025.

Agroforestry Financial Scheme	Value	Unit	Eligibility criteria

Basic Payment (Grundbetaling) for Danish CAP plan 2023-2027	1800	DKK/ha/year	Active farmers (as per "GLM-krav") with min. 2 ha of agricultural area + agroforestry eligibility
Organic area basic subsidy (Økologisk arealstøtte–basisstøtte)	1200	DKK/ha/year	Active farmers (as per "GLM-krav") with min. 2 ha of agricultural area + agroforestry eligibility + certified for organic production. (max. + 25%)
Conversion allowance (Omlægningstillæg)	1600	DKK/ha/year	Active farmers (as per "GLM-krav") with min. 2 ha of agricultural area + agroforestry eligibility. (+/- 10%) Supplement paid max. the first 2 years after conversion to organic farming. The area must not have been organic (or applied for conversion) for at least 5 years before the current conversion date. There is a requirement to operate organically for 3 years after the last year with a conversion supplement received. The allowance must be paid back if the condition is not fulfilled.
Supplement for reduced nitrogen application (Tillæg for reduceret kvælstoftilførsel)	650	DKK/ha/year	Active farmers (as per "GLM-krav") with min. 2 ha of agricultural area + agroforestry eligibility + certified for organic production + max. 65 kg of utilized N/ha on average allowed. (+/- 10%)
Fruit/berry supplement (Frugt/bær-tillæg)	4000	DKK/ha/year	Active farmers (as per "GLM-krav") with min. 2 ha of agricultural area + agroforestry eligibility + certified for organic production. (+/- 10%) The primary purpose of this tree area must be the production and sale of fruit, berries or nuts.

Despite recent policy openings for agroforestry in Denmark, farmers continue to face significant institutional and financial barriers that hinder the widespread adoption of agroforestry. One major challenge stems from rigid structural requirements: regulations such as the 100 trees per ha rule, fixed row configurations, and limited species lists constrain design flexibility. These constraints particularly disadvantage farmers interested in silvopastoral or mixed-species systems, which often fall outside the narrowly defined eligibility criteria. Furthermore, the exclusion of fast-growing species, such as poplar and willow, commonly used in silvoarable setups, renders many practical systems ineligible for financial support. Administrative burdens further discourage participation, with requirements including annual reporting, precise geospatial mapping, species documentation, and compliance with

cross-cutting standards such as GAEC. These obligations can be overwhelming, particularly for smaller farms or operations that lack digital infrastructure.

Overall, while Denmark's CAP framework now formally supports agroforestry, the restrictive definitions, detailed structural conditions, eligibility exclusions, and high administrative demands create significant hurdles.

2.4.5 England

Although agroforestry has long been practised in England, it was only formally recognised as an eligible agricultural land use under the Rural Development Programme for England (RDPE) during the 2015–2020 CAP period. Under this framework, support was introduced through Pillar II, notably via Measure 222 (later Article 44), which offered grants covering up to 85% of agroforestry establishment costs, including planting tree-crop combinations.

In the current 2023–2027 CAP Strategic Plan, agroforestry receives formal support under both Pillar I and II. Countryside Stewardship now includes revenue payments and capital grants for agroforestry, including CAGF1, "high-density in-field agroforestry", which offers £849 per ha per year for systems with 251–400 trees/ha. Additionally, the PA4 agroforestry plan provides capital support for developing a detailed site plan, a prerequisite for higher-tier stewardship options. Capital grant items AF1, AF2, and AF3 provide additional financial support for tree planting, species diversity incentives, and tree protection.

Despite these openings, farmers continue to face several institutional and financial barriers. While capital establishment payments help, they do not eliminate the financial risk, especially for smaller or low-capital farms. Furthermore, the support system remains administratively complex, and farmers must additionally contend with eligibility constraints such as fixed tree densities, rigid species lists, requirements for long-term tree retention, and limitations on when capital items can be used, which curtail the flexibility needed for innovative or site-specific designs, thus discouraging uptake.

Private support, particularly from the Woodland Trust, plays a critical role in bridging these gaps. Their MOREwoods programme provides up to 75% funding (or 60% with contractor planting) for planting 500 or more trees on a minimum area of 0.5 hectares. The MOREhedges scheme supports the establishment of hedgerows over 100 meters, and the Trees for Your Farm initiative covers up to 100% of the costs for custom-designed agroforestry systems, including a site visit and technical planting advice. These programmes help overcome early-stage barriers by offering financial support, tailored guidance, and practical implementation assistance, which is critical for farmers hesitant to navigate state-level bureaucracy alone. Despite these openings, farmers continue to face several institutional and financial barriers. While capital establishment payments help, they do not eliminate the financial risk, especially for smaller or low-capital farms. Furthermore, the support system remains administratively complex; farmers must navigate multiple overlapping schemes, including Pillar I safety nets, Pillar II grants, and Woodland Carbon funding. Currently available financial support measures for agroforestry in England, with key eligibility criteria, are provided in Table 7.

Table 7: Available financial support measures for agroforestry in England, alongside the key eligibility as of April 2025.

Agroforestry Financial Scheme	Value	Unit	Eligibility criteria
Countryside Stewardship - PA4 Agroforestry Plan [GBP/plan]	1268.08	GBP	
Countryside Stewardship - AF Woodland trees [GBP/tree]	5.4	GBP/tree	
Countryside Stewardship - AF Fruit trees [GBP/tree]	17.83	GBP/tree	
Tree guard (TE6) [GBP/guard/tree]	3.95	GBP/guard/tree	
Species Diversity Bonus [GBP/tree]	1.16	GBP/tree	Only if more than 5 different species are planted
Woodland Trust - MOREwoods Scheme [% of initial costs]	75 %	% of initial costs	min. 0.5 ha woodland with 500+ trees
Woodland Trust - MOREwoods Scheme with contractor [% of initial costs]	60 %	% of initial costs	min. 1 ha woodland
Woodland Trust - Trees For Your Farm scheme	100 %	% of initial costs	500+ trees, for agroforestry schemes benefiting the business of productive farms, including a site visit and tree planting assessment
Woodland Trust - Trees For Your Farm scheme (Consultation)	100 %	% of consultation costs	500+ trees, for agroforestry schemes benefiting the business of productive farms, including a site visit and tree planting assessment
SFI Premium payment - very low density AF on less sensitive land [GBP/ha/year]	248	GBP/ha/year	
SFI Premium payment - low density AF on less sensitive land [GBP/ha/year]	385	GBP/ha/year	

Countryside Stewardship - very low density AF on more sensitive land [GBP/ha/year]	248	GBP/ha/year
Countryside Stewardship - low density AF on more sensitive land [GBP/ha/year]	385	GBP/ha/year
Countryside Stewardship - medium density in-field AF [GBP/ha/year]	595	GBP/ha/year
Countryside Stewardship - high density in-field AF [GBP/ha/year]	849	GBP/ha/year

2.4.6 France

In France, AFS has been supported under the CAP since 2007, significantly earlier than in Germany and many other Member States. France offers special subsidies for agricultural practices that contribute to environmental protection and biodiversity improvement (Hotelier-Rous et al., 2020).

Sub-measure 8.2 provides financial support for establishing AFS, with funding rates ranging from 30% to 80% of installation and maintenance costs, depending on the region (Chambre D'Agriculture, 2021). In France, 15 out of 27 regions have implemented this measure. Support is granted as annual per ha premiums for a period of up to five years (Hajdukovic, 2023; Hotelier-Rous et al., 2020).

Sub-measure 4.4 finances agroforestry-related investments aimed at environmental and climate goals, such as windbreaks and landscape preservation. Up to 100 % of implementation costs may be covered (Hotelier-Rous et al., 2020). Mesures Agro-Environnementales et Climatiques (MAEC) measures support agricultural practices that combine economic and environmental benefits, for example, through the establishment and maintenance of wooded strips and hedges. Duration of five years (Chambre D'Agriculture, 2024a; Hajdukovic, 2023; Hotelier-Rous et al., 2020; Ministerium für Landwirtschaft und Ernährungssouveranität, 2021a).

Bonnes Conditions Agro-Environnementales (BCAE) regulations must be complied with in order to receive direct payments in the form of eco-schemes or support for MAEC (Ministerium für Landwirtschaft und Ernährungssouveranität, 2023). Relevant BCAE measures are (Ministerium für Landwirtschaft und Ernährungssouveranität, 2023):

- BCAE 1: Permit requirement for grassland conversion
- BCAE 8: Removal of the woody component prohibited, limitation of the cutting period
- BCAE 9: Ban on conversion of environmentally sensitive permanent grassland in Natura (2000) sites

Les infrastructures agro-écologiques (IAE) (agro-ecological infrastructures) include hedges, grass strips, and rows of trees with an area of less than 50 ha. A minimum coverage of 4 % on arable land and 7 % on total farmland is required (Chambre d'Agriculture, 2024a, 2025). Under Écorégimes (eco-schemes), farmers incorporating woody vegetation into their land can receive additional payments of €60/ha. To qualify, they must meet one of the following:

- 7 % IAE coverage
- Compliance with specific farming practices

- or fulfil one of four environmental certification criteria

An additional €20/ha hedge bonus is available under certification (Chambre D'Agriculture, 2024b; Prefét du Cher, 2024). Certification under the hedgerow label costs €720 for two years or €360 per year. A minimum of 18 ha is needed for the €20/ha bonus to offset certification costs (Agroforesterie Association Française, 2025).

Among EU countries, France has the most comprehensive national policy framework for the promotion of agroforestry systems (AFS) (Hajdukovic, 2023). The French Ministry of Agriculture promotes agroforestry at the regional level through a range of support measures:

- Programme „Plantons des haies!" („Let's plant hedges!"): A program funding hedge and tree row plantings with a budget of €50 million for 2021–2022, extended until 2025 (Chambre D'Agriculture, 2021; Ministerium für Landwirtschaft und Ernährungssouveranität, 2021b).
- Trophées de l'agroécologie (agroecology trophies): Innovation award of €7000 per category for outstanding implementation of agroecological practices (Ministerium für Landwirtschaft und Ernährungssouveranität, 2024).

In France, the implementation of agroforestry measures under the CAP, despite the availability of relatively good schemes, remains uneven, with only 15 out of the 27 administrative regions adopting relevant support mechanisms. This inconsistent uptake limits the broader impact of agroforestry initiatives and contributes to regional disparities in the adoption of these practices. Key obstacles hindering further implementation include the complexity of application procedures and a general lack of awareness or understanding among farmers regarding the available funding instruments. Moreover, the high cost of certification presents a significant barrier, particularly for small-scale farms, which often lack the financial capacity to navigate and comply with such requirements (Région Bretagne, 2021; Soudet, 2025). These institutional shortcomings continue to impede the mainstreaming of agroforestry across the country.

2.4.7 Germany

Germany's CAP Strategic Plan (2023–2027) identifies agroforestry as a high-priority land-use practice due to its multifaceted contributions to climate mitigation, adaptation, biodiversity, and sustainable water and soil management. The plan by Federal Ministry of Food and Agriculture, Germany (BMEL) explicitly highlights AF as a tool for carbon sequestration (BMEL, 2024, pp. 46, 200), reduction of fossil fuel dependency (pp. 87, 177), nutrient retention (p. 112, 241), and landscape-level climate regulation through wind and evapotranspiration control (p. 199, 242). Furthermore, it emphasizes AF's biodiversity benefits (p. 284) and designates it as a "high to very high" policy priority (p. 609).

Despite this recognition, implementation challenges persist. The initial objective of funding 625,000 ha of agroforestry by 2027 via ES 3, introduced in 2023, was overly ambitious. ES 3 initially offered 60 €/ha of wooded AF area, which translated to just €6/ha if trees comprised 10% of the system. Due to low uptake, the subsidy was revised to € 200/ha in 2023 (BMEL, 2023g, p. 534), and the target was reduced to achieve 65,000 ha by 2027. A further amendment proposed in March 2025 plans to raise the payment to 600 €/ha from 2026 onward to boost adoption and better align with Germany's climate protection ambitions.

Eligibility under ES 3, based on §4 of the CAP-Direct Payments Regulation (2022), requires systems to be alley-cropped with at least two tree rows occupying 2–35% of the field. Scattered tree systems are ineligible. Specific tree row spacing (3–25 m width, 20 m inter-row distance) and temporal restrictions on harvest (January, February, December only) are also mandated. Moreover, only tree species not on the "negative list" are permitted, and systems must have food, feed, or timber production as their primary objective.

While the EU Regulation 2021/2115 allows a 100% subsidy for AF establishment, actual uptake hinges on Germany's federal structure. Investment support through Pillar II is delegated to German states, facilitated via the "Joint Task for the Improvement of Agricultural Structures and Coastal Protection" (GAK). However, only 7 of 13 German states currently implement AF investment support, with co-financing rates up to 65%. Currently available financial support measures for agroforestry in Germany are listed in Table 8.

Table 8: Available financial support measures for agroforestry in Germany as of April 2025.

Agroforestry Financial Scheme	Value	Unit
Investment support SRC-AF – Bavaria	1566	EURO/ha
Investment support "Shrub"-AF – Bavaria	4138	EURO/ha
Investment support Fruit/Nut/Timber-AF – Bavaria	5271	EURO/ha
Funded AF consultation - Baden-Württemberg	80 %	% of consultation costs
Investment support silvoarable AF – Saxony	40 %	% of initial costs
Investment support SRC-AF - Mecklenburg-Western Pomerania	1566	EURO/ha
Investment support "Shrub"-AF - Mecklenburg-Western Pomerania	4138	EURO/ha
Investment support Fruit/Nut/Timber-AF - Mecklenburg-Western Pomerania	5271	EURO/ha
Investment support silvoarable AF - Lower Saxony	40 %	% of initial costs
Funded AF consultation – Brandenburg	1530	EURO
Investment support SRC-AF – Brandenburg	1290	EURO/ha
Investment support "Shrub"-AF - Brandenburg	3860	EURO/ha
Investment support Fruit/Nut/Timber-AF - Brandenburg	4430	EURO/ha
Investment support Fruit/Nut/Timber + "shrubs"-AF – Brandenburg	5000	EURO/ha
Funded AF consultation – Thuringia	6000	EURO

Liaison entre actions de développement de l´économie rurale (LEADER regional funding) – Steinfurt, North Rhine-Westphalia	13000	EURO
Annual AF support - Eco Scheme 3 until 2025	200	EURO/ha/year
Annual AF support - Eco Scheme 3 from 2026-27	600	EURO/ha/year

To receive this financial support, farmers must submit ownership documents, a utilisation concept, and often proof of qualification. Investment thresholds also apply: a minimum of €2,500 must be reached, corresponding to ~0.47 ha of high-value trees or 1.59 ha of SRC. Funding levels vary by system type: up to € 1,566/ha for short-rotation coppice, € 4,138/ha for shrubs, and € 5,271/ha for food/timber trees.

Bavaria limits support to 50,000 € per AF project and excludes systems based on permanent crops, while additional approvals are required in protected areas under the Bavarian VNP programme. Saxony's support, as outlined in the 2023 "Directive (…) on the promotion of Agricultural investments and Economic livelihoods", FRL LIE/2023 directive, encompasses silvoarable systems and broader agricultural infrastructure. However, it sets a high eligibility bar: farms must exceed 8 hectares, submit extensive financial records for investments exceeding € 100,000, and provide guarantees for subsidies exceeding € 400,000. Baden-Württemberg has taken a proactive stance since April 2023 by integrating agroforestry into its subsidised agricultural consultancy programme. Out of 91 total registered agricultural consultants, 11 are specifically qualified to provide AF-related guidance in Baden-Württemberg (LEL, 2024). Advisory topics include the planning, establishment, and management of silvoarable, silvopastoral, and agrosilvopastoral systems, along with assessments of their biodiversity, climate mitigation, and resilience benefits (LEL, 2022). The consultation cost ranges between 120–150 €/hour, and is funded up to 80 %, capped at 1,500 €. A minimum of 5 hours must be used to be eligible, meaning that farmers need to invest at least € 600–750 upfront, of which € 480–600 may be reimbursed through the scheme (LEL, 2023).

In Brandenburg (including Berlin), the Ministry of Agriculture, Environment, and Climate Protection (MLUK) has also included AF in its list of subsidised consultancy topics since 2023. Farmers can receive support for up to 18 hours of consulting at a fixed rate of € 85 per hour, allowing them to secure a total subsidy of € 1,530. However, at least 25 % of the advisory time must involve an on-site visit to the farm, with a minimum of two hours in person. The remaining 75% may be used for preparation, follow-up, or remote support. Thuringia offers a more structured but narrower approach with only three consulting agencies eligible to provide AF-related advice. The state offers targeted funding for three distinct service packages:

- Agroforestry Systems – Rough Conception,
- Detailed Planning, and
- Establishment and Management.

Each of these service components is subsidised with 2,000 €, allowing a total of up to 6,000 € for farmers who choose to pursue all three stages of consultancy. This structure provides flexibility while encouraging in-depth engagement with agroforestry system design and implementation.

