An ecological footprint approach to environmental-economic evaluation of farm results **Authors** Blasi E., Passeri N., Franco S., Galli A. Corresponding Author: npasseri@unitus.it **Abstract** Farmers' cultivation choices affect the natural cycles of crops and impact their production. By assessing the farming activities, as influenced by crop types, land suitability and cultivation choices, the effectiveness of agricultural practices in terms of environmental impact can be evaluated. The relationships between agriculture and environment have to be carefully considered together with the economic performance, which is often taken as the unique or, at least, the main goal of other human activities. The aim of this paper is to assess and to analyse in a comparative way the environmental and economic results of a crop production system at farm level. The methodology for the evaluation of environmental performance is based on a modified version of Ecological Footprint account, used to measure the demand for natural resources linked to the farm's operations, which is compared with the Biocapacity of the crop system itself. The economic performances are assessed by means of crops analytical budgets. 

	1
	2
	2
	3
	4
	5
	c
	О
	7
	8
	0
	9
1	0
1	1
1	_
Τ	2
1	3
1	4
1	_
Τ	5
1	6
1	7
1	
Τ	0
1	9
2	0
2	1
2	-2345678901234567890123456789012345678
2	2
2	3
2	1
_	4
2	5
2	6
2	7
2	/
2	8
2	9
2	0
٥	U
3	1
3	2
2	2
2	3
3	4
3	5
3	6
٥	-
3	./
3	8
3	9
4	U
4	1
4	2
4	3
4	4
4	
4	6
4	7
4	8
4	9
	ار م
	0
5	1
5	
5	
5	3
5	4
5	5
5	6
5	
5	
5	8
_	9
6	0
6	1
6	2
	/

The results provided by the case study analysis show that the considered farm cropping system reports an overall positive ecological balance (+2,4 gha) together with an acceptable gross margin (16,200 €). It emerges that crops with the worst environmental performances sustain the farm income, while the crops with a positive ecological balance bring a very limited contribution to economic profitability.

Such results lead to some considerations about the importance of carefully considering the trade-off between economic and environmental consequences of farming activities to drive farmers towards a more sustainable behaviour.

Keywords: Environmental/economic trade-off, Ecological Footprint, environmental impact, Agro-environmental performances

# An ecological footprint approach to environmental-economic evaluation of

#### farm results

#### 1. Introduction

The public opinion is increasingly concerned with the relationship between environment and economy, both at the global and the local level. As a consequence, a lively debate is going on and it drives the regulatory and political framework to take care of these issues. Recently, the attention has been focused on the role of the agricultural systems, namely the management of natural resources involved in farming activities, in directing agricultural practices towards a safer, more healthy and sustainable food production (European Commission, 2010; OECD, 2013). To this concern, a particular attention is devoted to the characterization of an environmentally sustainable farm (Merante et al., 2015). The agricultural sector stands between the economy and environment, and it has thus been explored in both domains: on the environmental side, through methodologies based on a bionaturalistic approach, with no interactions with the economic side (IPCC, 2006); on the economic side, using an industrial approach, where the connections between agriculture and the environment are not considered (Birkved et al., 2006; Nemecek et al., 2007). Such monodisciplinary approaches do not consider the specific nature of agriculture, which manages plants and animals biological cycles for production purposes (Dale et al., 2013; Moss, 2000). Indeed, the relationship between agriculture and environment goes over the economic performance, despite what happens for other human activities where this latter is often

considered the unique or, at least, the main goal. Farmers are the largest group of natural

performance.

services that are valuable for the society (Ribaudo et al., 2010). Anthropogenic perturbations due to farming practices affect the ecosystem but sometimes may have potential positive effects (Desjardins et al., 2000). Nevertheless, an effort to minimize potential negative impacts and to promote positive effects of agricultural activities on environments is required (Liebig et al. 2007; Gan et al., 2012). In evaluating the relationship between agriculture and environment it should be considered that farming achieves an "internalization of externalities", as the effect of its activities impact on its own productive factors (Odum & Odum, 2000). This means that, before affecting the "external" environment, the effects of farmers' environmental actions fall on (present and future) production of the farm itself. Thus, it is crucial to identify the results of farming activities on the farm ecosystem, in order to limit their negative impacts on natural resources, and to promote actions that improve ecosystems' quality. As specified in the following section dedicated to the description of the methodology, different approaches to assess the environmental impact of agriculture have been proposed (Gerdessen and Pascucci, 2013). However, as discussed later in this paper, they show some limitations in expressing the environmental sustainability of farming activity in quantitative terms directly comparable with the related economic performances. Among such approaches, an interesting possibility is offered by the Ecological Footprint (Wackernagel and Rees, 1996), a methodology that, to be correctly applied at farm level, requires some adaptations. The aim of this paper is thus to apply in a particular case study an innovative approach based on the Ecological Footprint (EF) methodology to evaluate the environmental impact of a crop productive system at farm level and to discuss the relationship with its economic

resource managers in the world (FAO, 2007) and they produce a wide variety of ecosystem

After a brief review of the main attempts of assessing the environmental impacts of agriculture, the application of the proposed methodology in a case study is illustrated in order to provide a basis for a discussion of the environmental and economic consequences of farmers' choices. The results lead to some considerations about the need for a joint assessment of both the economic and environmental impact of farming activities to drive farmers towards more sustainable behaviours.

