

Pasture bank - a platform for pasture leasing

Pasture bank is an online platform through which the landowners and the domestic animal herders can find each other. This platform provides an example of a contract model for leasing pastures.



Summary

Pasture bank is a platform through which the landowners and the domestic animal herders can find each other and agree a land-tenure contract for leasing pastures or grazing animals. Increasing grazing of underutilized pastures can improve biodiversity, landscape and animal welfare. Besides a contract model, pasture bank offers information about pastures, herding animals (domestic sheep, cows, horses) and services available for all interested partners around the country. The amount and direction of money transferred varies case-by-case; either the animal herder pays for wild pastures, or the landowner who leases grazing animals pays for the herder. The contracts are made between private entrepreneurs, but also municipalities and other organizations can offer their land for animal herders. Pasture bank was initiated in 2005, and during this time the amount of written contracts has increased. There are around 150 announcement every year (including both animals and pastures).



Objectives

1. Increase co-operation between pasture owners and animal herders
2. Increase biodiversity of the underutilized pastures
3. Keep landscape open by grazing
4. Promote animal welfare by using wild pastures



Photo Riikka Söyrinki



Photo Riikka Söyrinki

Problem description

The amount of grazing animals has decreased locally, since the number of farmers has decreased and the amount of livestock of a single farmer has increased. Therefore, some domestic animal herders may need more pastures than they own. On the other hand, some of the pastures that have been developed during the hundreds of years in the rural areas have been abandoned and they have become covered with forest. The pastures that are still existing are underutilized and have declined in biodiversity (and at landscape levels). Increasing grazing would promote biodiversity, for example, the amount of plants, insects, butterflies and birds. Nowadays, pastures with grazing animals are wanted also for the landscape and recreation. Pastures around towns or cities provide recreation possibilities for the nearby citizens. In order to improve the pasture characteristics, the landowners could offer their underutilized areas for herders. However, there hasn't been a platform through which the landowners and herders could meet. Also, there has been a great need for information about the contents of contract between landowner and herder. The pasture bank platform was initiated by Rural Women's Advisory Organisation together with ProAgria which is a Finnish expert organization providing an extensive network of specialists and a wide range of services to rural entrepreneurs.

LAND TENURE



In the contract between landowner and domestic animal herder the terms to use the pasture are agreed. Typically, terms include what resources can be used, for how long and under what conditions.

PUBLIC GOODS



Landscape and scenery



(Farmland) biodiversity



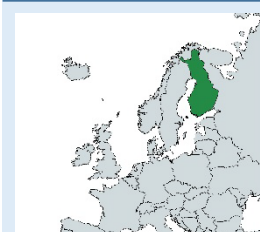
Farm animal health and welfare

INDIRECT EFFECTS

Recreational access, rural viability and vitality, cultural heritage

LOCATION

FINLAND



The participation is possible in the whole country.

CONTRACT

Public-private contracts
municipality/parish -
animal herder

Private-private contracts
land-owner - animal
herder



Contract conclusion:
Written or spoken
agreement

Payment mechanism:
Rent - payment either
for land-owner or
animal herder
depending on the
contract.



Financing party:
Market sector-oriented

**Length of participation
in scheme:**
1-5 years, length of the
contract varies, and
since the contracts are
not monitored or
controlled through the
online service, there is
no exact information
available.



Start of the program:
The online service has
started in 2005.
End: still running

Data and facts

Participation: On average, there has been 150 online announcements (including both animals and pastures) per year during the last years. However, the number of contracts is unknown since they are made privately between the domestic animal herder and the landowner. The online service is available for whole Finland.

Involved parties: The contracting parties are private farmers or other landowners such as municipalities. They can announce their grazing animals or pastures in Pasture bank online service. Once the contract documents have been signed, the partners may not need the online service anymore even though their cooperation continues during the following years. The online service is also a marketing channel for private specialists and companies. The online service is maintained by ProAgraria, which is a Finnish expert organization providing an extensive network of specialists and a wide range of services to rural entrepreneurs. The online service is maintained by yearly payments of The Central Union of Agricultural Producers and Forest Owners (MTK), Metsähallitus, Fingrid PLC OYj (public limited liability company), and ProAgraria association.