These regionally specific advisory programs, while commendable, highlight a broader issue: the lack of harmonised, nationwide support for AF consultation. The disparity in subsidy levels, eligible services, and the number of qualified advisors suggests that farmers in certain regions may face greater barriers to accessing the knowledge required for successful AF adoption. Moreover, not all German states provide investment, consultation, and financial support. Scaling up such services will be essential for mainstreaming agroforestry as part of Germany's sustainable land management strategy. Rigid interpretations of AF within German legislation, particularly the exclusion of scattered tree systems and integration challenges with landscape elements registered before 2023, limit flexibility. The requirement for separate validation of AF management concepts by regional authorities adds to bureaucratic complexity.

In summary, Germany's strategic framing of AF is progressive, but implementation is hindered by overly narrow definitions, regionally uneven financial incentives, and burdensome administrative procedures. Increasing per ha payments and extending eligibility to more diverse systems could significantly improve uptake. Harmonising definitions across states and simplifying application procedures, especially for smallholders, remain critical to realising the full potential of agroforestry within Germany's climate and biodiversity agenda.

2.4.8 Hungary

Despite a long historical tradition of wood-pastures and shelterbelts, contemporary agroforestry in Hungary occupies only approximately 0.72% of the country's 5.3 million ha of farmland (c. 38,000 ha estimated via LUCA for AGFORWARD). A review of scientific and grey literature reveals that this gap stems less from ecological limitations and more from institutional constraints shaped by the EU's Common Agricultural Policy (CAP) and national regulations.

Under Hungary's CAP Strategic Plan, agroforestry systems are clearly defined and eligible for support, with tree densities capped at 250 trees per ha and a mandatory maintenance period of five years. Three agroforestry categories are acknowledged within the CAP:

- arable agroforestry: refers to the combination of arable crops (including temporary grassland) with forest or fruit tree species, where woody plants are intercropped on the same parcel in parallel rows or another regular geometric arrangement, with a maximum density of 250 trees per hectare. Systems that incorporate SRC are also included, provided they follow a regular planting pattern and maintain a density of less than 4,000 trees per hectare.
- wood pastures: defined as the integration of forest or fruit trees planted in a regular geometric pattern, again not exceeding 250 trees per ha, on permanent grassland, and
- permanent tree features: only if they exist independently and are not integrated into arable or grassland areas. These include field hedges, shelterbelts, clusters of trees and shrubs, and other specialised plantations (excluding SRC and Christmas tree stands) that qualify as landscape elements under GAEC-8, thereby making them eligible for basic payment schemes. Productive plantations that combine forest and fruit tree species are also considered agroforestry under this framework.

While this clarity is positive, the eligibility restrictions inadvertently narrow farmer options and exclude traditional systems, such as scattered single trees or traditional patterns, that fall outside

these classifications. Notably, the initial draft of the agroforestry subsidy scheme proposed during public consultation includes a maintenance obligation of up to 7 years, indicating a long-term commitment required for financial support eligibility.

Financially, Hungary offers targeted subsidies for farmers with agricultural land, which can also be claimed by agroforestry farmers. This includes a 150 €/ha subsidy for farmers with agricultural land, along with an additional 80 €/ha for the first 10 ha and 40 €/ha for farms between 10-150 ha, with provision for additional support if the area is between 1 ha and 1,200 ha. Currently available financial support measures for agroforestry in Hungary are listed in Table 9.

Table 9: Available financial support measures for agroforestry in Hungary as of April 2025.

Agroforestry Financial Scheme	Value	Unit
Installation of a field hedge	38	EURO/piece
installation of a field protective forest strip	12	EURO/linear m
Establish wood pasture - covered shelter	180	EURO/piece
Establish wood pasture - watering place	135	EURO/piece
Establish wood pasture - heron fountain	297	EURO/piece
Maintenance of new field hedges and replacement of lost agricultural income	4.7 + 1.72	EURO/year, EUR/piece/year
Maintenance of new field hedges and replacement of lost agricultural income	2 + 1.1	EURO/m/year, EUR/m/year
Maintenance and upkeep of newly created wooded pastures and mown grassland	3	EURO/piece

However, these payments often fall short of covering lost agricultural revenues or long-term establishment costs. Moreover, farmers cannot stack subsidies for intercropped alley systems; they can receive support either for tree rows or crops, but not both simultaneously, which adds administrative complexity and reduces financial incentives. In summary, Hungary's agroforestry uptake remains minimal, not due to a lack of potential, but due to tightly defined eligibility criteria, limited financial returns, policy-incompatible features, and administrative burdens.

2.4.9 Italy

Italy has been supporting agroforestry systems under the CAP since 2007 (Europäische Kommission, 2025; Hajdukovic, 2023), but exclusively through Pillar II (the Strategic Plan for Rural Development, or PSN), with AFS explicitly excluded from Pillar I interventions. One of the primary funding instruments is Measure SRD05.3, which provides financial support for establishing agroforestry systems on agricultural land, with payments ranging from €4,000 to €5,000 per ha. Eligible actions under this measure include the planting of native trees, shrubs, hedges, and windbreaks, with a planting density requirement between 50 and 150 trees per ha (PSR Kalabrien, 2022; PSR Puglia, 2025; Salviato, 2023). However, implementation has been limited, with only five of Italy's 21 regions activating the measure (Hajdukovic, 2023).

Additional support is available through the Misure Agro-Climatico-Ambientali (ACA), corresponding to the German AECM (Agri-Environmental and Climate Measures), particularly under SRA28.3, which provides payments for the maintenance and preservation of existing agroforestry systems. These payments range from €800 to €1,400 per ha, depending on the region (PSR Kalabrien, n.d.; Salviato, 2023).

To qualify for these supports, farmers must also comply with relevant conditionality standards under the Le Buone Condizioni Agronomiche e Ambientali (BCAA), which are aligned with the GAEC standards. These include,

- BCAA 1: requires permission for converting the grassland;
- BCAA 8: prohibits the removal of woody components and restricts cutting periods; and
- BCAA 9: bans the conversion of environmentally sensitive permanent grassland within Natura 2000 sites (Terra e Vita, 2022).

Despite the availability of these funding instruments, several challenges persist. Only a limited number of regions have activated the measures, and implementation varies significantly across the country. Furthermore, only 8% of the available support funds have been utilised by farmers, indicating low uptake. This is further compounded by a lack of coherence between Pillar I and Pillar II policies. Despite efforts to refine the measures and expand eligibility, no substantial increase in farmer participation has been observed. These factors underscore the need for a more coordinated, nationwide approach to promoting agroforestry in Italy.

2.4.10 Poland

Poland's Strategic Plan for Agriculture 2023–2027, along with the associated CAP Strategic Plan legislation, established under the Act of 8 February 2023, integrates agroforestry into its agri-environmental and climate measures. The Regulation issued on 31 March 2023 defines specific support for the establishment of trees in arable fields (AND 10.12) and for the establishment of agroforestry systems (AND 10.13) to support tree planting and agroforestry practices under Pillar II environmental, climate and other commitments and investments targeting environmental and climate action of the Strategic Plan. An indirect mention where the benefits of agroforestry could be realised is under the support for investments contributing to environmental and climate objectives (AND 10.4) (IEEP, 2023).

These measures coexist alongside GAEC-8 cross-compliance rules, which require a minimum share of arable land to be allocated to landscape features and non-productive areas. However, Poland has chosen to activate derogations and exemptions that dilute their overall impact.

Despite this formal inclusion, the Institute for European Environmental Policy (IEEP, 2023) suggests that allocated budgets for agroforestry are relatively small (0.1 % of Pillar II budget) and aimed at a small target area, i.e., a maximum of 8,548 ha for the year 2028, which is 0.1 % of Poland's utilised agricultural area. The rules surrounding the inter-relationship between GAEC-8 requirements and investment measures are unclear, raising concerns about overlapping and limiting policy effectiveness.

Additionally, Poland faces bureaucracy and overregulation in certain legal areas. For example, grazing animals in the forest is prohibited under regulations from the 1940s. Planting non-native trees is

prohibited under the Act on Alien Species of 2021, even though these species are already ubiquitous, and it would not affect their spread. Additionally, sanitary regulations make small-scale food production very difficult. The Forest Act poses a significant obstacle to the adoption of silvopastoral systems, particularly in cases where small permanent pasture parcels are partially shaded by tree canopies and thus risk being reclassified as forest land. This legal ambiguity restricts the integration of trees and livestock on the same land. Furthermore, the lack of tree-related planning in municipal Spatial Management Plans, combined with the often complex and fragmented land ownership structures, especially in cases involving inheritance, further hinders the establishment and scaling of agroforestry systems in Poland (Borek et al., 2020).

As an active agroforestry advisory body in Poland, Ogolnopolskie Stowarzyszenie Agrolesnictwa (OSA), through its various activities and work on different projects, has summarised the following key institutional barriers for agroforestry adoption in Poland:

- Financing mechanism. In the previous CAP, pro-environmental measures were financed from Pillar II of agricultural policy, e.g., agri-environmental measures and investments in rural development. This means that significantly less money is allocated to this pool of measures compared to Pillar I, related to direct payments. Farmers first reach for area payments (one-year measures). Only a dozen or so per cent of farmers implement agri-environmental measures (5-year commitments), and even fewer implement investments (measures designed to last longer than 5 years). The establishment of agroforestry systems has been classified precisely as an investment. In the Strategic Plan 2023-2027, the division between Pillar I and Pillar II was abolished; however, the financial disparity continues. This division also remained in the mindset of farmers.
- Poorly designed and limiting support mechanism. While there is a relatively ambitious target support for setting up agroforestry systems (4875 ha of AF in total to be planted in the period 2023-2027, and at the same time 1935 ha for only the wooded area of windbreaks, being the second type of agroforestry intervention), the subsidies for maintaining them are quite low. There is no support for existing trees where such a system could be introduced, only for newly planted ones. Additionally, farmers cannot withdraw from action at any time, even under the threat of repaying the entire subsidy. Only multi-species tree plantings are supported, where only native species (biocenotic) with low productivity, used in forestry, qualify. Current regulations do not permit the introduction of cultivated varieties of fruit trees and selectively bred cultivars for biomass production (e.g., willow, poplar). Alien species (e.g. Robinia, red oak) are not allowed despite their practicality. It is also not available to obtain support for agroforestry systems if the parcel is already covered by another form of support, e.g., organic farming, agri-environmental program or ES, which makes decisions about long-term investment in tree production even more difficult. Currently available financial support measures for agroforestry in Poland are listed in Table 10.

Table 10: Available financial support measures for agroforestry in Poland as of April 2025.

Agroforestry Financial Scheme	Value	Unit
Investment support for AF (whole area) - I.10.13 (establishment)	3092 - 3199	PLN/ha/year

Support for AF tree protection (repellents, stakes, sheep wool or guards)	148 - 2362	PLN/ha/year
Premium for AF maintenance up to 5th year	300	PLN/ha/year
Investment support for windbreaks (wooded area) - I.10.12 (establishment)	10892 - 13664	PLN/ha/year
Support for windbreaks tree protection (repellents, stakes, sheep wool or guards)	944 - 2362	PLN/ha/year
Support for windbreaks tree protection (metal mesh)	19.7	PLN/m
Premium for windbreaks maintenance up to 5th year	2494	PLN/ha/year

- Reluctance due to Policy Legacies: Since 2015, OSA has advocated in the Polish Ministry of Agriculture for the introduction of measures to support agroforestry. The system did not initially receive a positive reception because it was associated with failed past policies. An example is the afforestation of arable land, where only a few thousand hectares were afforested between 2004 and 2020. Another example was support for walnut orchards from 2004 to 2011, which became excessive. Huge areas were planted without generating products and only benefiting from subsidies. For this reason, the voices of activists and scientists did not resonate with the ministry. Only recommendations coming from the European Commission (probably in 2018-2020) pushed the implementation of agroforestry to achieve environmental goals in the Strategic Plan 2023-2027. As a result of the aforementioned processes in Poland, the development of agroforestry has been significantly delayed.
- Delays in policy implementation. Due to the COVID pandemic and the war in Ukraine, the creation and implementation of the New Strategic Plan was delayed by two years. The earlier Plan for the CAP 2013-2020 actually ran from 2014 to 2022, during which time few changes could be made, including the introduction of some support mechanisms. Another fact is that the Strategic Plan 2023-2027 was adopted shortly before 2023, so that the specific regulations and requirements were introduced at a time when the crop rotation for 2023 had already been planned by farmers.

There is a lack of good examples of agroforestry practices in Poland, contributing to scepticism about the effectiveness. Since 2023, when support for agroforestry was introduced in Poland, less than 100 ha have been reported per year. For comparison, the area of organic farming is approximately 500,000 hectares.

2.4.11 Spain

The definition of agroforestry in the Spanish National Strategic Plan is "Land use systems that combine the maintenance of trees with agriculture on the same land". Regional authorities will determine the maximum number of trees in agroforestry systems. For arable areas, this may not exceed 100 trees per ha.

The pathways towards obtaining financial support for their establishment and maintenance are complex and unclear, resulting in a high bureaucratic burden and possibly arbitrary decisions by each personnel member in the administration. Only the plantation of long-rotation tree stands with native or naturalised species is clearly eligible for establishment and maintenance funding as an agroforestry system under the 6881.1 intervention of the Pillar II Rural Development Programs.

However, some Autonomous Regions restrict their establishment to lands considered woodlands in the census. The plantation of fruit trees or short-rotation stands in agroforestry systems, even when they are native or naturalised species, is more likely to be eligible for establishment finance under the "woody crops" or "energy crops" funding line of the Pillar I Direct Payments. In this case, the whole area (both woody strips and crop alleys) is considered as a unit for area payments (and additional payments are given for the "woody crop" or "energy crop" area). This funding is subject to region-specific restrictions, which typically involve guidelines to assess the economic profitability of the project.

If the administration's personnel do not consider the project economically feasible, no payments are made for the "woody" or "energy" crop area. For this reason, an option for fruit trees could be to register each woody strip (financed by Pillar II) and crop alley (financed under Pilar I) as a single land unit (the application for the subsidy will come all together under one single project). SRCs are only eligible for payments under Pillar I.

Obtaining financial support for the establishment of agroforestry systems in Spain is extremely complex and subject to numerous restrictions (many of which are region-specific), which may discourage many farmers from applying. Given the high monetary costs associated with establishing new agroforestry systems, we consider this a key barrier to the upscaling of agroforestry, as many farmers interested in it may not have the necessary investment capacity to undertake the intervention.

In summary, without substantial reform in how financial risks are compensated and how incentives are structured, many farmers will continue to view agroforestry as an economically unjustifiable risk rather than a viable long-term strategy.

2.5 Uncertain Policy framework

Since agroforestry was officially recognised as a farming practice with dedicated support in the 2007 CAP Rural Development Regulation (under Article 44, formerly Measure 222), policy frameworks have continued to evolve. While reforms have introduced more supportive measures, such as maintenance payments in CAP 2014–2020, the frequent shifts in policy design, funding levels, and eligibility criteria create uncertainty that makes farmers wary of investing in long-term agroforestry systems. The complexity and inconsistency of support over time, sometimes improving and other times withdrawing incentives, undermine confidence, especially given the multi-decade horizon before trees mature (for timber harvest) and returns are realised. Consequently, farmers often delay or forego agroforestry adoption, prioritising flexibility and certainty over long-term commitments.

Uncertain land tenure rights can discourage long-term investments in agroforestry. Farmers are less likely to plant trees if they fear losing access to the land or not being able to reap the benefits of their investment in the future. For example, in the Czech Republic, 73% of farmers cultivate on rented land, and there is a reluctance to invest in long-term practices, such as tree planting. This hesitation is compounded by the legal protection of mature trees, which can restrict land use for future development (Rois-Díaz et al., 2018). The fragmentation of land holdings further complicates implementation, often requiring consent from multiple landowners. Additionally, Czech legislation still separates agricultural and forestry activities, creating legal uncertainty for AF systems (Červená, Jarský, Červený, Palátová, & Sloup, 2023). Secure land tenure is thus a prerequisite for the widespread adoption of agroforestry.

2.6 Lack of advisory services and knowledge dissemination

A key barrier identified in several studies is the limited capacity-building and extension support available to farmers. Emphasis on many traditional agroforestry designs, once prevalent in Europe, has largely disappeared along with the practical knowledge of farmers. Agroforestry is often viewed and designed as an unproductive system that only benefits the environment, and therefore, is perceived as another EU requirement that makes life harder for farmers. Education and field-based demonstration sites are therefore urgently needed to help landowners understand system design, species compatibility, nutrient and infrastructure management, as well as economic viability and environmental benefits (FAO, 2024; Lojka et al., 2022). Without these resources, farmers struggle to transition from theory to practical implementation or confidently address complex interactions within diversified systems.

Beyond static training materials, Sollen Norrlin et al. (2020) strongly advocate for on-farm demonstration plots and interactive training methods (such as workshops and field excursions) as effective mechanisms to build familiarity and trust within farming communities. The European Agroforestry Federation (EURAF) was established in 2012 with the goal of promoting the adoption of agroforestry practices across Europe by bridging the gap between science, policy, and on-the-ground implementation. It serves as a central platform representing national agroforestry associations from nearly all EU Member States. EURAF actively participates in numerous EU-funded projects, integrating scientific research with practical applications, and has published policy briefs and national-level recommendations to support more coherent agroforestry frameworks.