#### 2. Methodology

2.1 Traditional approaches to assess the environmental impact of agriculture

- The effects of agriculture on ecosystems can be evaluated from two different perspectives.
- A first approach looks at environmental outcomes of farming by considering either the
- impacts due to the input used into the cropping practices (West et al., 2002; Franzluebbers et
- al., 2005) or the exploitation of the natural resources embedded in the products of farming
- (Suh et al., 2004; Ardente et al., 2006). 40 101
  - A second approach is more focused on the capacity of (agricultural) ecosystems of receiving
  - and managing the environmental impact caused by farming activities (García-Oliva et al.,
  - 2004; Fung et al., 2005; Cowie et al., 2007). Such an approach moves from the well-known
  - concept of carrying capacity of ecosystems, which marks a limit not to be exceeded in the
  - exploitation of ecosystems by anthropogenic activities.
  - These two perspectives study the relationship between agriculture and environment from an
- 57 108 opposite standpoint – the production-caused and the ecosystem-received impacts – but they

1 109 do not take into account their complex interactions. However, this seems to be a crucial point 2 110 for the understanding and assessment of the actual links between agriculture and environment. 5 6 111 Indeed, it should be explicitly considered that, from one side, the ecosystem conditions affect 7 112 the crop techniques and productions and, from the other side, the farming activities modify 10 11 113 the supply of agro-ecosystem services. 12 <sup>13</sup> 114 An alternative approach able to catch such interactions is provided by Ecological Footprint <sup>15</sup> 115 Accounting (hereafter EFA). It looks at both the demand and the supply of natural resources 17 18 116 though two metrics, namely Ecological Footprint (EF) and biocapacity (BC): the first is 19 20 21 measured through the ecological demand from human activities, the second through the 117 22 23 118 ecosystem capacity of providing ecological goods and services. 24 <sup>25</sup> 26 **119** Introduced and developed by William Rees and Mathis Wackernagel (1994, 1996), EFA 27 28 **120** provides a measure of the pressure of anthropogenic activities on the planet. The calculation 29 <sup>30</sup> **121** starts from the evaluation of the consumption of natural capital caused by human activities in 32 33 **122** a certain area, which is then compared with the flow of resource provisioning and regulatory 34 <sup>35</sup> **123** ecological services that the natural ecosystems are able to provide in the same area (Galli et 36 37 38 **124** al., 2014). The EF's output is a measure of the equivalent bioproductive area demanded by the 39 residents, rather than an assessment of the maximum human population that an area can 40 125 41 42 support (Bagliani et al., 2008). 126 43 44 While the EF measures human demand on nature, BC tracks the supply of ecosystem 45 127 46 <sup>47</sup> 128 services. BC is defined as the rate of resource supply and waste disposal that can be sustained 48 49 50 129 in a given territory under the prevailing technologies and management schemes. Both EF and 51 <sup>52</sup> **130** BC are measured in standard units, the global hectares (gha), where a gha represents a 53 54 5<sup>-1</sup> 131 standardized hectare with the world average productivity (Borucke et al., 2013). 56

48 49 50 152

<sup>47</sup> 151

EFA methodology has been widely used to explore different issues related to the pressure on the environment of human activities (see, among others, Thomassen et al., 2005; Liu et al., 2008; Bagliani et al, 2008; Limnios et al., 2009) and, specifically, of farming (Deumling et al., 2003; Van der Werf et al., 2006; Cuandra et al., 2007; Niccolucci et al., 2008). Nevertheless, the EFA methodology, as conceived by its creators, has been shown not to be able to catch all the implications of the agricultural activities on the EF and BC assessment (Kitzes et al., 2009). Namely, it cannot point out any under/over exploitation of natural resources originated from crop farming, due to the structure of the main equation for computing crops EF and BC (Niccolucci et al., 2008; Mozner, 2012; Passeri et al., 2013; Galli A., 2015). The consequences of such limitation have been discussed by some authors, which have highlighted how this makes the method unsuitable for agricultural policies evaluation (Ferng, 2005) and correct sustainability assessments (Fiala, 2008). Recently, a methodological development proposed by Passeri et al. (2013) made it possible to overcome this problem by means of a different method of calculating the ecological footprint of crops. Such improvement of the EFA methodology, with specific reference to its utilization

2.2 Modified EFA methodology

As pointed out in the previous paragraph, the farm-gate environmental analysis is here performed on the basis of the EFA approach but adopting an appropriate methodological development based on the concept of an embodied footprint in crop production.

at farm level, will be briefly described in the following paragraph.

This upgrade of EFA considers two separate impacts of crop management: the Ecological Footprint due to the inputs used during the crop cycle ( $EF_{inp}$ ) and the Ecological Footprint generated by the overexploitation of natural land productivity ( $EF_{ovp}$ ).

The  $EF_{inp}$  of a crop is evaluated as the sum of the EFs of individual inputs; these are calculated using conversion coefficients available both from published international researches, as listed in Passeri et al. (2013), and National Footprint Account (GFN, 2011).

In order to assess  $EF_{ovp}$ , it is necessary to compare the actual production of the crop (P) with the production associated with a "natural system", which in the agricultural ecosystem can be conceived as a "minimum input" cultivation technique ( $P_{min}$ ). Such overproduction is defined as the productivity of the specific crop that exceeds its natural productivity (i.e. the productivity associated to the simplest crop management), due to the crop management of the farmer. It is evaluated as  $\alpha$ =(P- $P_{min}$ /P). So the EF of a crop can be calculated as follows:

$$EF = EF_{inp} + EF_{ovp} = EF_{inp} + \alpha \times \frac{P}{Yw} \times EQFv$$

1 154

**156** 

 $\begin{smallmatrix}10\\11\end{smallmatrix}158$ 

<sup>12</sup> <sup>13</sup> **159** 

**161** 

<sup>15</sup> 160

**163** 

**165** 29 30

**168** 

<sup>39</sup>
<sup>40</sup> **169** 

**171** 

<sup>42</sup> **170** 

<sup>47</sup><sub>48</sub> 172

In this equation, according with the EF definition, Yw is the world average yield of the same product (Galli et al., 2007) and EQF (Equivalence Factor) is a scaling factor to convert a specific land-use into global hectares (Monfreda et al., 2004; Wackernagel and Rees, 1996). Once the Footprint of the crop is calculated, it has to be compared with the ecological services provided by the crop itself, i.e. its BC. According to the Ecological Footprint traditional approach it can be calculated, for a unit area (1 ha), as (Wackernagel and Rees, 1996):

$$BC = \frac{P}{Yw} \times EQF \checkmark$$

The difference between BC and EF is the Ecological Balance (EB) of the crop, which expresses the surplus (if positive) or the deficit (if negative) of natural resources associated with the crop cultivation technique in the given agricultural ecosystem.