Management requirements for farmers: There are no specific requirements for the contract partners. In the contract models offered by Pasture bank there is a detailed list of needs, risks and responsibilities that the partners should agree in the contract solution, such as who is responsible for daily care of livestock or building the fence. However, it needs to be noticed that the contract models can be freely modified by the partners.

Controls/monitoring: There is no control or monitoring of the contracts.

Conditions of participation: There are no specific requirements for number of participants. The contract model available online can be modified by the partners if needed. If the contract conditions are not full-filled, the consequences are carried out by the contemporary law.

Risk/uncertainties of participants: The main risk is the planning of the agreement and the quality of the contract (verbal, written) in which all the responsibilities should be mentioned. The concrete risk is that the other partner is not satisfied, for example the landowner might think that the livestock number is not sufficient to maintain the landscape, the pasture is too small to feed the livestock, the mistreatment of livestock or the escape from an enclosure. There is also a risk of predators.

Links to other contractual relationships: The length of a contract is dependent on the partners. The land-owner or the leaseholder can get **agri-environment** support from EU, if the circumstances fulfill the demands. In this case, the length of the contract is five years.

Funding/Payments: Originally, the domestic animal herder pays a rent of pasture for the land-owner. The rent varies depending on the location of the pasture and the possibility to get the agri-environment support which is 450 €/ha/year or in the highly valuable

pastures 600 €/ha/year. On the other hand, the landowner might have high need for the benefits that grazing animals bring, such as increased biodiversity, keeping the landscape open, or possibilities for recreation, and therefore the landowner pays for the animal herder. For example, for one season the price is around 50 € per sheep and 200 € per cow. It is also possible to agree that no money is transferred, but in the contract the terms for grazing are agreed. Due to private nature of the contracts, the amount of money transferred is not known. Typically, the contracts are made between private partners, but quite often public partners such as municipalities offer their land for the animal herders. Using pasture bank platform is free of charge.

Context features

Landscape and climate: There is no specific landscape or climatic characteristics, except that the winter in Finland is long and summer is short. Typically, animals are taken back to their home farms during the winter time. Thus the minimum length of the contract can be only few months. The climate also differs in the different parts of Finland. The heat summation varies from less than 600 to more than 1400 degree days.

Farm structure: Most of the domestic animal herders being contract partners are private entrepreneurs, whereas the landowners can be also public organizations such as municipalities.

SUCCESS OR FAILURE?



The contract solution could be evaluated as successful even though there is no exact knowledge about the contracts. The online service offering information started in 2005 and is still running. There is a great need to maintain old pastures because of the landscape and biodiversity benefits. The number of written contracts has increased and the number of spoken contracts has been decreasing. However, the marketing, monitoring and developing of the solution is dependent on the external funding. The contracts made during the last 15 years should be evaluated in order to get specific information about the impacts on biodiversity, landscape and animal welfare.

Reasons for success:

1. The contract model offered in the online service covers all the aspects of the pasturage, animal health as the most important, making the cooperation feasible and successful.
2. The contracts can be modified by the partners. Even the direction of payment varies.
3. The contracts enable the traditional herding culture in the old pastures, but also in new pastures for example near population centers.
4. The information about the contract possibilities is freely available for all in the online service.

SWOT analysis of the Pasture bank

Main Strengths

1. The online service for the contract solution has been available since 2005
2. The contracts can be modified by the partners according to their needs.
3. The online service is free of charge and operates in whole Finland.

Main Weaknesses

1. There may be a risk with modified contracts.
2. Online service is not promoted because of the limited funding. Therefore, the contract models may not be found.

Main Opportunities

1. The interested partners can meet in the online service and after the first contract continue the collaboration.
2. The contract solution can be used to maintain the traditional pasture herding.
3. The pasturage maintain and increase the biodiversity in the traditional rural biotopes, and it may prevent the growth and dispersion of invasive plant species

Main Threats

1. Online service is no longer maintained by the funding bodies.
2. Development of the contract solutions is dependent on project funding.
3. No more animal herders.

Developments since 2020

Web pages of Pasture bank were renewed and more marketing has been done. The number of announcements and visitors in online platform have slightly grown in number during the past years.