Despite these efforts, dissemination of knowledge and policy insights remains limited. Many valuable resources produced by EURAF and associated projects do not reach the broader farming community or local policymakers. While several EU-funded agroforestry projects have successfully created networks of practitioners, researchers, and advisors, these platforms are often temporary and fragmented, lacking long-term continuity and reach. Additionally, the number of accessible demonstration sites remains limited. Expanding these platforms and opportunities in a centralised way, featuring diverse agroforestry models, would help demystify agroforestry by showcasing real-world management, economic outcomes, and ecological benefits, ultimately reducing perceived risks and encouraging broader adoption.

2.7 Lack of market access and value chain development

Agroforestry systems yield a diverse range of products, including timber, fruits, nuts, and fuelwood, as well as honey, livestock forage, and biomass. However, farmers frequently face uncertain or underdeveloped demand channels. Several studies (FAO, (2024); Krčmářová et al., (2021); Sollen Norrlin et al., (2020) note that a lack of established marketing infrastructure and consumer awareness for such products is the second most significant obstacle to the adoption of agroforestry by farmers.

In Germany, several private labelling initiatives for agroforestry products have begun to emerge, such as chocolates with the "Anbau In Agroforstsystemen" (Grown in Agroforestry Systems) label and other regional designations that aim to signal products made with produce from agroforestry systems. However, these labels remain relatively obscure in the broader market landscape. Their limited

visibility, inconsistent messaging, and lack of consumer education significantly undermine their potential to create meaningful added value for farmers.

The "Ramats de Foc" label in Catalonia is an example of a value chain initiative that certifies beef from silvopastoral herds specifically managed to reduce wildfire risk (Ascoli et al., 2023). In other cases, agroforestry systems play an indirect but essential role in product certification, such as with Iberian ham, yet the agroforestry component itself is not explicitly recognised or promoted (Moreno et al., 2018). While quality branding tools, like Germany's sustainability scoring system for agricultural goods, may help boost the image of some agroforestry products, a dedicated and widely recognisable label that clearly identifies products from agroforestry systems is currently lacking. Institutional support is lacking to develop clear and trustworthy agroforestry product certification standards that emphasise environmental services alongside production quality. The introduction of such labels based on standards would allow consumers to better understand and support the ecosystem services embedded in agroforestry, thereby increasing their willingness to pay for these multifunctional products (Moreno et al., 2018).

3. Dynamic Agroforestry Management Tool at Farm Level with Financial Support

This section of the report solely focuses on the improvements made to the dynamic agroforestry management tool developed based on the Decision Analysis approach.

Decision Analysis (DA) (Luedeling & Shepherd, 2016) inherently provides a structured and participatory framework for understanding the real-world feasibility of land-use choices under uncertainty and across diverse contexts. Building directly on the conceptual graphical model of agroforestry systems developed in Deliverable 6.1, the Dynamic Agroforestry Management Tool was designed to incorporate the parameters that farmers consider most relevant to their farm-level decision-making. When applied to the adoption of agroforestry versus the existing monoculture systems at a plot-level, the DA-based tool is not only capable of modelling the biophysical and economic outcomes of different agroforestry systems, but it also provides a provision to integrate the institutional support dimensions, such as policy incentives, compliance requirements, and access to financial support, into the tool. One powerful way this is incorporated in our project is through the integration of country-specific funding schemes into the interactive user interface (UI) of the dynamic management tool, as reported in Milestone Report 23.

Within the user interface (UI), financial support schemes from both governmental and private sources have been integrated across the eight countries where ReForest Living Labs (LL) are active. These schemes are presented as selectable funding options, enabling users to explore the financial incentives available in their respective regions for agroforestry and its services. This database was made possible thanks to the collective effort of project partners, who contributed their regional expertise to identify and compile relevant support mechanisms. For each scheme, the UI also displays eligibility criteria, relevant regulatory or descriptive links, and detailed breakdowns of available funding by unit (e.g., €/tree, €/ha, €/row), as selected by the user, offering an informative decision-support feature. Under the 'Funding Scheme', the UI boasts of providing the following:

- The eligibility criteria for receiving support are automatically displayed, and the user is prompted to confirm compliance with those requirements.
- Links to detailed scheme information are also provided, encouraging users to explore the full policy context.
- The UI calculates and displays total funding (one-time, annual, public, private) broken down by unit (e.g., €/tree, €/ha, €/row), allowing users to understand exactly how support applies to their system configuration.

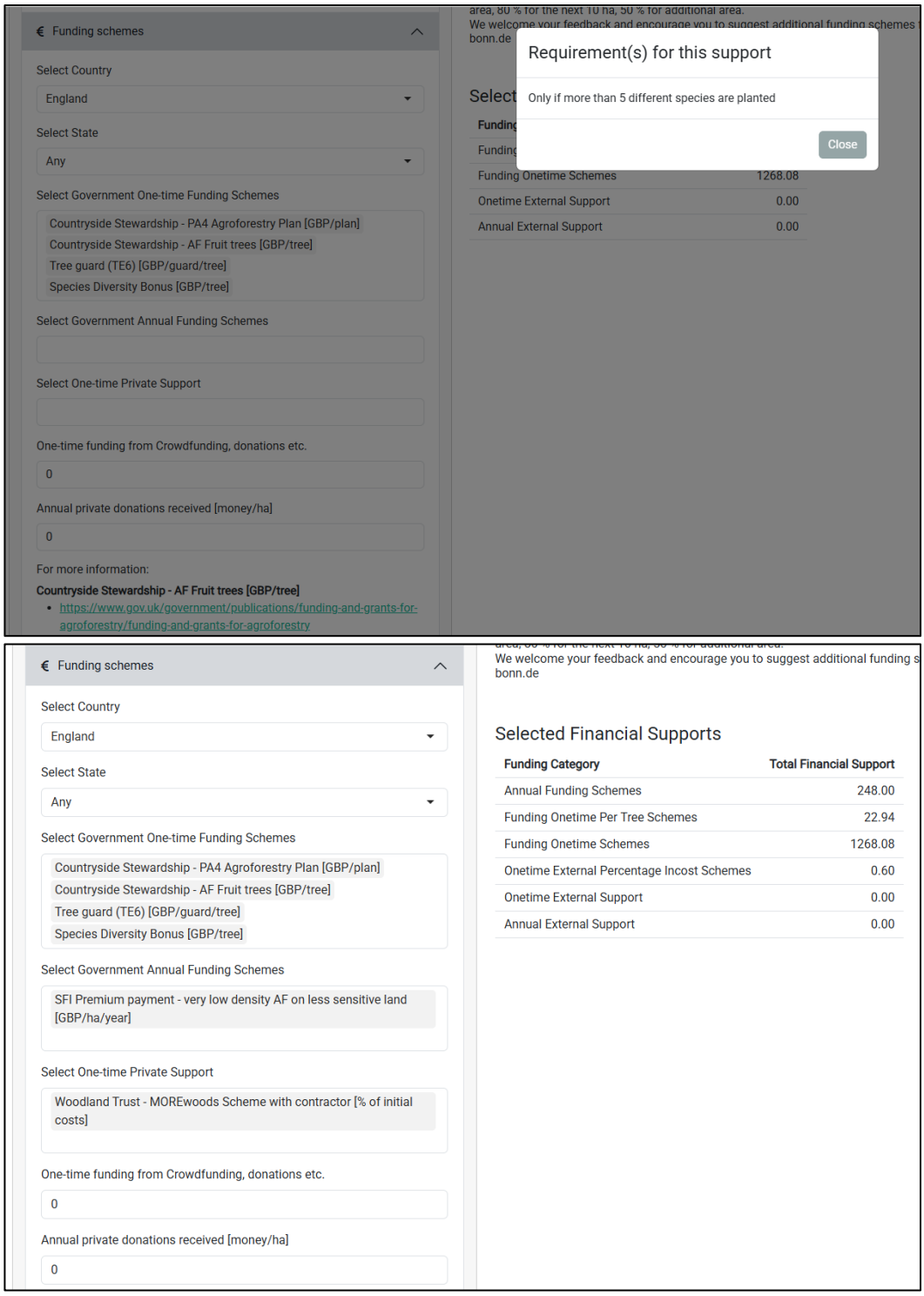

Figure 1: Screengrab of the features added to the 'Funding Schemes', part of the improved dynamic agroforestry management tool developed based on the DA approach.

3.1 Simulating the Effects of Financial Incentives on Agroforestry Systems - Using the Dynamic Agroforestry Management Tool

Understanding the role of financial support schemes is crucial for evaluating the practical viability of agroforestry systems in the real world. To explore this, we demonstrate how the Dynamic Agroforestry Management Tool's Funding Scheme function can be used to analyse the impact of funding mechanisms described in Section 2.4 of this report. This section does not aim to provide an exhaustive country case study but rather to illustrate how policy parameters and funding structures can be integrated into a decision-support framework to assess their influence on agroforestry outcomes.

We do so through two representative examples from our Catalogue of Agroforestry Systems, drawing on detailed modelling described in Milestone Report 23. These simulations provide insights into how financial incentives influence the economic performance and adoption potential of agroforestry at the farm level. Only a brief overview of the agroforestry systems included in the analysis is provided here. Readers are encouraged to refer to Milestone Report 23 for detailed descriptions of each system and the underlying modelling assumptions. We then demonstrate how different funding schemes influence system outcomes at the farm level, providing users with insights to make informed decisions regarding the agroforestry systems or financial mechanisms most suitable for their context. This analysis highlights both opportunities to enhance adoption and aspects where current support structures may be insufficient or misaligned.

3.1.1 INAGRO's agroforestry demonstration plot, Belgium LL

Brief system description

The INAGRO agroforestry demonstration plot in Beitem, West Flanders (Belgium), spans 1.4 ha and showcases a walnut-based alley-cropping system combining common walnut with high-value vegetable and grain crops in a structured rotation. Trees are spaced 8 m within rows and 24 m between rows, with flowering grass strips under the tree lines and 21 m-wide alleys used for rotating crops such as leek, celeriac, maize, and wheat. Bordered by diverse native woody hedgerows, the system integrates biodiversity and wind protection into a highly productive landscape. Designed to assess the economic and ecological viability of agroforestry in intensive farming systems, the site serves as a key simulation model in the dynamic management tool, which also tracks carbon dynamics, above and below-ground biomass growth, and ecosystem services such as soil erosion control and groundwater recharge.

The dynamic management tool was executed with 10,000 simulation runs, incorporating the following financial support schemes into the analysis:

- Agroforestry maintenance subsidy (as per Agromilieu Klimaatmaatregelen)
- Agroforestry planting advice through the 'Kennisportefeuille' of the Agency for Agriculture and Fisheries
- Non-productive investment support (VLIF)
- Planting subsidy for new agroforestry plots (as per Agromilieu Klimaatmaatregelen)
- Provincial subsidies for buying and planting of trees

- Pruning of hedges (for example, windbreaks)

Illustrative results

Figure 2 compares the probabilistic distributions of Net Present Value (NPV) to adopt the walnut alley cropping agroforestry system against continuing with the conventional cultivation without trees. The x-axis represents the NPV values (i.e., the sum of discounted future cash flows) in €, while the y-axis shows the probability of each NPV level occurring based on 10,000 simulation runs.

The graph shows that although both strategies yield overlapping distributions centred around similar ranges, the agroforestry system exhibits a slightly higher probability density around positive NPVs, indicating that it may be marginally more likely to yield beneficial financial outcomes than conventional farming. However, the distribution for conventional farming is narrower and more concentrated, suggesting lower variability and risk, which may appeal to risk-averse farmers.

In contrast, the agroforestry option displays a wider distribution extending further into both high-profit and loss-making territories, reflecting the inherent financial uncertainty and long investment horizon associated with agroforestry systems. This trade-off between potential gain and elevated risk underscores the importance of well-structured financial support in mitigating perceived and real economic barriers. Without such support, farmers may prefer safer, more predictable returns of conventional practices despite agroforestry's long-term benefits.

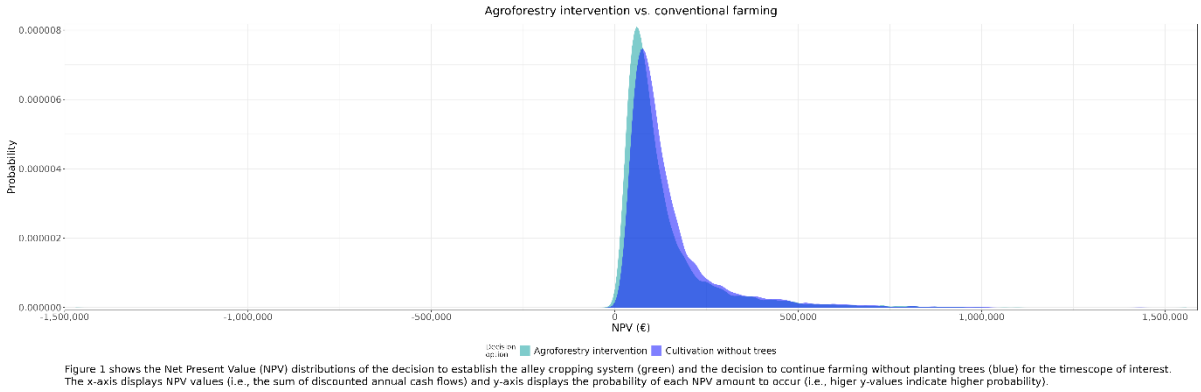

Figure 2: Screengrab of the distribution of the NPV (€) for adopting the walnut alley cropping agroforestry system (green) against conventional farming (blue) on 1.4 ha plot with 0,114 ha tree row area over 80 year-period.

Figure 3 compares the NPV outcomes of an agroforestry system implemented with and without selected funding support, using boxplots to represent the distribution of financial returns over the project horizon based on simulation results. It is clear that the NPV of agroforestry under current funding is only marginally better than without any funding at all. Both distributions exhibit high variability and substantial overlap, suggesting that current subsidy levels and structure do not significantly shift the risk-return profile for farmers adopting agroforestry. It also implies that the existing financial support schemes may be insufficient in incentivising adoption, as they fail to substantially offset the high upfront costs and delayed returns typically associated with agroforestry systems. For wider uptake, more targeted or enhanced financial mechanisms are needed to improve the economic attractiveness and risk-adjusted viability of such long-term land-use changes.

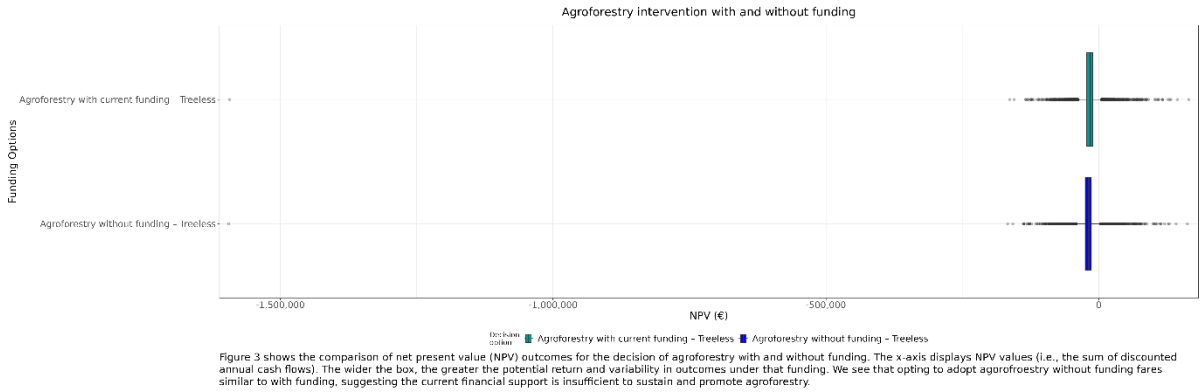

Figure 3: Screengrab of comparison of total NPV outcomes of agroforestry adoption with and without financial support, relative to conventional farming on 1.4 ha plot with 0,114 ha tree row area over 80 year-period.

Online interactive UI for this system is available for use at: https://agtools.app/Walnut-Agroforestry/

3.1.2 Apple Agroforestry System, Germany

System description

This model represents an existing silvoarable agroforestry system in the Westphalian Bay, northwestern Germany, which combines arable cropping with low-input table apple production. On a 10.14 ha field, 473 apple trees (9 cultivars) are planted across 15 north-south alley rows, occupying 5.6% of the land. Trees are grown on moderately vigorous rootstocks with minimal chemical inputs, relying on pheromone dispensers for pest control and drip irrigation to support fruit development.

The system continues to produce arable feed crops, winter wheat, barley, rapeseed, and maize for the farm's pig operation, following a conventional yet regenerative no-till approach. The dynamic management tool simulates both biological and economic aspects of the system, including crop-tree interactions, weather risks (such as frost, hail, and wind), and management uncertainties (such as pruning errors). It also considers yield stability during extreme weather and incorporates training costs and wide yield ranges to reflect real-world variability.

Given that the system is located in Steinfurt, North Rhine-Westphalia, Germany, the dynamic management tool was applied using 10,000 simulation runs. The analysis incorporated the following region-specific financial support schemes:

- Annual agroforestry support under Eco Scheme 3 (considered until 2025)
- Liaison entre actions de développement de l´économie rurale (LEADER regional funding)

This is compared with Deutscher Fachverband für Agroforstwirtschaft (DeFAF)-suggested funding, which contains annual support of 600 € per ha of wooded area and investment costs are to be funded at 100 % for the first 10 ha of wooded area, 80 % for the next 10 ha, 50 % for additional area.