BC, EF and EB values for each crop are then aggregated to determine the overall environmental performance at farm level.

## 2.3 Economic accounting of crops

Concerning the economic side of the analysis, the methodology used provides the evaluation of the individual crop budgets, expressed as gross margin and calculated as the difference between the revenues and variable costs, which are then aggregated at the farm level. Each crop budget takes into account the utilization of all the production factors as well as all the processes – e.g. farming operations – involved all along the cultivation process until the output production. Crop revenues are originated from the value of the production and the possible public payments (support provided from agricultural policies, subsidies for organic farming etc.); these latter are explicitly included into the analysis because they are considered in the farmer's management choices. Costs are calculated multiplying the quantity of each production factor for its price. They are evaluated separately for each category (raw materials, machinery, labour, other costs) and then aggregated in order to obtain the specific crop's costs.

51 <sup>52</sup> **195** 

53

56 57 **197** 

Revenues, costs and gross margin of each crop are then aggregated to determine the overall economical performance of the crop production system at farm level.

54 5<sup>-1</sup> 196

### 2.4 Case study

**213** 

40 214

<sup>35</sup> **212** 

54 216 

5° 217 3. Results

A farm located in southern Tuscany (Italy) is here analyzed. The farm Utilized Agricultural Area (UAA) is 29 hectares (ha) and its production plan is organized on the basis of perennial crops (olive trees and vineyards) and annual crops (vegetables and cereals). The farm includes also unproductive surfaces, such as roads, buildings and small areas with natural vegetation; although the latter provide a contribution to biocapacity, they were not considered in the analysis, as their use does not fall in the farmer's choices. The farm is managed following organic and integrated farming: organic farming standard follows the related EU Regulation (Reg. CE 834/07 e Reg. CE 889/08), while the integrated management (named Integrated Pest Management – IPM) follows the guidelines provided by the European Parliament. In our analysis, we refer to the year 2013, when the cropping system was organized as follows: tomatoes (5 ha), durum wheat (5 ha), olive orchard (9 ha) and vineyards (10 ha). Tomatoes and durum wheat were cultivated under organic farming while olive orchard and vineyards followed integrated farming.

Table 1 resumes the data of the production of the four crops in the year 2013.

**Table 1** – Data about crops production in 2013

Crop	UAA [ha]	Production [ton]	Yield (P) [ton/ha]
Durum Wheat	5	10	2.0
Tomato	5	300	60.0
Olive	9	36	4.0
Vineyard	10	80	8.0

Source: our elaboration

According with the methodology illustrated above, for each crop the EF is evaluated as the sum of the two components  $EF_{inp}$  and  $EF_{ovp}$ .

The first component expresses the EF associated with the inputs utilized in the cultivation process. For each input the quantity is multiplied for the related impact coefficient and then the single impacts are aggregated. To do so, the embodied footprint in each input (except for labour, see Limnios et al., 2009) is calculated starting from available data expressed in terms of CO<sub>2</sub> emissions (Passeri et al., 2013), so it has been estimated the total amount of CO<sub>2</sub> emission and then it has been converted into gha. Table 2 shows this calculation with reference to one hectare of durum wheat.

25 26 **228** 

**Table 2** – Calculation of EF<sub>inp</sub> of durum wheat per unit area (ha)

Input	Quantity	Coefficient	Emissions [tonCO <sub>2</sub> ]	Yw [wha/tonCO <sub>2</sub> ]	EQF [gha/wha]	EF [gha]
Seeds	121,000 units	1.4 E-22 tonCO <sub>2</sub> /unit	1.7 E-17	2.58	2.51	0.000
Fertilizer (Manure)	0.3 ton	$0.0080\ ton CO_2/ton$	0.0024	2.58	1.26	0.008
Pesticides	0.0~kg		0.0000			0.000
Fuel (used by farmer)	92 kg					
Fuel (used by contractor)	47 kg					
Fuel	139 kg	$0.0032 \ ton CO_2/kg$	0.4420	2.58	1.26	1.440
Labour (farmer)	14 h					
Labour (contractor)	10 h					
Labour	24 h	0.0005 gha/h				0.012
EF <sub>inp</sub>						1.460

46 229

53 232

Source: our elaboration based on standard coefficients (see Passeri et al., 2013)

48 230

Following the same calculation scheme (as shown in the Appendix 1), the value of EF<sub>inp</sub> for the three other crops – tomatoes, olive trees and vineyard – is respectively 4.429, 4.193 and 3.439 gha/ha.

In order to assess the  $EF_{ovp}$  component, the actual yield (P) has to be compared with the "minimum input" yield ( $P_{min}$ ). This value it is not easy to determine: a specific investigation would be needed on a well-established experimental plan, with the aim to detect the crop productivity under "natural condition" in a comparable agro-ecosystem. It is evident that performing such an investigation on all the crops in all the possible agro-ecosystems is not practicable (De Ponti et al., 2012). For a first estimation of  $P_{min}$  values it has been supposed that, even if in some cases an organic technique requires more inputs than a conventional one, a low input organic farming management is sufficiently similar to the agronomic condition associated with the "minimum input" productivity level. According to this hypothesis, the  $P_{min}$  values for the four crops have been provided by an analysis carried out on Tuscany's organic farms data collected in FADN database (RICA, 2014). Therefore, considering the crops world yield (Yw) and the equivalence factor (EQF), both available from GFN (2011), it is possible to evaluate the  $EF_{ovp}$  component and, by adding up the two components, the total EF.

From the same data, by applying the BC equation, it is possible to calculate the supply of ecosystem services by each crop (Table 3).