Illustrative results

The difference in NPV distributions between adopting the apple alley cropping system and continuing with conventional treeless farming under identical real-world conditions is computed and visualized as shown in Figure 4.

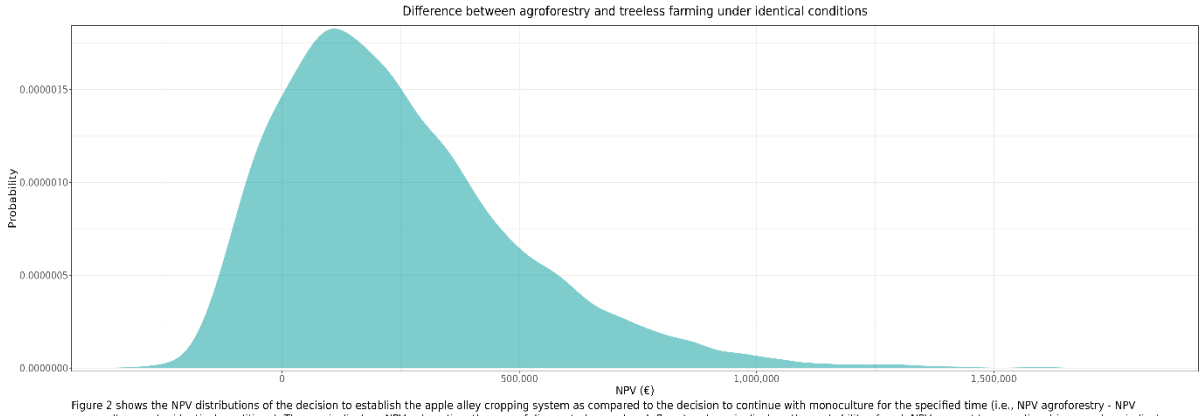

Figure 4: Screengrab showing the distribution of incremental NPV (€) for adopting an apple alley cropping agroforestry system compared to conventional farming, over a 30-year period on a 10.14 ha plot with 0.57 ha allocated to tree rows.

The distribution is heavily skewed to the right (positive values), indicating that in the majority of scenarios, the agroforestry intervention yields higher returns compared to treeless farming. Only a narrow range of simulations shows potential for negative incremental NPVs, and even those occur with low probability. Therefore, agroforestry intervention with apple alley cropping is a more profitable choice.

Figure 5 illustrates the simulated Net Present Value (NPV) outcomes for the apple alley cropping agroforestry system under three funding scenarios: (i) without funding, (ii) with current funding, and (iii) with DeFAF-suggested enhanced funding. Each boxplot captures the variability of outcomes from 10,000 simulation runs, highlighting both the potential financial performance and the uncertainty involved.

The results indicate that funding has a significant impact on the economic viability of agroforestry. The scenario using DeFAF-suggested funding shows the highest median NPV and the widest range, suggesting a greater potential for profitability but also some variability in outcomes. In contrast, the current funding scheme improves NPV compared to the no-funding baseline but yields a narrower distribution and lower median return, indicating limited financial support.

The no-funding scenario has the lowest median NPV and the smallest range, reinforcing the financial risks associated with implementing agroforestry without external assistance.

Overall, the figure underscores that enhanced, well-structured funding schemes (such as DeFAF's proposal) are more likely to incentivise adoption by improving the long-term profitability of agroforestry systems. The current funding schemes, while beneficial, may not be robust enough to offset upfront costs and long-term uncertainties, potentially limiting uptake among risk-averse farmers.

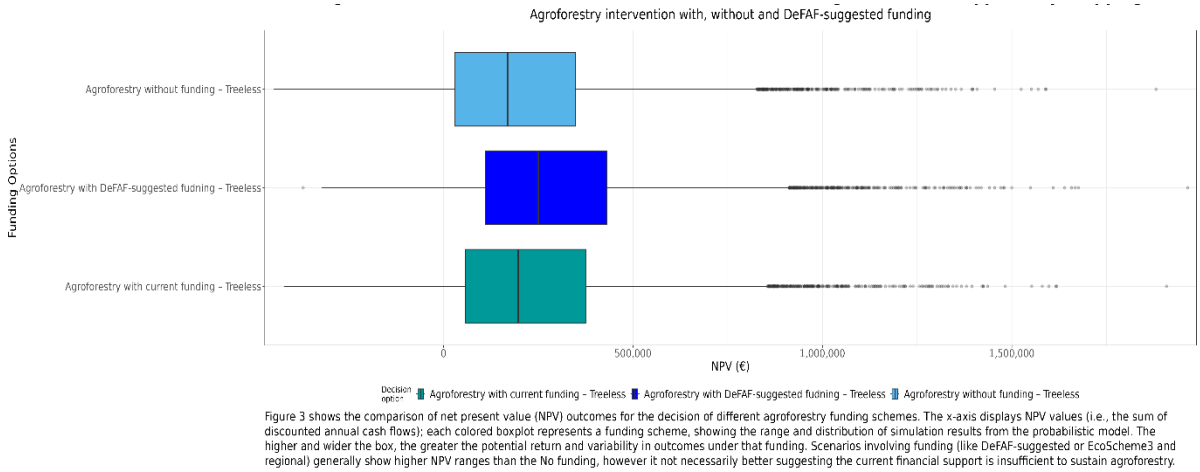

Figure 5. Comparison of total NPV outcomes of agroforestry adoption with and without financial support, relative to conventional farming over a 30-year period on a 10.14 ha plot with 0.57 ha allocated to tree rows.

Online interactive UI for this system is available for use at: https://agtools.app/Apple-Agroforestry/

Building on the analysis above, readers are encouraged to explore how funding affects other agroforestry systems using the interactive dynamic management tool. Two system-specific interfaces are available, along with the ones described above:

- For a multi-species fruit tree system with honey production and a Streuobstwiese (traditional meadow orchard): https://agtools.app/Fruit-Honey/
- For a comparison of two agroforestry designs with the option to choose between two crop rotation schemes and livestock integration in a silvopastoral setup: https://agtools.app/Silvopastoral-Livestock/

These tools enable users to adjust system parameters according to their farm, apply various financial support schemes, and visualise the resulting economic impacts over time, thereby helping farmers, advisors, and policymakers make more informed decisions. By linking quantitative simulation evidence with actionable policy recommendations (Section 4), the tool's findings provide practical value across stakeholder groups, supporting farmers in evaluating options, advisors in guiding their clients, and policymakers in designing more effective incentive structures.

For farmers, the Dynamic Agroforestry Management Tool provides a platform to design their own systems, evaluate potential outcomes under different financial schemes and regulatory constraints, and assess whether the investment aligns with their expectations and long-term goals.

Advisors and consultants can also utilise the tool to assist their clients in designing profitable systems based on the most current knowledge, or to present multiple scenarios that enable farmers to make informed decisions about adopting agroforestry.

For policymakers, the tool serves as a means to test and understand the implications of proposed financial schemes at the farm level, helping them design measures that genuinely support adoption and reduce risk for farmers and land managers.

Together, the insights from the tool equip all decision-makers with a practical framework to overcome institutional barriers and promote the broader, more equitable adoption of agroforestry systems across Europe.

3.2 Farmer Perspective on Institutional Barriers

As part of our collaborative efforts within the ReForest project, we established close coordination with the Euro-Mediterranean Economists Association (EMEA), a partner organisation actively engaged in developing agroforestry-specific financial schemes through a comprehensive survey of farmers. Recognising the overlap in objectives of WP5 and the potential burden on farmers and experts from participating in multiple parallel surveys, we chose a synergistic approach. Rather than duplicating efforts, we decided to build upon the insights and findings generated by EMEA's survey (Appendix 2). This allowed us to not only reduce redundancy and respondent fatigue but also to enhance the coherence of project outcomes by ensuring that our analysis reflects a shared, unified understanding of the challenges and opportunities faced by agroforestry stakeholders. As a result, this section integrates and reflects on the valuable lessons learned from EMEA's work, particularly around institutional and financial barriers, rather than launching an independent data collection effort.

Based on the response collected to the farmer survey conducted by EMEA, significant institutional barriers and financial challenges continue to hinder agroforestry adoption across the EU and the UK. The survey, which included responses from 38 farmers, compiled rankings of agroforestry (AF) and monitoring, reporting, and verification (MRV) barriers. EMEA also performed a cohort-based analysis of the farmer survey. The analysis reveals that when presented as both weighted and simple averages, it highlights that the most pressing issues are related to institutional settings in the form of:

- **Subsidy misalignment** emerged as one of the highest-rated barriers across the survey sample. It was particularly emphasised by the ReForest cohort, farmers currently not practising agroforestry and mid-adopters. This pattern indicates that subsidy schemes are often poorly aligned with the practical and economic realities of agroforestry systems. These systems are characterised by long investment horizons, multifunctional outputs, and ecosystem service contributions, which are typically not well supported by conventional agricultural subsidies. The disconnect between funding mechanisms and the long-term benefits of agroforestry discourages adoption and limits its potential for widespread adoption and scaling.
- **Lack of supportive regulatory and policy frameworks** was also widely cited, especially by the project cohort and cohorts not practising agroforestry. These findings suggest that national policies often fall short in providing a cohesive, cross-sectoral approach that integrates agroforestry within broader agricultural, environmental, and forestry strategies. Mid and late adopters of agroforestry also voiced dissatisfaction, which may stem from first-hand experience navigating fragmented regulations during implementation. The absence of clear institutional guidance adds complexity and risk to the adoption of agroforestry.

- **Limited access to suitable funding options** was another prominent barrier, with high concern expressed by the UK cohorts, project cohorts, and mid-adopter groups. Although some funding schemes are available, respondents indicated they are often difficult to access, not tailored to agroforestry's unique requirements, or insufficient to cover long-term needs. This highlights a critical gap in the financial infrastructure needed to support widespread adoption of agroforestry systems.
- **Absence of a standardised MRV framework** was strongly highlighted by the cohorts not practising agroforestry and mid-adopters, reflecting concern over the difficulty in quantifying and verifying agroforestry's environmental benefits. Without robust MRV systems, it becomes challenging to access payments for ecosystem services or participate in carbon markets. The lack of standardised metrics also weakens the policy case for agroforestry, as policymakers lack the data needed for evidence-based planning and support.
- **Income instability** was also identified as a significant challenge, particularly among more experienced practitioners, such as the project group and agroforestry practitioners. These participants are likely to have encountered fluctuations in revenue during the system establishment and transition phases. Early and mid-adopters also reported high concern, underscoring the need for policies that provide income-stabilisation measures, such as multi-year payments, risk-sharing mechanisms, or better market integration for agroforestry products.

These findings indicate a clear structural and institutional misalignment between current support mechanisms and the realities faced by agroforestry practitioners. Farmers reported that current subsidies are often not tailored to the long-term, diverse, and multi-output nature of agroforestry systems. In addition, policy frameworks are often fragmented or poorly integrated across the agriculture, environment, and forestry sectors, making it difficult to navigate or access consistent support.

From a regional perspective, UK farmers operating outside the CAP reported particularly high concerns regarding MRV costs and limited financial assistance, underlying structural differences in national support infrastructures. This suggests that even within Europe, access to agroforestry-related funding and advisory services remains highly inconsistent.

Despite the aforementioned challenges and institutional barriers, many farmers continue to adopt agroforestry due to its environmental, economic, and social benefits. Studies consistently report that motivations such as improved soil health, resilience to climate extremes, diversified income streams, and aesthetic or cultural values are key drivers for farmers to adopt agroforestry (Rolo et al., 2020; Burgess et al., 2018). Pioneering farmers, especially in Western and Northern Europe, often act as local innovators or demonstration sites, catalysing peer-to-peer learning (Burgess et al., 2018; Klimke et al. 2025). Additionally, growing interest in regenerative agriculture and carbon farming is pushing more landowners to consider integrated tree-based solutions.

4. RECOMMENDATIONS

Addressing institutional and financial support barriers is critical to unlocking the full potential of agroforestry as a sustainable agricultural practice (Tranchina et al., 2024). To support this, we offer

the following targeted recommendations designed to enhance the adoption and integration of agroforestry across various farming systems.

The European Commission and Member States should jointly establish a shared mechanism to identify and classify agroforestry parcels across Europe. This should include the creation of an EU-wide, publicly accessible database that enables consistent and transparent verification of agroforestry systems and location-specific benefits of establishing agroforestry (e.g., establishing agroforestry near Natura 2000 areas helps in expanding the bio corridor, or establishing agroforestry in keyline design helps manage surface runoff and prevent soil erosion in sloped terrain). Furthermore, instead of each Member State having its own definition of agroforestry, a common set of criteria that describes the defining characteristics of agroforestry systems must be agreed upon by the Member States. These criteria should act as a flexible, inspirational guide for farmers and land managers to design agroforestry systems curated for their land parcels so that they can maximise the benefits of agroforestry. By allowing system-specific customisation, the approach would support diverse agroecological settings and farm objectives while maintaining clarity for support scheme eligibility. This flexibility is essential to avoid excluding innovative or context-adapted practices from policy benefits.

Concrete steps should be taken to streamline the administrative requirements linked to agroforestry financial support. This includes simplifying geospatial mapping requirements, clarifying eligibility rules, and reducing paperwork. Providing easily accessible support materials such as step-by-step guides, walkthrough videos, or interactive tutorials to help new agroforestry farmers, especially those less comfortable with digital tools, navigate application processes with confidence. Clear, user-friendly content can significantly reduce entry barriers and increase participation in support schemes. Removing these bureaucratic hurdles would especially benefit small and medium-sized farms, which often lack the technical resources to comply with complex application procedures and thereby encourage broader adoption.

Additionally, there is a policy disconnect between the ecological classification of a species in the negative lists and its practical value in agroforestry, which illustrates how regulatory rigidity can hinder adoption. Farmers may be forced to either abandon agroforestry plans or choose less suitable species that meet eligibility rules but do not align with local soil, climate, or market conditions. Revisiting species lists with a more nuanced, context-specific ecological assessment could help balance conservation priorities with on-farm practicality, thereby removing an unnecessary institutional hurdle to broader agroforestry uptake. A harmonised system would help reduce confusion over eligibility for payments and simplify auditing processes, ensuring that both farmers and managing authorities can confidently navigate agroforestry-related administrative procedures.

One of the most critical needs identified is upfront investment relief, either through direct subsidies or grants, to offset the high establishment costs and delayed returns typically associated with agroforestry systems. Constraints imposed by the different financial support schemes across Europe are consistently identified as major institutional barriers to adoption. In addition, support schemes must be designed with regional adaptability in mind, ensuring that they account for the varying opportunity costs faced by farmers in different landscapes, particularly those in upland or low-productivity areas. The effectiveness of agroforestry support depends not only on the total amount of funding but also on the timing, structure, and regional targeting of those incentives. Any future

reform of the CAP should explicitly integrate mechanisms to enhance the uptake, maintenance, and monitoring of agroforestry practices. This includes tailored eco-scheme payments, support for advisory services, and investment incentives. Agroforestry should be embedded as a standard component of resilient, climate-smart agricultural practice.

Policymakers are therefore encouraged to utilise the Dynamic Agroforestry Management Tool to test and refine funding mechanisms prior to implementation. By simulating future Net Present Value (NPV) outcomes for various financial schemes, the tool facilitates evidence-based policy design, ensuring that incentives genuinely enhance farm-level profitability and adoption potential, rather than relying on uniform measures that may not align with local realities.

Equally important is the need for greater policy certainty in environmental markets, especially around carbon pricing. Stable and transparent mechanisms for valuing ecosystem services, such as carbon sequestration, are essential to making agroforestry economically viable in the long term (Montero-de-Oliveira et al., 2025). Furthermore, the analysis advocates for a shift in policy evaluation frameworks to incorporate options-based thinking, which considers the value of land-use flexibility and timing.

Policy frameworks could be adapted to recognise and reward agroforestry-derived ecosystem services in labelling schemes, linking food markets more directly with climate, biodiversity, and land restoration goals. A flexible business model to support a new value chain for agroforestry products based on stakeholder survey, a demand assessment, and mapping of local and regional links between stakeholders related to AF, especially with processors, sellers and consumers, is developed by OSA and documented in their Milestone Report 24. Several leading bodies, including the European Parliamentary Research Service (EPRS), the European Agroforestry Federation (EURAF), and partners working on agroforestry projects AFINET, DiverIMPACTS, AGROMIX, MIXED, AGFORWARD, and Carbon Farming CE, have identified these key institutional barriers to the adoption of agroforestry and provided similar recommendations to address them.

For a comprehensive analysis of barriers mentioned by the survey respondents, including how they intersect with policy design, environmental monitoring, and system performance, readers are encouraged to read Deliverable Report D5.5: *Report of AF Financing Model Application* of the ReForest project. Based on the in-depth findings from the survey and an extensive review, EMEA has proposed a set of financial schemes to address key institutional bottlenecks and support farmers throughout the full lifecycle of agroforestry systems, as outlined in their Deliverable Report. These schemes are designed to provide timely and targeted financial assistance, aligned with the long-term investment horizon that agroforestry requires. The goal is not only to help farmers establish and maintain agroforestry systems, but also to ensure they can achieve sustainable economic returns from them. In doing so, their recommendation aims to strengthen and enhance financial frameworks for agroforestry across Europe.

To effectively support farmers who have already adopted agroforestry and to encourage those still considering it, it is essential to address the institutional and financial barriers outlined in this report. Achieving this requires more than policy changes alone; it calls for strategic collaboration between public institutions and non-state actors. NGOs, farmers' associations, research institutes, and private advisory networks play a vital role in bridging information gaps, offering technical training, and

advocating for policy adjustments (Bettleset et al., 2021; Tranchina et al., 2024). Successful cases from countries like France and Germany demonstrate how co-designing support schemes with farmer cooperatives and local governments can increase legitimacy and uptake (EMEA, 2024; EURAF, 2023). Moreover, partnerships with carbon market actors and private sector buyers could unlock new value chains for agroforestry products and ecosystem services (Golicz et al., 2022; Röhrig et al., 2023).

5. Conclusion and Outlook

Although agroforestry has been formally recognised under the CAP since 2007 and is increasingly promoted for its environmental, climate, and socio-economic benefits, adoption across EU Member States remains uneven. Persistent institutional and financial barriers continue to hinder uptake, despite only marginal increases in support during the 2023–2027 CAP programming period (Rivieccio et al., 2023). Country-level implementation often suffers from inconsistent definitions, restrictive eligibility thresholds, administrative burdens, and fragmented support schemes. These challenges not only undermine farmer confidence but also limit the effectiveness of agroforestry as a strategic land use capable of contributing to the EU Green Deal objectives. Without addressing these systemic obstacles, agroforestry risks remaining a niche practice rather than scaling into a mainstream solution for resilient and sustainable agriculture in Europe.

Integrating current financial support schemes for agroforestry and ecosystem services into the dynamic agroforestry management tool provides valuable, location-specific information to farmers. It not only allows them to see what support schemes are available in their own region but also offers a broader perspective on the conditions and challenges faced by other agroforestry practitioners across Europe. This feature helps to bridge the gap between policy frameworks and on-the-ground realities, highlighting where support mechanisms align or fail to align with real, complex agroforestry systems. For instance, a farmer might discover that a promising agroforestry system is ineligible for funding due to rigid criteria, such as minimum tree densities or species limitations, which they cannot comply with because of the shape or size of the farm. In other cases, although support may technically exist, the administrative burden, such as the application process or the complexity of compliance, is a major deterrent.

By interacting with the dynamic agroforestry management tool developed for the ReForest project, farmers can simulate how an agroforestry system would perform on their land and evaluate the practical availability and value of financial support schemes. Moreover, agroforestry advisors and consultants can use this functionality to recommend adjustments to system design, ensuring that farmers can still meet their goals while aligning with funding eligibility requirements. On the policy development side, the tool serves as a feedback mechanism, enabling policymakers to better understand how existing financial support plays out in real-life farm contexts. It reveals how specific funding conditions and compliance requirements affect adoption rates and economic outcomes. Ultimately, this insight can help policymakers identify the key barriers to the adoption of agroforestry within their region. It can also inform decisions on where greater flexibility, streamlined processes, or targeted revisions are needed to improve the effectiveness and accessibility of agroforestry support schemes.

Ultimately, the DA approach, combined with this policy-aware interface, turns abstract policy frameworks into concrete, testable assumptions. It allows users to ask not only "Is this system profitable?" but also "Is it institutionally supported in practice?". This empowers evidence-based dialogue among farmers, researchers, and policymakers, and helps drive the development of more inclusive and adaptable agroforestry policy design.

To ensure the information on financial support for agroforestry and its benefits remains current and inclusive, a living document has been created to continuously collect financial support data for agroforestry across European countries at both national and regional levels. This collaborative spreadsheet, initially shared with the project partners, will be circulated widely among agroforestry networks and working groups and will remain open for updates until the end of the project, recognising that policies and funding schemes are dynamic and frequently revised. The version of the dataset compiled up to April 2025 has been archived and will be published on Zenodo as an official project database. At the conclusion of the project, the living document will be taken offline and submitted as part of the final project report, serving as a valuable reference for future research, policymaking, and implementation efforts in agroforestry.

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APPENDIX 2: EMEA'S SURVEY ON FARMERS' PERSPECTIVE ON INSTITUTIONAL BARRIERS

This appendix is divided into three parts:
Part 1: Full version of the survey (English) for ReForest Living Labs
Part 2: Short version of the survey (English) for external farmers
Part 3: Full version of the survey (English) for ReForest the UK Living Labs
Part 4: Short version of the survey (English) for the UK external farmers
Part 5: Survey guidelines

The surveys were developed and distributed by EMEA as part of their work in WP 5. They translated into local languages to ensure clarity and accessibility for participants and distributed it via Google Forms.

APPENDIX 2: PART 1

REFOREST Survey for Farmers (EU)

12 December 2024

Description of REFOREST project:

REFOREST is a European Union (EU) funded project with the aim of using existing knowledge to co-create solutions to key barriers that hinder wider adoption of AF practices ("*a multifunctional land-use system that combines the cultivation of trees and shrubs with crops and/or livestock on the same land" - FAO*) in the EU and associated countries. The strategic objective of the project is to enhance agroforestry and the resilience of food production by internalizing the value of carbon storage, biodiversity enhancement, water retention and soil improvement in farming business models.

Background and Objectives:

This survey aims to identify the financial barriers that affect the implementation and expansion of agroforestry practices. A key goal of our research is to design an innovative financing scheme to empower farmers to access essential funding and investments. Your participation is vital to refining our approach.

After gathering quantitative and qualitative data, our team will conduct case studies tailored to the specific needs and characteristics of each Living Lab involved in the project. Our goal is to support you in enhancing your business model, either by refining current practices or integrating new ones.

In parallel, our team is also collaborating with the whole stakeholder chain (policymakers, bankers, philanthropists, researchers, etc.) to understand their gaps and needs. Ultimately, our objective is to expand funding opportunities for agroforestry farmers, connect them with broader networks, and offer a fairer scheme that fully captures the uncapped environmental and socio-economic benefits of agroforestry practices.

Goals of the survey:

- Identification of the main financial obstacles for AF in Europe
- Understanding the financial needs of AF farmers
- Assess applicability of the Reforest proposed financing scheme within partner Living Labs

Target group: REFOREST's Living Labs / AF Farmers in Europe

Duration of the survey: 1 hour

Deadline to respond: 10/01/2025

EMEA thanks you for the time taken to fill out this survey.

If you face any issues, or request your information to be deleted, please do not hesitate to send an email to: tiago.zibecchi@euromed-economists.org

We are more than happy to assist you if any support is needed. *This survey is dedicated exclusively to research purposes and not for any commercial use.*

Participant Information and Consent Form

PRIVACY AND CONFIDENTIALITY

The use of personal data throughout the REFOREST Project activity complies in full with:

- *EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018*
- *EC Data Protection Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.*
- *The revision of Directive 95/46/EC Regulation (EU) No 2016/679 of the European Commission,*
- *The Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 and the national law on data protection*

DISCLAIMER

- For the REFOREST Project research purposes, a REFOREST Partner may collect the following personal data: first name, family name, e-mail address, company/organization name, role/job title, type of stakeholder, gender, age group, education, source of income, your particular interest(s) in the REFOREST Project topics
- Personal data may be shared only between the REFOREST Project partners
- None of the personal data collected throughout any of the REFOREST Project activity will be shared with/ or disclosed to third parties unless fully anonymized and authorized by REFOREST Coordinator and used for further research purposes only

Please note: *Should you feel uncomfortable at any stage of the activity, or indeed you would like to leave the activity at any point, please inform the Activity Leader promptly.*

REFOREST Project activity Consent Form (Participant Agreement)

Please check ("X") all appropriate boxes:

- ❑ I hereby agree to participate in the REFOREST Project activity.
- ❑ I am 18 years or older.
- ❑ I have been fully informed about the aims and purposes of the REFOREST Project activity.
- ❑ I have read and fully understand the purpose of collecting my personal data and the use of my personal data
- ❑ The procedures regarding the personal data collection, processing and storage of personal data, confidentiality, audio and/or video recording of the activity have all been clearly explained to me.
- ❑ I hereby agree my personal data is used in accordance with the EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018.
- ❑ My participation in the REFOREST Project activity is voluntary.
- ❑ I will not be paid for my participation in the REFOREST Project activity.
- ❑ I would like to receive REFOREST Project Newsletter. I hereby agree my REFOREST Newsletter subscription allows all REFOREST Project partners access to my email address.

Name and surname of the Participant ***Place, date and signature of the Participant***

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Thank you for your collaboration in the REFOREST Project

Part I: General information

1. Name of the farm: _____
2. Country: _____
3. Size of the farm (in ha): _____
4. Date of farm establishment: __/__/___
5. Do you currently engage in **agroforestry** practices? Yes / No ____
6. Date of establishment of agroforestry project: __/__/___
7. Number of farm workers
   Full-time workers: ____
   Part-time workers: ____
8. Farming Approach
   (organic, conventional, integrated or transitioning farming, other___): _____

9. Watering technique
   (irrigated scheduling, rainwater harvesting, flooding, other__): _____
10. Type of carbon capture practice
    (e.g. arable land (e.g. cover cropping), permanent crops, permanent grassland, hedgerows, woodlands, other___): _____
11. Farm ownership
    (Owned, Leased, partially owned and leased): _____

Part II: Identification of Barriers

12. Please rate the **importance of each factor as a barrier** you have encountered in your agroforestry practices.

(Note: If you are not yet practicing agroforestry: rate based on the barriers you anticipate would discourage or prevent you from adopting agroforestry)

Factor	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of access to suitable funding options (such as AF-specific credit, state subsidies (CAP), philanthropic grants, private market loans, etc...)						
High costs of borrowing (high interest rates on loans, high collateral, etc...)						
Lack of Agroforestry-Specific Implementation Knowledge or Skills						
Lack of Strong Agroforestry Support Network or Community						
Lack of advisory services						
Insufficient insurance offers						
Extreme events due to Climate Change						
Lack of Market Access for Agroforestry Products						
Factor	**Not important**	**Low importance**	**Somewhat important**	**Fairly important**	**Crucial**	**I don't know**
Income Instability (fluctuating harvests, uncertain yields)						

High risk and long timelines required for agroforestry to become profitable						
Absence of standardized environment impact measurement framework Measurement Reporting and Verification (MRV) (impact on the quality of soil, carbon, biodiversity, etc.)						
Lack of supportive regulatory and policy framework at the national level						
Subsidy Misalignment (favoring conventional farming methods for ex.)						

13. What do you consider to be the main **barrier to expanding** your agroforestry? _____

14. . Please add any other important barriers you encounter that was not mentioned above: (for example, around governance of the farm, business model specific problems with seasonality or supply chain, state ownership, government market disruption)
_____

Part III: Current financing model and funding gaps

Private Sector

15. Did you receive any **private loans** specifically to support farm-related practices?

Please mark with an "X" after the option(s) that apply

- ❑ Traditional bank
- ❑ Development or Specialized bank
- ❑ Informal / Family loan
- ❑ Micro-credit
- ❑ Other: _____

16. Did you receive **any other financial funds** from the private market?

Please mark with an "X" after the option(s) that apply

- ❑ European Green Bonds
- ❑ Agri-food companies in the supply chain
- ❑ ESG / Impact Investors
- ❑ Philanthropists
- ❑ Private Foundations / NGO
- ❑ Charitable Grants / Donations
- ❑ Research Institutions and Universities
- ❑ Climate Delegated Act

- ❑ Complementary Climate Delegated Act
- ❑ Other: _____

Public Sector

17. Did you get any **public funding** specifically to support farm-related practices?

Please mark with an "X" after the option(s) that apply

- ❑ State Aid
- ❑ Common Agriculture Policy (CAP)
- ❑ Local Governments
- ❑ Research Institutions and Universities
- ❑ Other: _____

If so, from which channel:

Please mark with an "X" after the option(s) that apply

- ❑ Advisory Services
- ❑ Research and Development
- ❑ Knowledge transfer and information
- ❑ Start-up aid
- ❑ Asset Investments
- ❑ Payment for insurance premiums
- ❑ Compensation for damage caused by adverse climatic events
- ❑ Prevention
- ❑ Control and eradication of animal diseases and plant pests
- ❑ Other_____

Loans related questions

18. Is your **Financing Scheme sufficient to cover and maintain** all your agroforestry practices? Yes/ No _____

19. How much of your farm's income goes toward **repaying loans**?

Please mark with an "X" after the option

- ❑ Less than 20%
- ❑ Between 20% and 40%
- ❑ Between 40% and 60%
- ❑ Between 40% and 60%
- ❑ Between 60% and 80%
- ❑ More than 80%

20. Do you **frequently** encounter difficulties in repaying loans? Yes/ No _____

21. Are you **currently behind** on any payments? Yes/ No _____

For EU Member States Respondents – CAP related Questions

22. Do you receive any **Financial Aid** from the EU or any other scheme? No/ Yes (which institution_____)

*The following questions concerns the "**Common Agricultural Policy (CAP)"** - European Union's framework that provides financial support and guidelines to promote sustainable agriculture, ensure food security, protect rural livelihoods, and address environmental and climate challenges across Member States.*

Questions on Conditionality/ Cross-Compliance

23. Which **Statutory Management Requirements (SMRs)** do you comply with?
    Please mark with an "X" after the option
    - ❑ General Food Law
    - ❑ Use of Hormones
    - ❑ Plant Protection Products
    - ❑ Sustainable Use of Pesticides
    - ❑ Protection Welfare
    - ❑ Water Policy
    - ❑ Nitrates Directive
    - ❑ Conservation of Wild Birds and Habitat
    - ❑ None

24. Which **Good Agricultural and Environmental Conditions (GAECs)** do you comply with?
    Please mark with an "X" after the option
    - ❑ Permanent Grassland
    - ❑ Wetlands Peatlands
    - ❑ Soil Protection
    - ❑ Buffer Strips
    - ❑ Non-productive Areas
    - ❑ Landscape Features
    - ❑ Environmentally Sensitive Grasslands
    - ❑ None

Questions on CAP Financing Scheme

25. Are you eligible for **"CAP Pillar I"** related income support? Yes / No_____
26. If you have received any **Income Support** from the EAGF (European Agricultural Guarantee Fund) which one(s):
    Please mark with an "X" after the option
    - ❑ Direct Payments
    - ❑ Young Farmers
    - ❑ Eco-Scheme
    - ❑ CIS (Coupled Income Support)
    - ❑ CRISS (Complementary Redistributive Income Support for Sustainability)
    - ❑ PSF (Payments for Small Farmers) - exclusive condition

27. Are you eligible for **"CAP Pillar II"** related income support? Yes / No_____
28. Have you received any **Rural Development payment** from EAFRD (European Agricultural Fund for Rural Development) which ones(s)? Yes / No_____
29. Do you think the existing CAP is **sufficient to support AF systems**? Yes / No_____
30. Are you eligible for any CAP payment but **cannot receive it**? Yes / No_____
    If so, why not? _____

Carbon Market and Insurance related questions

31. Do you receive any financial support or payments related to AF from participating in the **carbon market**? Yes/ No____
    i. If yes, please list the grant(s) you have received: _____
    ii. If not, do you plan to do that in the near future? Yes/ No____

32. What **types of insurance** do you have for your farm?

Please mark with an "X" after the option(s) that apply

- ❑ Crop insurance
- ❑ Livestock insurance
- ❑ Liability insurance
- ❑ Property insurance
- ❑ Other please specify_____
- ❑ None

33. Do you have **parametric insurance** for your farm? Yes/ No/ I'm not familiar with parametric insurance

Please mark with an "X" after the option(s) that apply

- ❑ Yes
- ❑ No
- ❑ I'm not familiar with parametric insurance

Part IV: Impact on the ecosystem

34. Please, **describe in detail how your agroforestry practices contribute to sustainability** (for ex. Positive impact on soil health, water quality, biodiversity, carbon sequestration _____

35. How are the **local geographic conditions affecting** your Agroforestry practices? _____

36. What are the ecosystem services you believe are the most **important in your region**? _____

37. Are you willing to conduct environmental monitoring, report and verification **(MRV) activities** at your farm? Yes / No _____

38. Do you **monitor your ecosystem service environmental impact**?

If not:

a. Why? _____

If yes:

b. **How frequently** do you measure your impact?

Please mark with an "X" after the option(s) that apply

- ❑ Annually
- ❑ Quarterly
- ❑ Other_____

c. Do you use any **international / national guidelines** to measure your impact? Yes/No (If yes, please describe) _____

d. Do you face **any technical (skills, tools or resources) difficulty** in measuring your impact? Yes/No (If yes, please describe) _____

e. Are there any indicators which you believe are **not measured yet**, but should? Which one? _____

Part V: Technical Assistance

39. Please rate the importance of each **factor as a barrier** to your **monitoring** efforts:

Factors	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of tools or equipment						
High costs of MRV						
Insufficient knowledge or expertise						
Time constraints						
Difficulty accessing data						

40. Any other difficulty: _____

41. What **percentage of your income do you spend on data collection and analysis for measuring** your environmental impact?