Table 3 – Calculation of crops' EF<sub>ovp</sub>, EF, BC and EB

	Wheat	Tomato	Olive	Vineyard
P [ton/ha]	2.0	60.0	4.0	8.0
P <sub>min</sub> [ton/ha]	2.0	50.0	3.5	5.0
α	0.000	0.167	0.125	0.375
Yw [ton/ha]	2.35	27.29	1.48	7.46
EQF [gha/ha]	2.51	2.51	2.51	2.51
EF <sub>ovp</sub> [gha/ha]	0.000	0.920	0.848	1.009
EF <sub>inp</sub> [gha/ha]	1.460	4.429	4.193	3.439
EF [gha/ha]	1.460	5.349	5.041	4.448

3	
4 5	252
6 7	253
8 9 10	254
11 12	255
13 14 15	256
16 17	257
18 19 20	258
21 22	259
23 24 25	260
26 27	
28 29 30	
31 32	
33 34	
35 36 37	
38 39	
40 41 42	
43 44	
45 46	261
47 48 49	262
50 51 52	263
53 54	264
55 56	265
57 58 59	
$\sim$	

BC [gha/ha]	2.136	5.519	6.784	2.692
EB [gha/ha]	+0.676	+0.170	+1.743	-1.756

Source: our elaboration based on standard coefficients (GFN, 2011)

1 2

> Next we calculated the economic performances of the crops by considering the gross margin, defined as the difference between revenues and direct costs. Among the revenues, the agroenvironmental subsidies were also considered; their amount was calculated as the average payment per hectare got by the farm. Table 4 shows the calculation process and the result for durum wheat.

**Table 4** – Calculation of gross margin of durum wheat (data per ha)

Input	Quantity	Price	Value (€/ha)
Product I – Wheat [ton]	2.0	382	764
Product II – Hay [ton]	4.0	30	120
Agro-environmental subsidies $[\epsilon]$			150
Revenues $[\ell]$			1,034
Seeds [ton]	2.0	57.50	116
Fertilizer [ton]	0.3	0.00	0
Pesticides [€]	0		0
Fuel (used by farmer) [kg]	92	1.58	145
Labour (provided by farmer)[hour]	14	15.00	210
Contractor [€]			260
Other costs [€]			34
Variable Costs [€]			764
Gross margin [€]			270

Source: our elaboration

Following the same procedure, as shown in the Appendix 2, the gross margin for the other three crops was calculated: 1,805 €/ha for tomatoes, 205 €/ha for olive trees, 400 €/ha for vineyard.

**269** 

<sup>25</sup> 272

<sup>30</sup><sub>31</sub> **274** 

**273** 

**282** 

The aggregation of single crop results (table 5) provides an assessment of the environmental and economic performances of the farm cropping system.

**Table 5** – Ecological and economic results at the farm level

Crop	UAA [ha]	EF [gha]	BC [gha]	EB [gha]	Revenues [€]	Costs [€]	Gross Margin [€]
Wheat	5	7.30	10.68	+3.38	5,170	3,820	1,350
Tomato	5	26.75	27.60	+0.85	30,450	21,425	9,025
Olive	9	45.37	61.06	+15.69	29,160	27,315	1,845
Vineyard	10	44.48	26.92	-17.56	59,500	55,500	4,000
Total	29	123.89	126.25	+2.36	124,280	108,060	16,220

Source: our elaboration

#### 4. Discussion

The farm cropping system shows an overall positive ecological balance. This result arises from two crops (olive and wheat) that provide a net supply of resources and one crop (vineyard) expressing a net ecological demand. However, the positive ecological balance of wheat is mainly due to a low EF, while the same result for olive is due to its high BC. The fourth crop (tomato) is in equilibrium between EF and BC.

In general, for all the crops, the contribution of  $EF_{inp}$  is the most important component of Ecological Footprint, a result that originates mainly from the fuel burned in machinery operations, which accounts for 70-80% (almost the 100% for the durum wheat) of the whole environmental impact of cultivation techniques. The explanation of such evidence is twofold. On the one hand, it is due to the overall lower yield that characterizes the organic production, which limits the role of overproduction in determining the total EF. On the other hand, again

1 285 considering the crops' organic management, the fertilizers and pesticides utilization is 2 286 generally less intensive and hence their environmental impact is marginal. 5 6287Looking at the economic results, it is evident that the largest part of the gross margin (more 7 288 than 80%) is originated by tomato and vineyard, while the contribution of durum wheat and 10  $_{11}\ 289$ olive trees is very limited. It follows that the crops with the lower environmental 12 <sup>13</sup> 290 performances sustain the farm income, while the crops with a largely positive value of 14 <sup>15</sup><sub>16</sub> **291** ecological balance have a marginal contribution in farm profitability. 17 18 292 To this regard, it is interesting to note that the economic-environmental trade-off shows a 19 <sup>20</sup> **293** mutual relationship within perennial and annual crops. In fact, among farm orchards, the high 22 23 **294** biocapacity of olive trees is able to compensate the exceeding EF of vineyards, and, at the 24 <sup>25</sup><sub>26</sub> **295** same time, the ecological balance surplus of durum wheat could guarantee the possible 27 28 296 overexploitation of natural resource caused by a more intensive use of inputs in tomatoes 29 <sup>30</sup> **297** cultivation. This situation can be understood as a sort of balance, both from the economic and 31 32 33 **298** the environmental point of view, between a short and a mid-long term perspective. 34 35 **299** Moreover, it emerges that the high-profitability crops (vineyard and tomato) are 36 37 38 **300** environmentally sustained by low-profitability crops (olive trees and wheat). It suggests that 39 such cropping mix (typical of small-medium farms in Mediterranean area) limits the risk 40 301 41 42 302 linked to agricultural markets price volatility and, at the same time, demands an amount of 43 44 45 303 environmental resources that doesn't exceed their supply at farm level. 46 <sup>47</sup> 304 The results confirm that in farms cultivation patterns a single crop should be considered not 48 49 50 305 only for its specific production, but also for its role within the complex farm organization 51 <sup>52</sup> **306** both from the economic and the ecological point of view. It follows that good farm 53 54 55 **307** management is a complex balance between environmental and economic issues and it has to 56 57 308 be pursued paying attention at the same time to the production of marketable goods and the

48 49 50 329

51 <sup>52</sup> **330** 

53 54 55 **331** 

integrity of natural capital. This requires a systemic approach to cropping systems management because the farm performances are affected both by economic and noneconomic factors (Tellarini et al., 2000).