Please mark with an "X" after the option(s) that apply

- ❑ Less than 5%
- ❑ Between 5% and 10%
- ❑ Between 10% and 20%
- ❑ More than 20%/
- ❑ I do not spend any income on this

42. Do you have **access to advisory or AF extension services** – that is: any knowledge sharing relevant to any stage of agroforestry farming, including public and private advisories bodies and peer-to-peer learning? Yes/ No _____
43. Are you i**nterested in collaborating with other AF Stakeholders**? Yes/ No _____
44. What type of **activities and contacts are you most interested** in?
    Please describe it: _____

Part VI: Our Proposed Financing Scheme

At REFOREST, we are developing an innovative Hybrid Payment Scheme to support agroforestry practices by addressing both immediate costs and long-term sustainability.

This scheme combines two complementary payment approaches:

- **Action-Based Payments (ABPs):** These provide financial incentives to farmers for implementing specific sustainable practices or management actions, regardless of whether measurable outcomes are achieved.
- **Results-Based Payments (RBPs):** These offer additional financial rewards based on achieving specific environmental outcomes, such as enhanced biodiversity, soil health, or carbon sequestration.

By pairing ABPs to support initial costs and encourage sustainable practices with RBPs to recognize measurable environmental gains, **our Hybrid Payment Scheme** aims to promote the uptake of agroforestry. **The scheme also integrates ex-ante payments and advisory support** from the outset, ensuring that farmers receive guidance and skill development throughout the project. This approach includes training advisers and consultants to build ongoing capacity and ensure the scheme's success.

Questions:

45. Do you believe **ecosystem services** (e.g., biodiversity, carbon sequestration) **should be financially rewarded** to encourage sustainable practices? Yes / No___

46. Do you believe payments for ecosystem services **could be financially sustainable** for farmers in the **long term**? Yes / No___

By 'financially sustainable for farmers in the long term,' we mean whether payments for ecosystem services (PES) can provide consistent, reliable, and sufficient income or financial support over many years. This includes covering costs, compensating for any lost productivity, and offering enough incentive to maintain or improve environmentally friendly farming practices.

47. Were you **familiar with any existing payment schemes** for ecosystem services, before? Yes / No___

48. If yes, which type of payment do you believe would be most effective for supporting sustainable agroforestry practices?

Please mark with an "X" after the option(s) that apply

- ❑ Action-Based Payments
- ❑ Results-Based Payments
- ❑ Hybrid/Mixed Payments

Part VII: Open Feedback on Farmers' needs

49. What **additional features** would make an ecosystem services payment scheme more **attractive or practical for you**?

Please describe as detailed as you can: _____

50. Do you have **any concerns** about potential ecosystem services payments that we have not addressed?

Please describe as detailed as you can: _____

51. What do you **need the most** to be able to establish and maintain Agroforestry practices?

Please describe as detailed as you can: _____

Further Comments

Please feel free to leave any additional comments or suggestions to improve the process in the future: _____

Thank you so much for your time!

APPENDIX 2: PART 2

REFOREST Survey for Extended Network Farmers (EU)

12 December 2024

Description of REFOREST project:

REFOREST is a European Union (EU) funded project with the aim of using existing knowledge to co-create solutions to key barriers that hinder wider adoption of AF practices in the EU and associated countries. The strategic objective of the project is to enhance agroforestry and the resilience of food production by internalizing the value of carbon storage, biodiversity enhancement, water retention and soil improvement in farming business models.

Background and Objectives of this Survey:

This survey aims to identify the financial barriers that affect the implementation and expansion of agroforestry practices. A key goal of our research is to design an innovative financing scheme to empower farmers to access essential funding and investments. Your participation is vital to refining our approach.
After gathering quantitative and qualitative data, our team will conduct case studies tailored to the specific needs and characteristics of each Living Lab (countries) involved in the project. Our goal is to support you in enhancing your business model, either by refining current practices or integrating new ones.
In parallel, our team is also collaborating with the whole stakeholder chain (policymakers, bankers, philanthropists, researchers, etc.) to understand their gaps and needs. Ultimately, our objective is to expand funding opportunities for agroforestry farmers, connect them with broader networks, and offer a fairer scheme that fully captures the uncapped environmental and socio-economic benefits of agroforestry practices.

Goals of the survey:

- Identification of the main financial obstacles for AF in Europe
- Understanding the financial needs of AF farmers
- Assess applicability of the Reforest proposed financing scheme within partner Living Labs

Target group: REFOREST LL's Extended Farmers Network in the EU
Duration of the survey: 15 minutes
Deadline to respond: **17/01/2025**

If you face any issues, or request your information to be deleted, please do not hesitate to send an email to: tiago.zibecchi@euromed-economists.org
We are more than happy to assist you if any support is needed. *This survey is dedicated exclusively to research purposes and not for any commercial use.*

Participant Information and Consent Form

PRIVACY AND CONFIDENTIALITY

The use of personal data throughout the REFOREST Project activity complies in full with:

- *EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018*
- *EC Data Protection Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.*
- *The revision of Directive 95/46/EC Regulation (EU) No 2016/679 of the European Commission,*
- *The Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 and the national law on data protection*

DISCLAIMER

- For the REFOREST Project research purposes, a REFOREST Partner may collect the following personal data: first name, family name, e-mail address, company/organization name, role/job title, type of stakeholder, gender, age group, education, source of income, your particular interest(s) in the REFOREST Project topics
- Personal data may be shared only between the REFOREST Project partners
- None of the personal data collected throughout any of the REFOREST Project activity will be shared with/ or disclosed to third parties unless fully anonymized and authorized by REFOREST Coordinator and used for further research purposes only

Please note: *Should you feel uncomfortable at any stage of the activity, or indeed you would like to leave the activity at any point, please inform the Activity Leader promptly.*

REFOREST Project activity Consent Form (Participant Agreement)

Please check ("X") all appropriate boxes:

- ❑ I hereby agree to participate in the REFOREST Project activity.
- ❑ I am 18 years or older.
- ❑ I have been fully informed about the aims and purposes of the REFOREST Project activity.
- ❑ I have read and fully understand the purpose of collecting my personal data and the use of my personal data
- ❑ The procedures regarding the personal data collection, processing and storage of personal data, confidentiality, audio and/or video recording of the activity have all been clearly explained to me.
- ❑ I hereby agree my personal data is used in accordance with the EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018.

- ❑ My participation in the REFOREST Project activity is voluntary.
- ❑ I will not be paid for my participation in the REFOREST Project activity.
- ❑ I would like to receive REFOREST Project Newsletter. I hereby agree my REFOREST Newsletter subscription allows all REFOREST Project partners access to my email address.

Name and surname of the Participant ***Place, date and signature of the Participant***

Thank you for your collaboration in the REFOREST Project

Part I: General information

1. Country: _____
2. Size of the farm (in ha): _____
3. Date of farm establishment: __/__/___
4. Do you currently engage in **agroforestry** practices? Yes / No ____
   - If **YES**, indicate the Date of establishment of agroforestry project: __/__/___
   - If **NOT**, are you planning to do so? Yes / No___
5. Number of farm workers
   Full-time workers: ____
   Part-time workers: ____
6. Farming Approach
   (organic, conventional, integrated or transitioning farming, other___): _____
7. Watering technique
   (irrigated scheduling, rainwater harvesting, flooding, other__): _____
8. Type of carbon capture practice
   (arable land (e.g. cover cropping), permanent crops, permanent grassland, hedgerows, woodlands, other___): _____
9. Farm ownership
   (Owned, Leased, partially owned and leased): _____

Part II: Identification of Barriers

10. Please rate the **importance of each factor as a barrier** you have encountered in your agroforestry practices.

Note: If you are <u>not yet practicing agroforestry</u>: rate based on the barriers you anticipate would discourage or prevent you from adopting agroforestry

Please mark with an "X" for each line to the category that applies

Factor	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of access to suitable funding options (such as AF-specific credit, state subsidies (CAP), philanthropic grants, private market loans, etc...)						

High costs of borrowing (high interest rates on loans, high collateral, etc...)						
Lack of Agroforestry-Specific Implementation Knowledge or Skills						
Lack of Strong Agroforestry Support Network or Community						
Income Instability (fluctuating harvests, uncertain yields)						
Lack of Market Access for Agroforestry Products						
Lack of advisory services						
Factor	**Not important**	**Low importance**	**Somewhat important**	**Fairly important**	**Crucial**	**I don't know**
Insufficient insurance offers						
Extreme events due to Climate Change						
High risk and long timelines required for agroforestry to become profitable						
Absence of standardized environment impact measurement framework Measurement Reporting and Verification (MRV) (impact on the quality of soil, carbon, biodiversity...)						
Lack of supportive regulatory and policy framework at the national level						
Subsidy Misalignment (favoring conventional farming methods for ex.)						

Part III: Current financing model and funding gaps

Private Sector

11. Did you receive any **private loans** specifically to support farm-related practices?

Please mark with an "X" after the option(s) that apply

- ❑ Traditional bank
- ❑ Development or Specialized bank

- ❑ Informal / Family loan
- ❑ Micro-credit
- ❑ Other: _____
- ❑ **No**

12. Did you receive **any other financial funds** from the private market?

Please mark with an "X" after the option(s) that apply

- ❑ European Green Bonds
- ❑ Agri-food companies in the supply chain
- ❑ ESG / Impact Investors
- ❑ Philanthropists
- ❑ Private Foundations / NGO
- ❑ Charitable Grants / Donations
- ❑ Research Institutions and Universities
- ❑ Climate Delegated Act
- ❑ Complementary Climate Delegated Act
- ❑ Other: _____
- ❑ **No**

Public Sector

13. Did you get any **public funding** specifically to support farm-related practices?

Please mark with an "X" after the option(s) that apply

- ❑ State Aid
- ❑ Common Agriculture Policy (CAP)
- ❑ Subsidies and Grants from Governments (Local, National)
- ❑ Research Institutions and Universities
- ❑ Other: _____
- ❑ **No**

Loans related questions

14. Is your **Financing Scheme sufficient to cover and maintain** all your agroforestry practices? Yes/ No _____

15. How much of your farm's income goes toward **repaying loans**?

Please mark with an "X" after the option

- ❑ Less than 5%
- ❑ Between 5% and 10%
- ❑ Between 10% and 50%
- ❑ Above 50%

16. Do you **frequently** encounter difficulties in repaying loans? Yes/ No _____

17. Are you **currently behind** on any payments? Yes/ No _____

For EU Member States Respondents – CAP related Questions

*The following questions concerns the "**Common Agricultural Policy (CAP)**" - European Union's framework that provides financial support and guidelines to promote sustainable agriculture, ensure food security, protect rural livelihoods, and address environmental and climate challenges across Member States.*

Questions on Conditionality/ Cross-Compliance

18. Which **Statutory Management Requirements (SMRs)** do you comply with?

Please mark with an "X" after the option

- ❑ General Food Law
- ❑ Use of Hormones
- ❑ Plant Protection Products
- ❑ Sustainable Use of Pesticides
- ❑ Protection Welfare
- ❑ Water Policy
- ❑ Nitrates Directive
- ❑ Conservation of Wild Birds and Habitat
- ❑ **None**

19. Which **Good Agricultural and Environmental Conditions (GAECs)** do you comply with?

Please mark with an "X" after the option

- ❑ Permanent Grassland
- ❑ Wetlands Peatlands
- ❑ Soil Protection
- ❑ Buffer Strips
- ❑ Non-productive Areas
- ❑ Landscape Features
- ❑ Environmentally Sensitive Grasslands
- ❑ **None**

Questions on CAP Financing Scheme

20. Are you eligible for **"CAP Pillar I"** related income support? Yes / No_____

21. If you have received any **Income Support** from the EAGF (European Agricultural Guarantee Fund) which one(s):

Please mark with an "X" after the option

- ❑ Direct Payments
- ❑ Young Farmers
- ❑ Eco-Scheme
- ❑ CIS (Coupled Income Support)
- ❑ CRISS (Complementary Redistributive Income Support for Sustainability)
- ❑ PSF (Payments for Small Farmers) - exclusive condition

22. Are you eligible for **"CAP Pillar II"** related income support? Yes / No_____

23. Have you received any **Rural Development payment** from EAFRD (European Agricultural Fund for Rural Development) which ones(s)? Yes / No_____

24. Do you think the existing CAP is **sufficient to support your farming practices**? Yes / No____

Insurance related questions

25. What **types of insurance** do you have for your farm?

Please mark with an "X" after the option(s) that apply

- ❑ Crop insurance
- ❑ Livestock insurance
- ❑ Liability insurance

- ❑ Property insurance
- ❑ Other please specify_____
- ❑ **None**

26. Do you have **parametric insurance** for your farm? Yes/ No/ I'm not familiar with parametric insurance

Please mark with an "X" after the option(s) that apply

- ❑ Yes
- ❑ No
- ❑ I'm not familiar with parametric insurance

Part IV: Impact on the ecosystem

27. Does your farm implement any practices that contribute to sustainability? Yes/ No____

28. If yes, please **describe in detail how your farming practices contribute to sustainability** (for ex. Positive impact on soil health, water quality, biodiversity enhancement, carbon sequestration etc.)

_____

Part V: Technical Assistance

29. Are you conducting environmental Monitoring, Report and Verification **(MRV) activities** (eg. Carbon Sequestration Monitoring, Biodiversity tracking....) at your farm?
Yes / No _____

If not: Are you willing to do that in the near future? Yes/No _____
If yes: **How frequently** do you measure your impact?

Please mark with an "X" after the option(s) that apply

- ❑ Annually
- ❑ Quarterly
- ❑ Other_____

30. Please rate the importance of each **factor as a barrier** to your **monitoring** efforts:

Factors	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of tools or equipment						
High costs of MRV						
Insufficient knowledge or expertise						
Time constraints						
Difficulty accessing data						

31. What **percentage of your income do you spend on data collection and analysis for measuring** your environmental impact?
Please mark with an "X" after the option(s) that apply
    - ❑ Less than 5%
    - ❑ Between 5% and 10%
    - ❑ Between 10% and 20%
    - ❑ More than 20%
    - ❑ I **do not** spend any income on this

32. Do you have **access to advisory or AF extension services** – that is: any knowledge sharing relevant to any stage of agroforestry farming, including public and private advisories bodies and peer-to-peer learning? Yes/ No _____

33. Are you i**nterested in collaborating with other AF Stakeholders**? Yes/ No _____

Part VI: Open Feedback on Farmers' needs

What do you **need the most** to be able to establish and maintain Agroforestry practices?
(In terms of funding, measurement, advisory services, payment schemes, incentives, technical assistance, etc.)

Please describe as detailed as you can: _____

Further Comments

Please feel free to leave any additional comments or suggestions to improve the process in the future: _____

Thank you so much for your time!

APPENDIX 2: PART 3

REFOREST Survey for Farmers (UK)

12 December 2024

Description of REFOREST project:

REFOREST is a European Union (EU) funded project with the aim of using existing knowledge to co-create solutions to key barriers that hinder wider adoption of AF practices ("*a multifunctional land-use system that combines the cultivation of trees and shrubs with crops and/or livestock on the same land" - FAO*) in the EU and associated countries. The strategic objective of the project is to enhance agroforestry and the resilience of food production by internalizing the value of carbon storage, biodiversity enhancement, water retention and soil improvement in farming business models.

Background and Objectives of this Survey:

This survey aims to identify the financial barriers that affect the implementation and expansion of agroforestry practices. A key goal of our research is to design an innovative financing scheme to empower farmers to access essential funding and investments. Your participation is vital to refining our approach.

After gathering quantitative and qualitative data, our team will conduct case studies tailored to the specific needs and characteristics of each Living Lab involved in the project. Our goal is to support you in enhancing your business model, either by refining current practices or integrating new ones.

In parallel, our team is also collaborating with the whole stakeholder chain (policymakers, bankers, philanthropists, researchers, etc.) to understand their gaps and needs. Ultimately, our objective is to expand funding opportunities for agroforestry farmers, connect them with broader networks, and offer a fairer scheme that fully captures the uncapped environmental and socio-economic benefits of agroforestry practices.