To this perspective, performing the environmental-economic analysis at farm level emphasizes the role of the farmers as agro-ecosystem managers, who should promote the best integration of the ecological attitudes of their land to the economic implications of their choices (Calker et al., 2004).

#### 5. Conclusions

In this paper an innovative approach based on the Ecological Footprint accounting was used to assess the sustainability of a cropping pattern and to evaluate and analyse the trade-offs between environmental and economic performances.

This methodology relates to the environmental impact of each crop in the farm cultivation system - calculated taking into account the inputs used and the overexploitation of the soil productivity – with the biocapacity that the same crop is able to provide. The ecological balance obtained by this comparison can be compared with the crops economic results in order to highlight the relationship between these two dimensions.

Such methodology was applied in a case study farm and the results offer interesting insights about the economic-environmental relationship at farm level. The cropping system of the farm showed an overall positive ecological balance (+2,4 gha) and a gross margin of 16,200 €. The trade-off among the environmental and economic dimensions is evident: the crops with

1 332 the worst environmental performances sustain the farm income, while the crops with a 2 <sup>3</sup> 333 positive ecological balance bring a very limited contribution to the economic profitability. 5 6 334 However, beyond the specific figures obtained, a key point that emerges is the need to 7 335 consider and analyse the farm as a whole. In fact, both the economic and the environmental 10 11 336 sustainability can only be ensured through an appropriate combination of different crops, in 12 <sup>13</sup> 337 both the short and long run. In general, high profitability crops are resources consuming 14  $^{15}_{16}$  338 (which, in our assessment, means unsustainable) while those that provide a positive 17 18 339 ecological balance have low gross margins. 19 20 21 340 So, a well-suited crop mix should balance the search for the higher economic performances 22 with a positive ecological balance at the farm level. This evidence suggests approaching a 23 **341** 24 <sup>25</sup><sub>26</sub> **342** cropping pattern in a systemic perspective, explicitly considering the interrelations between 27 its economic and environmental dimensions. 28 343 29 <sup>30</sup> **344** From this perspective, the farmer is no longer an economic agent whose aim is to maximize 32 33 **345** its profit trying to limit the negative externalities of production processes, but rather a 34 <sup>35</sup> **346** caretaker of natural resources intended for agricultural production and income generation. 36 37 38 **347** The implications of this study, beyond its intrinsic limitation due to the case sensitiveness of 39 the analysis, can stimulate new reflections on the peculiar role of farmers. 40 348 41 <sup>42</sup> 349 Such reflections should be considered, for example, in addressing agro-environmental 43 44 45 350 policies, which look at the farmer as one of the main actors of natural resources preservation. 46 <sup>47</sup> 351 Indeed, the possibility of assessing the relationships between economic choices and resources 48 49 50 352 consumption/savings at farm level could help in implementing more effective policies able to 51 <sup>52</sup> **353** increase farmers' revenues reducing at the same time the environmental impacts of 53 54 55 **354** agricultural systems. 56

1 356 357 Acknowledgements 6 358 The authors gratefully acknowledge for his fundamental contribution on the manuscript 7 359 Michael Borucke, which has built the banks of our river of ideas. 11 360 12 <sup>13</sup> 361 14 15 16 **362** Author' contribution 17 18 363 Although the paper is the result of the collaborative effort by the authors, they contributed 19 20 21 364 specifically as follows: 22 23 **365** - Emanuele Blasi for §1 and §2.3 24 <sup>25</sup><sub>26</sub> **366** - Nicolò Passeri for §2.2, §2.4 and §3 27 - Silvio Franco for §4 and §5 28 367 29 <sup>30</sup> 368 - Alessandro Galli for §2.1 31 32 33 **369** 34 <sup>35</sup> **370** 36 37 38 **371** References 40 372 Ardente F, Beccali G, Cellura M, Marvuglia A (2006) POEMS: a case study of an Italian wine-41 42 373 producing firm. Environmental Management n. 38, pp. 350-364. 43 44 45 374 Bagliani M., Galli A., Niccolucci V., Marchettini N. (2008), Ecological Footprint analysis applied to a 46 <sup>47</sup> 375 sub-national area. The case of the province of Siena (Italy), Journal of Environmental Management n. 48 49 376 86, pp. 354-364. 50 51 52 377 Birkved M., Hauschild M. Z., (2006), PestLCI—A model for estimating field emissions of pesticides 53 54 378 in agricultural LCA, ecological modelling n. 198, pp. 433-451. 55 57 **379** Borucke, M., Moore, D., Cranston, G., Gracey, K., Katsunori, I., Larson, J., Lazarus, E., Morales, 58 59 380 J.C.M., Wackernagel, M. and Galli, A., (2013), Accounting for demand and supply of the biosphere's

- 1 381 regenerative capacity: the National Footprint Accounts' underlying methodology and framework.
- <sup>3</sup> 382 Ecological Indicators n. 24, pp. 518-533.
- $\stackrel{\circ}{_{6}} 383$

7

16

21

28

33

35

40

42

47

49

51

- Calker, K.J.v., Berentsen, P.B.M., de Boer, I.M.J., Giesen, G.W.J., Huirne, R.B.M., (2004), An LP
- 8 384 model to analyse the economic and ecological sustainability on Dutch dairy farms: model presentation 9
- 10 385 and application for experimental farm. Agricultural Systems n. 82, pp. 139–160. 11
- <sup>12</sup> 386 Cowie A., Kirschbaum M., Ward M., (2007), Options for including all lands in a future greenhouse
- 14 15 387 gas accounting framework, Environmental Science & Policy n. 10, pp. 306–321.
- $^{17}_{18}$  388 Cuandra, M., Bjorklund, J., (2007), Assessment of economic and ecological carrying capacity of
- 19 20 389 agricultural crops in Nicaragua. Ecological Indicators n. 7, pp. 133–149.
- 22 390 Dale V., Kline K., Kaffka S., Langeveld J., (2013), A landscape perspective on sustainability of 23
- <sup>24</sup>/<sub>-</sub> 391 agricultural systems, Landscape Ecology n. 28, pp. 1111–1123. 25
- 26 27 **392** De Ponti T., Rijk B., van Ittersum M. K. (2012), The crop yield gap between organic and conventional
- 29 **393** agriculture, Agricultural Systems n. 108, pp. 1-9. 30
- <sup>31</sup><sub>32</sub> **394** Desjardins, R. L., Riznek, R., (2000), Agricultural Greenhouse Gas Budget, in McRae, T., Smith, C.
- 34 **395** A. S., and Gregorich, L. J. (eds.), Environmental Sustainability of Canadian Agriculture: Report of
- 36 **396** the Agri-Environmental Indicator Project, Catalogue No. A22-201/2000E, Agriculture and Agri-Food 37
- <sup>38</sup> **397** Canada, Ottawa, Ontario, pp. 133–142. 39
- 41 398 Deumling, D., Wackernagel, M., Monfreda, C., (2003), Eating up the Earth: how sustainable food
- 43 **399** systems shrink ecological footprint Redefining Available our Progress. at 44
- <sup>45</sup> **400** http://www.rprogress.org/newpubs/2003/ag food 0703.pdf. Last access February 8, 2008. 46
- 48 401 European Commission, (2010), COM(2010) 672 - Communication from the Commission to the
- 50 402 european parliament, the council, the european economic and social committee and the committee of
- <sup>52</sup> **403** the regions The CAP towards 2020: Meeting the food, natural resources and territorial challenges of 53
- <sup>54</sup> 404 the future, available on www.europa.eu (last access January 2014) 55

- 1 405 FAO, (2007), The state of food and agriculture: paying farmers for environmental services. FAO 2
- <sup>3</sup> 406 Agriculture Series No. 38. Rome.
- 6 407
- Ferng, J., (2005), Local sustainable yield and embodied resources in ecological footprint analysis-a 7
- 8 408 case study on the required paddy field in Taiwan. Ecological Economics 53, pp. 415-430. 9
- 10 409 Fiala, N., (2008), Measuring sustainability: Why the ecological footprint is bad economics and bad
- <sup>12</sup>
  <sub>13</sub> **410** environmental science. Ecological Economics n. 67, pp. 519-525.
- 14

28

33

35

40

42

47

49

54

56

- <sup>15</sup> **411** Franzluebbers, A.J., Follett, R.F., (2005), Greenhouse gas contributions and mit- igation potential in 16
- <sup>17</sup> 412 agricultural regions of North America: introduction. Soil and Tillage Research n. 83, pp. 1-8. 18
- 19 Fung, I.Y., Doney, S.C., Lindsay, K., John, J., (2005), Evolution of carbon sinks in a changing climate 20 413
- 22 414 Proceedings of the National Academy of Sciences n. 102, pp. 11201–11206. 23
- <sup>24</sup> 25 **415** Galli, A., (2015), On the Rationale and Policy Usefulness of Ecological Footprint Accounting: the
- 26 27 416 case of Morocco, Environmental Science & Policy n. 48, pp. 210-224.
- <sup>29</sup> **417** Galli, A., Kitzes, J., Wermer, P., Wackernagel, M., Niccolucci, V., Tiezzi, E., (2007), An exploration 30
- 31 418 of the mathematics behind the Ecological Footprint. International Journal of Ecodynamics n. 2, pp. 32
- 34 **419** 250-257.
- <sup>36</sup> 420 Galli, A., Wackernagel, M., Iha, K., Lazarus, E., (2014), Ecological Footprint: Implications for 37
- 38 421 biodiversity. Biological Conservation n. 173, pp. 121–132. 39
- 41 422 Gan Y., Liang C., May W., Malhi S.S., Niu J., Wang X., (2012), Carbon footprint of spring barley in
- <sup>43</sup> **423** relation to preceding oilseeds and N fertilization, International Journal of Life Cycle Assessment n. 17, 44
- 45 424 pp. 635–645. 46
- 48 425 García-Oliva F., Masera O. R., (2004), Assessment and measurement issues related to soil carbon
- <sup>50</sup> **426** sequestration in land-use, land-use change, and forestry (lulucf) projects under the kyoto protocol, 51
- 52 427 Climatic change n. 65, pp. 347–364. 53
- Gerdessen, J. C., & Pascucci, S. (2013), Data Envelopment Analysis of sustainability indicators of 55 **428**
- <sup>57</sup> **429** European agricultural systems at regional level, Agricultural Systems n. 118, pp. 78-90. 58

- 1 430 GFN Global Footprint Network, (2011), National Footprint Account, Global Footprint Network.
  - IIASA/FAO, (2012), Global Agro-ecological Zones (GAEZ v3.0), IIASA, Laxenburg, Austria and
- FAO, Rome, Italy.