Goals of the survey:

- Identification of the main financial obstacles for AF in England
- Understanding the financial needs of AF farmers
- Assess applicability of the Reforest proposed financing scheme within partner Living Labs

Target group: REFOREST's Living Labs / AF Farmers in Europe

Duration of the survey: 1hour

Deadline to respond: 17/01/2025

If you face any issues, or request your information to be deleted, please do not hesitate to send an email to: tiago.zibecchi@euromed-economists.org

We are more than happy to assist you if any support is needed. *This survey is dedicated exclusively to research purposes and not for any commercial use.*

Participant Information and Consent Form

PRIVACY AND CONFIDENTIALITY

The use of personal data throughout the REFOREST Project activity complies in full with:

- *EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018*
- *EC Data Protection Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.*
- *The revision of Directive 95/46/EC Regulation (EU) No 2016/679 of the European Commission,*

- *The Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 and the national law on data protection*

DISCLAIMER

- For the REFOREST Project research purposes, a REFOREST Partner may collect the following personal data: first name, family name, e-mail address, company/organization name, role/job title, type of stakeholder, gender, age group, education, source of income, your particular interest(s) in the REFOREST Project topics
- Personal data may be shared only between the REFOREST Project partners
- None of the personal data collected throughout any of the REFOREST Project activity will be shared with/ or disclosed to third parties unless fully anonymized and authorized by REFOREST Coordinator and used for further research purposes only

Please note: *Should you feel uncomfortable at any stage of the activity, or indeed you would like to leave the activity at any point, please inform the Activity Leader promptly.*

REFOREST Project activity Consent Form (Participant Agreement)

Please check ("X") all appropriate boxes:

- ❑ I hereby agree to participate in the REFOREST Project activity.
- ❑ I am 18 years or older.
- ❑ I have been fully informed about the aims and purposes of the REFOREST Project activity.
- ❑ I have read and fully understand the purpose of collecting my personal data and the use of my personal data
- ❑ The procedures regarding the personal data collection, processing and storage of personal data, confidentiality, audio and/or video recording of the activity have all been clearly explained to me.
- ❑ I hereby agree my personal data is used in accordance with the *EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018.*
- ❑ My participation in the REFOREST Project activity is voluntary.
- ❑ I will not be paid for my participation in the REFOREST Project activity.
- ❑ I would like to receive REFOREST Project Newsletter. I hereby agree my REFOREST Newsletter subscription allows all REFOREST Project partners access to my email address.

Name and surname of the Participant	***Place, date and signature of the Participant***
----------	----------

Part I: General information

1. Name of the farm: _____
2. Country: _____
3. Size of the farm (in ha): _____
4. Date of farm establishment: __/__/___
5. Do you currently engage in **agroforestry** practices? Yes / No ____
   - If NOT, are you planning to do so? Yes / No___
6. Date of establishment of agroforestry project: __/__/___
7. Number of farm workers
   Full-time workers: ____
   Part-time workers: ____
8. Farming Approach
   (organic, conventional, integrated or transitioning farming, other___): _____
9. Watering technique
   (irrigated scheduling, rainwater harvesting, flooding, other__): _____
10. Type of carbon capture practice
    (e.g. arable land (e.g. cover cropping), permanent crops, permanent grassland, hedgerows, woodlands, other___): _____
11. Farm ownership
    (Owned, Leased, partially owned and leased): _____

Part II: Identification of Barriers

12. Please rate the **importance of each factor as a barrier** you have encountered in your agroforestry practices.

(Note: If you are not yet practicing agroforestry: rate based on the barriers you anticipate would discourage or prevent you from adopting agroforestry)

Factor	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of access to suitable funding options (such as AF-specific credit, state subsidies (CAP), philanthropic grants, private market loans, etc...)						
High costs of borrowing (high interest rates on loans, high collateral, etc...)						
Lack of Agroforestry-Specific Implementation Knowledge or Skills						

Lack of Strong Agroforestry Support Network or Community						
Lack of Market Access for Agroforestry Products						
Insufficient insurance offers						
Factor	**Not important**	**Low importance**	**Somewhat important**	**Fairly important**	**Crucial**	**I don't know**
Income Instability (fluctuating harvests, uncertain yields)						
Extreme events due to Climate Change						
High risk and long timelines required for agroforestry to become profitable						
Absence of standardized environment impact measurement framework Measurement Reporting and Verification (MRV)						
Lack of advisory services						
Lack of supportive regulatory and policy framework at the national level						
Subsidy Misalignment (favoring conventional farming methods for ex.)						

2. For AF farmers only

What do you consider to be the main **barrier to expanding** your agroforestry practices? _____

3. Please add any other important barriers you encounter that was not mentioned above:
(for example, around governance of the farm, business model specific problems with seasonality or supply chain, state ownership, government market disruption): _____

Part III: Current financing model and funding gaps

Private Sector

34. Did you receive any **private loans** specifically to support farm-related practices?
Please mark with an "X" after the option(s) that apply

- ❑ Traditional bank
- ❑ Development or Specialized bank
- ❑ Informal / Family loan
- ❑ Micro-credit
- ❑ Other: _____

13. Did you receive **any other financial funds** from the private market?

Please mark with an "X" after the option(s) that apply

- ❑ Green Bonds
- ❑ Agri-food companies in the supply chain
- ❑ ESG / Impact Investors
- ❑ Philanthropists
- ❑ Private Foundations / NGO
- ❑ Charitable Grants / Donations
- ❑ Research Institutions and Universities
- ❑ Climate Delegated Act
- ❑ Complementary Climate Delegated Act
- ❑ Other: _____

Public Sector

14. Did you get any **public funding** specifically to support farm-related practices?

Please mark with an "X" after the option(s) that apply

- ❑ State Aid
- ❑ Local Governments
- ❑ Research Institutions and Universities
- ❑ Other: _____

If so, from which channel:

Please mark with an "X" after the option(s) that apply

- ❑ Advisory Services
- ❑ Research and Development
- ❑ Knowledge transfer and information
- ❑ Start-up aid
- ❑ Asset Investments
- ❑ Payment for insurance premiums
- ❑ Compensation for damage caused by adverse climatic events
- ❑ Prevention
- ❑ Control and eradication of animal diseases and plant pests
- ❑ Other_____

<u>Loans related questions</u>

15. Is your **Financing Scheme sufficient to cover and maintain** all your agroforestry practices? Yes/ No _____

16. How much of your farm's income goes toward **repaying loans**?

Please mark with an "X" after the option

- ❑ Less than 5%
- ❑ Between 5% and 10%
- ❑ Between 10% and 50%

- ❑ More than 50%

17. Do you **frequently** encounter difficulties in repaying loans? Yes/ No _____
18. Are you **currently behind** on any payments? Yes/ No _____

For UK Respondents

19. For your Agroforestry Systems: Do you receive any **financial aid from programs** like England's **SFI** (Sustainable Farming Incentive) or **CS** (Countryside Stewardship) or any other scheme? Yes/ No____
20. Have you received Basic Payments in your agriculture land? Yes/ No____
    Please list all types of grants you have received: _____

Insurance related questions

21. What **types of insurance** do you have for your farm?
    Please mark with an "X" after the option(s) that apply
    - ❑ Crop insurance
    - ❑ Livestock insurance
    - ❑ Liability insurance
    - ❑ Property insurance
    - ❑ Other please specify_____
    - ❑ None
22. Do you have **parametric insurance** for your farm? Yes/ No/ I'm not familiar with parametric insurance
    Please mark with an "X" after the option(s) that apply
    - ❑ Yes
    - ❑ No
    - ❑ I'm not familiar with parametric insurance

Part IV: Impact on the ecosystem

23. Does your farm implement any practices that contribute to sustainability?
24. If yes, please **describe in detail how your agroforestry practices contribute to sustainability** (for ex. Positive impact on soil health, water quality, biodiversity, carbon sequestration: _____
25. How are the **local geographic conditions affecting** your Agroforestry practices? _____
26. What are the ecosystem services you believe are the most **important in your region**? _____

Part V: Technical Assistance

27. Are you conducting environmental Monitoring, Report and Verification **(MRV) activities** (eg. Carbon Sequestration Monitoring, Biodiversity tracking....) at your farm?
    a. If **YES**: How frequently do you measure your impact?
        i. Annualy
        ii. Quarterly
        iii. Other:_____

b. If **NOT**: Are you willing to do that in the near future?
   i. Yes
   ii. No

28. Do you use any **international / national guidelines** to measure your impact? Yes/No (If yes, please describe)
29. Are there any indicators which you believe are **not measured yet**, but should? Which one?
30. Please rate the importance of each **factor as a barrier** to your **monitoring** efforts:

Factors	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of tools or equipment						
High costs of MRV						
Insufficient knowledge or expertise						
Time constraints						
Difficulty accessing data						

31. Any other difficulty: _____
32. What **percentage of your income do you spend on data collection and analysis for measuring** your environmental impact?
    Please mark with an "X" after the option(s) that apply
    - ❑ Less than 5%
    - ❑ Between 5% and 10%
    - ❑ Between 10% and 20%
    - ❑ More than 20%/
    - ❑ I do not spend any income on this

33. Do you have **access to advisory or AF extension services** –> that is: any knowledge sharing relevant to any stage of agroforestry farming, including public and private advisories bodies and peer-to-peer learning? Yes/ No _____
34. Are you i**nterested in collaborating with other AF Stakeholders**? Yes/ No _____
35. What type of **activities and contacts are you most interested** in?
    Please describe it: _____

Part VI: Our Proposed Financing Scheme

At REFOREST, we are developing an innovative Hybrid Payment Scheme to support agroforestry practices by addressing both immediate costs and long-term sustainability.

This scheme combines two complementary payment approaches:

- **Action-Based Payments (ABPs):** These provide financial incentives to farmers for implementing specific sustainable practices or management actions, regardless of whether measurable outcomes are achieved.
- **Results-Based Payments (RBPs):** These offer additional financial rewards based on achieving specific environmental outcomes, such as enhanced biodiversity, soil health, or carbon sequestration.

By pairing ABPs to support initial costs and encourage sustainable practices with RBPs to recognize measurable environmental gains, **our Hybrid Payment Scheme** aims to promote the uptake of agroforestry.
The scheme also integrates ex-ante payments and advisory support from the outset, ensuring that farmers receive guidance and skill development throughout the project. This approach includes training advisers and consultants to build ongoing capacity and ensure the scheme's success.

36. Do you believe **ecosystem services** (e.g., biodiversity, carbon sequestration) **should be financially rewarded** to encourage sustainable practices? Yes / No___

37. Do you believe payments for ecosystem services **could be financially sustainable** for farmers in the **long term**? Yes / No___

    By 'financially sustainable for farmers in the long term,' we mean whether payments for ecosystem services (PES) can provide consistent, reliable, and sufficient income or financial support over many years. This includes covering costs, compensating for any lost productivity, and offering enough incentive to maintain or improve environmentally friendly farming practices.

38. Were you **familiar with any existing payment schemes** for ecosystem services, before? Yes / No___

39. If yes, which type of payment do you believe would be most effective for supporting sustainable agroforestry practices?
Please mark with an "X" after the option(s) that apply
    - ❑ Action-Based Payments
    - ❑ Results-Based Payments
    - ❑ Hybrid/Mixed Payments

Part VII: Open Feedback on Farmers' needs

40. What **additional features** would make an ecosystem services payment scheme more **attractive or practical for you**?
    Please describe as detailed as you can: _____

41. Do you have **any concerns** about potential ecosystem services payments that we have not addressed?
    Please describe as detailed as you can: _____

42. What do you **need the most** to be able to establish and maintain Agroforestry practices?
    Please describe as detailed as you can: _____

Further Comments

Please feel free to leave any additional comments or suggestions to improve the process in the future: _____

Thank you so much for your time!

APPENDIX 2: PART 4

REFOREST Survey for Extended Network Farmers (UK)

12 December 2024

Description of REFOREST project:

REFOREST is a European Union (EU) funded project with the aim of using existing knowledge to co-create solutions to key barriers that hinder wider adoption of AF practices in the EU and associated countries. The strategic objective of the project is to enhance agroforestry and the resilience of food production by internalizing the value of carbon storage, biodiversity enhancement, water retention and soil improvement in farming business models.

Background and Objectives of this Survey:

This survey aims to identify the financial barriers that affect the implementation and expansion of agroforestry practices. A key goal of our research is to design an innovative financing scheme to empower farmers to access essential funding and investments. Your participation is vital to refining our approach.

After gathering quantitative and qualitative data, our team will conduct case studies tailored to the specific needs and characteristics of each Living Lab involved in the project. Our goal is to support you in enhancing your business model, either by refining current practices or integrating new ones.

In parallel, our team is also collaborating with the whole stakeholder chain (policymakers, bankers, philanthropists, researchers, etc.) to understand their gaps and needs. Ultimately, our objective is to expand funding opportunities for agroforestry farmers, connect them with broader networks, and offer a fairer scheme that fully captures the uncapped environmental and socio-economic benefits of agroforestry practices.

Goals of the survey:

- Identification of the main financial obstacles for AF in England
- Understanding the financial needs of AF farmers
- Assess applicability of the Reforest proposed financing scheme within partner Living Labs

Target group: REFOREST LL's Extended Farmers Network in England

Duration of the survey: 15 minutes

Deadline to respond: 17/01/2025

EMEA thanks you for the time taken to fill out this survey.

If you face any issues, or request your information to be deleted, please do not hesitate to send an email to: tiago.zibecchi@euromed-economists.org

We are more than happy to assist you if any support is needed. *This survey is dedicated exclusively to research purposes and not for any commercial use.*

Participant Information and Consent Form

PRIVACY AND CONFIDENTIALITY

The use of personal data throughout the REFOREST Project activity complies in full with:

- *EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018*

- *EC Data Protection Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.*
- *The revision of Directive 95/46/EC Regulation (EU) No 2016/679 of the European Commission,*
- *The Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 and the national law on data protection*

DISCLAIMER

- For the REFOREST Project research purposes, a REFOREST Partner may collect the following personal data: first name, family name, e-mail address, company/organization name, role/job title, type of stakeholder, gender, age group, education, source of income, your particular interest(s) in the REFOREST Project topics
- Personal data may be shared only between the REFOREST Project partners
- None of the personal data collected throughout any of the REFOREST Project activity will be shared with/ or disclosed to third parties unless fully anonymized and authorized by REFOREST Coordinator and used for further research purposes only

Please note: *Should you feel uncomfortable at any stage of the activity, or indeed you would like to leave the activity at any point, please inform the Activity Leader promptly.*

REFOREST Project activity Consent Form (Participant Agreement)

Please check ("X") all appropriate boxes:

- ❑ I hereby agree to participate in the REFOREST Project activity.
- ❑ I am 18 years or older.
- ❑ I have been fully informed about the aims and purposes of the REFOREST Project activity.
- ❑ I have read and fully understand the purpose of collecting my personal data and the use of my personal data
- ❑ The procedures regarding the personal data collection, processing and storage of personal data, confidentiality, audio and/or video recording of the activity have all been clearly explained to me.
- ❑ I hereby agree my personal data is used in accordance with the *EU Regulation 2016/679 - General Data Protection Regulation (GDPR) and DL.gs 101/2018.*
- ❑ My participation in the REFOREST Project activity is voluntary.
- ❑ I will not be paid for my participation in the REFOREST Project activity.
- ❑ I would like to receive REFOREST Project Newsletter. I hereby agree my REFOREST Newsletter subscription allows all REFOREST Project partners access to my email address.

Name and surname of the Participant	***Place, date and signature of the Participant***
----------	----------

Thank you for your collaboration in the REFOREST Project

Part I: General information

1. Country: _____
2. Size of the farm (in ha): _____
3. Date of farm establishment: __/__/___
4. Do you currently engage in **agroforestry** practices? Yes / No ____
   - If YES, indicate the Date of establishment of agroforestry project: __/__/___
   - If NOT, are you planning to do so? Yes / No___
5. Number of farm workers
   Full-time workers: ____
   Part-time workers: ____
6. Farming Approach
   (organic, conventional, integrated or transitioning farming, other___): _____
7. Watering technique
   (irrigated scheduling, rainwater harvesting, flooding, other__): _____
8. Type of carbon capture practice
   (e.g. arable land (e.g. cover cropping), permanent crops, permanent grassland, hedgerows, woodlands, other___): _____
9. Farm ownership
   (Owned, Leased, partially owned and leased): _____

Part II: Identification of Barriers

10. Please rate the **importance of each factor as a barrier** you have encountered in your agroforestry practices.

(Note: If you are not yet practicing agroforestry: rate based on the barriers you anticipate would discourage or prevent you from adopting agroforestry)
Please mark with an "X" for each line to the category that applies

Factor	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of access to suitable funding options (such as AF-specific credit, state subsidies (CAP), philanthropic grants, private market loans, etc...)						
High costs of borrowing (high interest rates on loans, high collateral, etc...)						
Lack of Agroforestry-Specific Implementation Knowledge or Skills						

Lack of Strong Agroforestry Support Network or Community						
Income Instability (fluctuating harvests, uncertain yields)						
Lack of Market Access for Agroforestry Products						
Factor	**Not important**	**Low importance**	**Somewhat important**	**Fairly important**	**Crucial**	**I don't know**
Insufficient insurance offers						
Extreme events due to Climate Change						
High risk and long timelines required for agroforestry to become profitable						
Absence of standardized environment impact measurement framework Measurement Reporting and Verification (MRV) (impact on the quality of soil, carbon, biodiversity, etc.)						
Lack of advisory services						
Lack of supportive regulatory and policy framework at the national level						
Subsidy Misalignment (favoring conventional farming methods for ex.)						