7

14

21

28

33

35

42

44

49

51

- <sup>8</sup> 433 IPCC (2006), IPCC Guidelines for National Greenhouse Gas Inventories. Intergovernmental Panel on
- 10 d34 Climate Change.
- Kitzes, J., Galli, A., Bagliani, M., Barrett, J., Dige, G., Ede, S., Erb, K., Giljum S., Haberl, H., Hails,
- 15 436 C., Jolia-Ferrier, L., Jungwirth, S., Lenzen, M., Lewis, K., Loh, J., Marchettini, N., Messinger, H., 16
- <sup>17</sup> 437 Milne, K., Wada, Y., Walsh, C., Wiedmann, T., (2009), A research agenda for improving national
- <sup>19</sup>
  <sub>20</sub> 438 Ecological Footprint accounts. Ecological Economics n. 68, pp. 1991-2007.
- Liebig MA, Tanaka DL, Krupinsky JM, Merrill SD, Hanson JD, (2007), Dynamic cropping systems:
- Limnios, E.A.M., Ghadouani, A., Schilizzi, S., Mazzarol, T., (2009), Giving the consumer the choice:
- a methodology for product ecological footprint calculation. Ecological Economics n. 68, pp. 2525–30
- 31 **443** 2534.
- 34 444 Liu, Q. P., Lin, Z. S., Feng, N. H. and Liu, Y. M. (2008), A Modified Model of Ecological Footprint
- accounting and its application to cropland in Jiangsu, China, Pedosphere n.18, pp. 154–162.
- Merante P., Van Passel S., Pacini C. (2015) Using agro-environmental models to design a sustainable
- benchmark for the sustainable value method, Agricultural Systems n. 136, pp. 1–13.
- 43 448 Monfreda, C., Wackernagel, M., Deumling, D., (2004), Establishing national natural capital accounts
- $^{45}_{46}$  449 based on detailed Ecological Footprint and biological capacity assessments. Land Use Policy n. 21,
- 47 48 450 pp. 231–246.
- 50 451 Moss M., (2000), Interdisciplinarity, landscape ecology and the 'Transformation of Agricultural
- Landscapes' Landscape Ecology n. 15, pp. 303–311.

- Mózner, Z., Tabi, A., Csutora, M. (2012) In the quest for the sustainable agricultural yield, -1 453
- <sup>3</sup> 454 Comparing the environmental impacts of intensive and extensive agricultural practices, Ecological
- 455 Indicators n. 16, pp. 58-66.

2

- 8 456 Nemecek T., Kägi T. (2007), Life cycle inventories of Swiss and European agricultural production 9
- 10 457 systems. Final report ecoinvent v2.0 No 15a. Zürich and Dübendorf, Agroscope Reckenholz-
- <sup>12</sup> **458** Taenikon Research Station. www.ecoinvent.ch (Accessed 16 December 2011). 13

- 15 459 Niccolucci, V.; Galli, A.; Kitzes, J.; Pulselli, R.M.; Borsa, S.; Marchettini, N., (2008), Ecological 16
- 17 460 Footprint analysis applied to the production of two Italian wines. Agriculture Ecosystem 18
- <sup>19</sup> 461 Environonment n.128, pp. 162–166. 20

21 22 462

- Odum H. T., Odum E. P., (2000), The Energetic Basis for Valuation of Ecosystem Services, 23
- 24 463 Ecosystems n. 3, pp. 21–23. 25

<sup>26</sup> 27 **464** 

- OECD, (2013), Policy Instruments to Support Green Growth in Agriculture, OECD Green Growth
- 28 29 465 Studies, OECD Publishing.

30

- <sup>31</sup> 466 Passeri N., Borucke M., Blasi E., Franco S., Lazarus E., (2013), The influence of farming technique on 32
- 33 467 cropland: A new approach for the Ecological Footprint, Ecological Indicators n. 29, pp. 1–5. 34

35 36 468

- Rees, W.E., Wackernagel, M., (1994), Ecological footprints and appropriated carrying capacity: 37
- <sup>38</sup> **469** measuring the natural capital requirements of the human economy. In: Jansson, A., Hammer, M., 39
- 40 470 Folke, C., Costanza, R. (Eds.), Investing in natural capital: the ecological economics approach to 41
- 42  $_{43}$  471 sustainability. Island Press, Washington, pp. 362–390.

44 46

- <sup>45</sup> **472** Ribaudo M., Greene C., Hansen L., Hellerstein D., (2010), Ecosystem services from agriculture: Steps
- $^{47}_{48}$  473 for expanding markets, Ecological Economics n. 69, pp. 2085–2092.

49 51

- 50 474 RICA, (2014), Rete Informazione Contabile Agraria, available on www.rica.inea.it, last access July
- <sup>52</sup> **475** 53

2014.

Suh, S.; Lenzen, M.; Treloar, G.J.; Hondo, H.; Horvath, A.; Huppes, G.; Jolliet, O.; Klann, U.;

Krewitt, W.; Moriguchi, Y.; Munksgaard, J.; Norris, G., (2004), System Boundary Selection in Life
cycle Inventories. Environment Science Technology n. 38, pp. 657-664.

Tellarini V., Caporali F., (2000), An input/output methodology to evaluate farms as sustainable agroecosystems: an application of indicators to farms in central Italy, Agriculture, Ecosystems and Environment n. 77, pp. 111–123.

Thomassen M.A., De Boer I.J.M., (2005), Evaluation of indicators to asses the environmental impact of diary production systems, Agriculture, Ecosystem and Environment n. 111, pp. 185-199.

Van der Werf, H.M.G., Tzilivakis, J., Lewis, K., Basset-Mens, C., (2006), Environmental impacts of farm scenarios according to five assessment methods. Agriculture, Ecosystems and Environment n. 118, pp. 327–338.

Wackernagel, M., Rees, W.E., (1996), Our Ecological Footprint: Reducing Human Impact on the Earth. New Society Publishers, Gabriola Island, BC.

West T.O., Marland G. (2002), Net carbon flux from agricultural ecosystems: methodology for full carbon cycle analyses, Environmental Pollution n. 116, pp. 439–444.