Part III: Current financing model and funding gaps

Private Sector

11. Did you receive any **private loans** specifically to support farm-related practices?

Please mark with an "X" after the option(s) that apply

- ❑ Traditional bank

- ❑ Development or Specialized bank
- ❑ Informal / Family loan
- ❑ Micro-credit
- ❑ Other: _____
- ❑ None

12. Did you receive **any other financial funds** from the private market?

Please mark with an "X" after the option(s) that apply

- ❑ Green Bonds
- ❑ Agri-food companies in the supply chain
- ❑ ESG / Impact Investors
- ❑ Philanthropists
- ❑ Private Foundations / NGO
- ❑ Charitable Grants / Donations
- ❑ Research Institutions and Universities
- ❑ Climate Delegated Act
- ❑ Complementary Climate Delegated Act
- ❑ Other: _____
- ❑ None

Public Sector

13. Did you get any **public funding** specifically to support farm-related practices?

Please mark with an "X" after the option(s) that apply

- ❑ State Aid
- ❑ Local Governments
- ❑ Research Institutions and Universities
- ❑ Other: _____
- ❑ None

<u>Loans related questions</u>

14. Is your **Financing Scheme sufficient to cover and maintain** all your agroforestry practices? Yes/ No _____

15. How much of your farm's income goes toward **repaying loans**?

Please mark with an "X" after the option

- ❑ Less than 20%
- ❑ Between 20% and 40%
- ❑ Between 40% and 60%
- ❑ Between 40% and 60%
- ❑ Between 60% and 80%
- ❑ More than 80%

16. Do you **frequently** encounter difficulties in repaying loans? Yes/ No _____

17. Are you **currently behind** on any payments? Yes/ No _____

For UK Respondents

18. For your Agroforestry Systems: Do you receive any **financial aid from programs** like England's **SFI** (Sustainable Farming Incentive) or **CS** (Countryside Stewardship) or any other scheme? Yes/ No____

19. Have you received Basic Payments in your agriculture land? Yes/ No____
Please list all types of grants you have received: _____

Insurance related questions

20. What **types of insurance** do you have for your farm?
Please mark with an "X" after the option(s) that apply
- ❑ Crop insurance
- ❑ Livestock insurance
- ❑ Liability insurance
- ❑ Property insurance
- ❑ Other please specify_____
- ❑ None

21. Do you have **parametric insurance** for your farm?
Please mark with an "X" after the option(s) that apply
- ❑ Yes
- ❑ No
- ❑ I'm not familiar with parametric insurance

Part IV: Impact on the ecosystem

22. Does your farm implement any practices that contribute to sustainability?

23. **For Agroforestry practitioners:**

Please, **describe in detail how your agroforestry practices contribute to sustainability** (for ex. Positive impact on soil health, water quality, biodiversity, carbon sequestration: _____

Part V: Technical Assistance

24. Are you conducting environmental Monitoring, Report and Verification **(MRV) activities** (eg. Carbon Sequestration Monitoring, Biodiversity tracking....) at your farm?

a. If **NOT**: Are you willing to do that in the near future? Yes/ No___

b. If **YES**: How frequently do you measure your impact?

Please mark with an "X" after the option(s) that apply
- ❑ Annually
- ❑ Quarterly
- ❑ Other_____

25. Please rate the importance of each **factor as a barrier** to your **monitoring** efforts:

Factors	Not important	Low importance	Somewhat important	Fairly important	Crucial	I don't know
Lack of tools or equipment						
High costs of MRV						
Insufficient knowledge or expertise						
Time constraints						
Difficulty accessing data						

26. What **percentage of your income do you spend on data collection and analysis for measuring** your environmental impact?

Please mark with an "X" after the option(s) that apply

- ❑ Less than 5%
- ❑ Between 5% and 10%
- ❑ Between 10% and 20%
- ❑ More than 20%
- ❑ I do not spend any income on this

27. Do you have **access to advisory or AF extension services** –> that is: any knowledge sharing relevant to any stage of agroforestry farming, including public and private advisories bodies and peer-to-peer learning? Yes/ No _____

28. Are you i**nterested in collaborating with other AF Stakeholders**? Yes/ No _____

Part VI: Open Feedback on Farmers' needs

What do you **need the most** to be able to establish and maintain Agroforestry practices? (In terms of funding, measurement, advisory services, payment schemes, incentives, technical assistance, etc.)

Please describe as detailed as you can: _____

Further Comments

Please feel free to leave any additional comments or suggestions to improve the process in the future: _____

Thank you so much for your time!

APPENDIX 2: PART 5

Assessing **AF Practitioner's'** Attitudes to the Proposed REFOREST Financing Scheme

General introduction

We are interested in understanding the perspectives of agroforestry practitioners on ecosystem payments - particularly the feasibility, strengths, and challenges of the REFOREST proposed financing scheme.
The study is part of the REFOREST project, funded by Horizon Europe, which aims to foster innovation, support knowledge exchange, and provide financial solutions to empower farmers and agroforestry practitioners across Europe.

We are interviewing agroforestry practitioners to gather insights on financing needs and practical considerations. ***The interview is expected to last 45 minutes at most.***
Responses will be treated with strict confidentiality, and we will ask you to sign a consent form before we begin.

The interview will cover three key themes, including:
- Context, expectations and awareness from AF practitioners
- Direct Perceptions on REFOREST Proposed Financing Scheme
- Farm's Financial Conditions and Economic Valuation

For each section, we will first provide a short paragraph as Directions for the Interviewers, followed by structured questions (with suggestions in gray).To accommodate the unique characteristics of each Living Lab, we have chosen to leave the format flexible, allowing each to adapt it as needed.

*The interview will be recorded for accuracy, but only with prior consent of the interviewee**

Checklist before the interview:

- ❑ Is the Voice recorder working?
- ❑ Spare battery or charged? (if necessary)
- ❑ Printed copy of interview guide
- ❑ Printed copy of consent form (see end)
- ❑ Notepad and pens

Interviewee	
Date	
Interviewer	
Time of appointment:	
Formal interview	**Start time**
Length (hours, min)	
Location	

Part 1: Context, expectations and awareness
Directions for the Interviewer
This section aims to assess agroforestry practitioners' previous knowledge and experience with Ecosystem Service Payments (ESPs). Their initial responses will help determine their familiarity with financial incentives and inform them in the direction of further discussions.

PART 1 QUESTIONS

1. **Awareness:**

Ecosystem Service Payments (ESPs) are financial rewards given to farmers and landowners for adopting practices that benefit the environment, such as carbon storage, biodiversity conservation, soil restoration, flood prevention, etc...

a. Besides your efforts on food production, how do your farming practices currently benefit society?
   i. In terms of supporting the local rural community (Employment opportunities, local food supply, knowledge-sharing, cultural heritage preservation, education programs, fair wages, community engagement)
   ii. In terms of planet's environment (Soil conservation, biodiversity enhancement, carbon sequestration, water resource management, reduced pesticide use)

b. Before this interview, were you aware of any financial support / scheme, advisory guidelines, or tools designed to support ecosystem services payments in agroforestry or in agriculture? **Yes / No**
   i. **If yes**, can you briefly describe how these financial schemes work in practice? (e.g., payments based on land-use commitments, performance-based incentives, direct contracts with buyers, participation in certification schemes, etc.)

2. Preferences:

a. In your opinion, which types of financial incentives have been the most effective in encouraging your agroforestry adoption?

Select all that apply and explain why you think they are effective

- ❑ Government grants or State Aid Subsidies (Direct financial assistance for agroforestry setup and maintenance)
- ❑ Common Agricultural Policy (CAP) Payments (Compensation for actions such as biodiversity conservation, soil improvement, water retention, etc.)
- ❑ Tax incentives (Lower property taxes, tax credits for sustainable land use, deductions for conservation activities)
- ❑ Low-interest bank loans or microfinance programs (Financial support for farm investment, including agroforestry establishment and expansion)
- ❑ Long-term contracts with agrifood companies (Guaranteed purchase agreements for agroforestry products, reducing market risk for farmers)
- ❑ Carbon credit payments (Payments for carbon sequestration through tree planting and land restoration)
- ❑ Market-driven payments (Premium prices for agroforestry products, certification labels, eco-labeling, corporate sustainability investments, partnerships with food companies, etc.)
- ❑ Other (Please specify any additional financial mechanisms you believe could be effective.

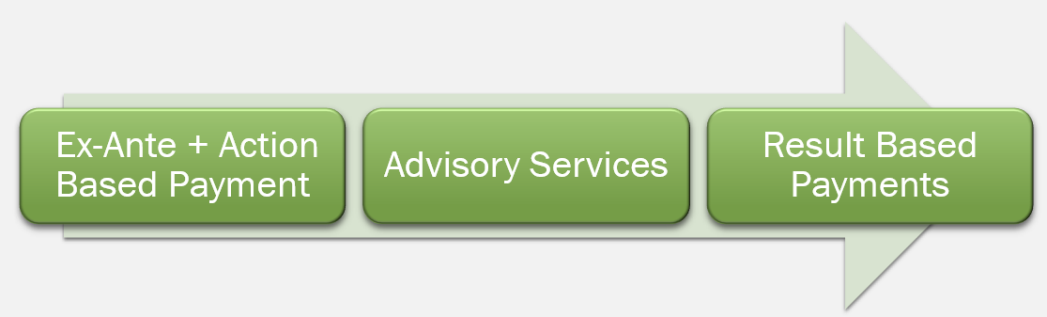
3. **Expectations:**

a. How would you describe today's market demand for agroforestry products and services (e.g., timber, fruits, nuts, others)? How are you positioned in it? How could market access be improved to make agroforestry systems more economically viable in the future and in your region?

Part 2: Sustainable financing scheme for agroforestry

Directions for the Interviewer
In this section, you will ask questions about the REFOREST Financing Scheme. Before proceeding with the questions, you need to provide a brief and simple explanation of the key components of the financing scheme to ensure the interviewee understands its context. Below you find a technical note summarizing the Scheme.

REFOREST Hybrid Carbon Farming Scheme – Technical Explanation*
REFOREST is developing innovative financial models to help agroforestry practitioners overcome financial and knowledge barriers. The proposed Sustainable Financing Scheme is structured around a 5-year prototype guideline, (See Annex 1. for completeness), which supports both the establishment and maintenance of agroforestry systems. It adopts a flexible approach to setting payment rates based on: (1) the costs of specific land management practices; and (2) an economic valuation of ecosystem services.



Ref.: COWI, Ecological Institute, and IEEP (2021); Den Heder (2017); Guimarães et al., (2023); Hadjukovic (2023); Kay et al (2019); Mc Donald et al (2021); Sheid et al (2023);

The proposed hybrid financing scheme for agroforestry integrates ex-ante payments, action-based payments, result-based payments, and advisory services:

- **Ex Ante Payments + Action-Based Payments (ABPs):**
  - to cover the up-front costs (e.g., planning, preparation of the agroforestry plan, initial investment, and establishment costs).
  - offer financial incentives to farmers for implementing specific sustainable practices or management actions, regardless of whether measurable outcomes are achieved.
- **Advisory Services:**
  - farmers will receive support through training and consultancy services, helping them navigate the early stages of agroforestry adoption while promoting long-term environmental benefits.
- **Results-Based Payments (RBPs):**
  - offer additional financial rewards based on achieving specific environmental outcomes, such as enhanced biodiversity, soil health, or carbon sequestration.
  - these payments are provided in addition to other financial incentives and intended to be received after five years of consistent MRV efforts, ensuring measurable and sustained environmental impacts.

We believe that this approach is compelling because it provides a holistic perspective on the value of agroforestry systems, recognizing their wider societal and environmental benefits beyond the costs incurred by farmers.

Attention: The interviewer will now transmit the above scheme in the most simple and direct way possible to the farmer (interviewee). Farmers most likely will not understand terms like “ex-ante

action-based payments". The challenge here is to communicate with the simplest language possible. **You may use "Box1 (see page 7)" as a potential guideline.**

PART 2 QUESTIONS

1. **General Question:**

We consider a prototype of a five-year agroforestry project, including phases and iterative steps, which is expected to serve as a practical guide for future agroforestry initiatives.

a. Do you believe this duration (of 5 years) allows sufficient time to establish and manage agroforestry systems, monitor and evaluate their performance, and allow for the necessary maturation of trees and crops? *Please provide a short explanation*

2. **Upfront Ex-ante and action-based payments**

a. How important are upfront and action-based payments in helping you cover the costs of establishing and maintaining agroforestry? (Rate on a scale: Not Important [1] – Very Important [5])
b. Do guaranteed payments for agroforestry practices (e.g. tree planting, livestock integration, buffer strips, soil improvement) encourage you to adopt agroforestry systems? Is that enough to cover your initial and ongoing costs? Why or why not?

3. **Advisory services**

a. What type of advisory support would be most needed during the planning and implementation phases of an agroforestry project on your farm?
b. Are there any existing entities or policies in your country or at the EU level that provide advisory services on agroforestry? If so, are you currently working with any advisory services for your farm, and how effective do you find their support?

4. **Result Based Payments**

Important reminder: *The interviewer explains that result-based payments are complementary and relies on measurable indicators. It should be interpreted as an extra incentive to attract private sector investors and not as something that would add more uncertainty and risk to the farmer.*

a. Would you be comfortable receiving payments based on measurable environmental improvements? Why or why not?
b. On your opinion and given your current conditions: What are the potential benefits of this approach? And what are the main barriers involved? (e.g., high costs of MRV, insufficient knowledge and training, reliability and complexity of measurements, payment delays, risk of external factors like climate change.)

5 **Ease of Access to Payments in their Region (local conditions)**

a. How accessible are financing schemes or payments for agroforestry in your region? Have you applied for any public and/ or private funding before? If so, how was your experience? What are the biggest obstacles to accessing these funds?
b. Are there specific environmental or policy barriers that make agroforestry financing difficult in your region? (e.g., land-use restrictions, climate challenges, government policies)

Part 3: Farm's Financial Conditions and Economic Valuation

Directions for the Interviewer
This section explores how farmers manage their finances, handle investments and debt, and assess the economic value of agroforestry. Understanding these factors is essential for designing financing schemes that align with farmers' realities.

PART 3 QUESTIONS

1. **Farm Finance Structure**
    a. How do you currently manage farm finances? (in terms of tracking costs and revenues, keeping financial records, using an accountant, financial software, informal bookkeeping, tax reporting and compliance, investment and loan management, or other methods)

2. **Economic Valuation of Agroforestry Practices**

Agroforestry provides multiple environmental benefits, such as carbon sequestration, biodiversity conservation, and soil regeneration. Capturing these benefits within the value chain can enhance market opportunities and financial sustainability.

a. How do you translate these advantages into economic value?
   In other words: How do you integrate / capitalize the environmental benefits of your agroforestry practices into the value chain (your products and services)? (e.g., leveraging sustainability certifications, participating in carbon credit programs, marketing products as eco-friendly, securing premium pricing for regenerative practices, or accessing ecosystem service payments)
b. When evaluating the financial impact of agroforestry on your farm, do you take environmental benefits into account? (Yes / No)
    i. **If Yes,** what methods or tools do you use to measure or quantify these benefits? (e.g., carbon credit programs, biodiversity monitoring, soil health assessments, financial valuation models)
    ii. **If No**, what would help you better assess agroforestry's economic value? (e.g., financial tools, expert advice, standardized valuation methods)

Conclusion and Last Open Questions
Do you have any concerns, comments or suggestions to improve ecosystem service payment schemes? What would make them more reliable, accessible, or attractive to you as a farmer?

ANNEX:

Methodological Approach
We propose a methodological approach based on six distinct steps:
1. Identification of environmental results linked to the provision of ecosystem services
2. Mapping specific land management practices to achieve these environmental results
3. Estimation of the costs associated with the implementation of land management practices
4. Development of measurable indicators to assess environmental results
5. Identification of financing mechanisms and sources

6. Setting of payment rates for environmental results based on an economic valuation of ecosystem services

5 Year Prototype

PROJECT PHASE	DESCRIPTION
Prior to project implementation	Preparation of agroforestry project plan, with key planning elements.
Year 1: Establishment of agroforestry systems	Focuses on laying the foundation for sustainable land use practices and establishing agroforestry systems. This may include conducting site assessments, collecting baseline data, setting a MRV system, capacity building, pilot planting, securing funding, establishing partnerships, and maintaining communication with stakeholders.
Years 2-4: Management of agroforestry systems	Include activities such as scaling up tree planting, community engagement, regular monitoring and evaluation, adaptive management, system optimisation, financial analysis, stakeholder engagement, market linkages, risk management, long-term planning, documentation and reporting.
Year 5: End of the project	Include project review, conducting environmental impact assessments, monitoring and verifying environmental results, documenting and reporting findings, and ensuring compliance with standards.
Subsequent years	After project completion, farmers should continue to maintain the practices implemented and monitor environmental impacts to ensure the long-term sustainability of their agroforestry systems.

BOX1- REFOREST Proposed Financing Scheme for Farmers Understanding

1. Upfront Payments + Payments for Actions

- Upfront Payments: These helps cover the early costs, like planning your agroforestry system, preparing the land, buying materials, and getting trees established.

- Payments for Actions: You'll get financial support for carrying out specific sustainable farming practices, even if the results (like improved soil or biodiversity) aren't visible yet.

2. Advisory Services (Expert Support)

You'll have access to training and advice from agroforestry experts.

They'll help you through the early stages of setting up your system and guide you on how to get the most environmental and financial benefits over time.

3. Payments Based on Results

You can earn extra payments if your agroforestry system delivers measurable environmental benefits—like better soil health, more biodiversity, or capturing more carbon.

These payments come on top of the other financial support but are only given after around five years of tracking and proving positive impacts on the environment.

Why This Matters

This approach doesn't just cover your costs—it rewards you for the long-term environmental benefits your agroforestry system provides, like healthier soil, more wildlife, and a better climate.

It's a way to support you as a farmer while also benefiting the wider community and the planet.