#### Appendix 1

#### Calculation of EF<sub>inp</sub> of tomatoes per unit area (ha)

Input	Quantity	Coefficient	Emissions [tonCO <sub>2</sub> ]	Yw [wha/tonCO <sub>2</sub> ]	EQF [gha/wha]	EF [gha]
Seeds	121,000 units	1.4 E-22 tonCO <sub>2</sub> /unit	1.7 E-17	2.58	2.51	0.000
Fertilizer (Manure)	400 kg	0.008 kgCO <sub>2</sub> /kg	0.0032	2.58	1.26	0.010
Fertilizer (N)	21 kg	$3.750~kgCO_2/kg$	0.0795	2.58	1.26	0.259
Fertilizer (P)	22 kg	$0.065~kgCO_2/kg$	0.0014	2.58	1.26	0.005
Fertilizer (K)	38 kg	$0.037~kgCO_2/kg$	0.0014	2.58	1.26	0.005
Fertilizer			0.0855			0.279
Pesticides (Fungicide)	20 kg	0.0292 kgCO₂/kg	0.0001	2.58	1.26	0.002
Fuel (used by farmer)	245 kg					
Fuel (used by	144 kg					

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	495 496 497
23 24 25 26 27 28 90 1 32 33 34 35 36 37 38 90 1 42 34 44 45 46 47 48 90 51 52 53 55 55 55 56 61 61 61 61 61 61 61 61 61 61 61 61 61	498 499 500

<i>contractor)</i> Fuel	399 kg	0.0032 tonCO <sub>2</sub> /kg	1.2641	2.58	1.26	4.117
Labour (farmer)	32 h					
Labour (contractor)	26 h					
Labour	58 h	0.0005 gha/h				0.032
EF <sub>inp</sub>						4.429

Source: our elaboration based on standard coefficients (see Passeri et al., 2013)

# Calculation of EF<sub>inp</sub> of olive trees per unit area (ha)

Input	Quantity	Coefficient	Emissions [tonCO <sub>2</sub> ]	Yw [wha/tonCO <sub>2</sub> ]	EQF [gha/wha]	EF [gha]
Fertilizer (N)	30 kg	3.750 kgCO₂/kg	0.1125	2.58	1.26	0.366
Fertilizer (P)	9 kg	0.065 kgCO <sub>2</sub> /kg	0.0006	2.58	1.26	0.002
Fertilizer (K)	9 kg	0.037 kgCO <sub>2</sub> /kg	0.0003	2.58	1.26	0.001
Fertilizer			0.0855			0.369
Pesticides (Insecticide)	25 kg	0.0189 kgCO <sub>2</sub> /kg	0.0005	2.58	1.26	0.002
Fuel (farmer)	47 kg					
Fuel (contractor)	315 kg					
Fuel	362 kg	$0.0032 \ ton CO_2/kg$	1.1494	2.58	1.26	3.743
Labour (farmer)	14 h					
Labour (contractor)	130 h					
Labour	144 <i>h</i>	0.0005 gha/h				0.079
EF <sub>inp</sub>						4.193

Source: our elaboration based on standard coefficients (see Passeri et al., 2013)

# Calculation of $EF_{inp}$ of vineyard per unit area (ha)

Input	Quantity	Coefficient	Emissions [tonCO <sub>2</sub> ]	Yw [wha/tonCO <sub>2</sub> ]	EQF [gha/wha]	EF [gha]
Fertilizer (N)	13 kg	3.750 kgCO₂/kg	0.0469	2.58	1.26	0.153
Fertilizer (P)	29 kg	0.065 kgCO <sub>2</sub> /kg	0.0019	2.58	1.26	0.006
Fertilizer (K)	3 kg	0.037 kgCO <sub>2</sub> /kg	0.0001	2.58	1.26	0.000
Fertilizer			0.0489			0.159
Pesticides (Fungicide)	80 kg	0.0292 kgCO <sub>2</sub> /kg	0.0024	2.58	1.26	0.008
Fuel (farmer)	214 kg					
Fuel (contractor)	92 kg					
Fuel	306 kg	$0.0032 \ ton CO_2/kg$	0.9720	2.58	1.26	3.166
Labour (farmer)	52 h					
Labour (contractor)	160 h					
Labour	212 h	0.0005 gha/h				0.106

1 2 3 4 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	501 502 503
222222222333333333344444444555555555555	
56 57 58 59 60 61 62 63	

$EF_{inp}$	3.439
------------	-------

Source: our elaboration based on standard coefficients (see Passeri et al., 2013)

25

Appendix 2

9 **507** 

## Calculation of gross margin of tomatoes (data per ha)

Input	Quantity	Price	Value (€/ha)
Product I – Tomatoes [ton]	60.0	95	5,700
Agro-environmental subsidies $[\epsilon]$			390
Revenues [€]			6,090
Seeds [ton]	3.5	250.00	875
Fertilizer [€]			1,510
Pesticides [€]			156
Fuel (used by farmer) [kg]	245	1.58	387
Labour (provided by farmer)[hour]	32	15.00	480
Contractor [€]			650
Other costs [€]			227
Variable Costs $[\epsilon]$			4.285
Gross margin $[\epsilon]$			1.805

Source: our elaboration

## Calculation of gross margin of olive trees (data per ha)

Input	Quantity	Price	Value (€/ha)
Product I – Olives [ton]	4.0	760	3,040
Agro-environmental subsidies $[\epsilon]$			200
Revenues $[\ell]$			3,240
Fertilizer [€]			1,260
Pesticides [€]			145
Fuel (used by farmer) [kg]	47	1.58	74
Labour (provided by farmer)[hour]	14	15.00	210
Contractor [€]			1,300
Other costs [€]			46
Variable Costs [€]			3.035
Gross margin $[\ell]$			205

Source: our elaboration

<sup>55</sup><sub>56</sub> **511** 

58 512 

# Calculation of gross margin of vineyard (data per ha)

Input	Quantity	Price	Value (€/ha)
Product I – Olives [ton]	8.0	70	5,600
Agro-environmental subsidies $[\epsilon]$			350
Revenues [€]			5,950
Fertilizer [€]			1,076
Pesticides [€]			562
Fuel (used by farmer) [kg]	214	1.58	338
Labour (provided by farmer)[hour]	52	15.00	780
Contractor [€]			2,400
Other costs $[\epsilon]$			394
Variable Costs $[\epsilon]$			5.550
Gross margin [€]			400

Source: our elaboration