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2 Modelling crop pattern changes and water resources 3 exploitation: a case study

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11 **Abstract:** Agriculture and farming worldwide are responsible for numerous environmental threats,
12 including degradation of land and water resources depletion. Underlining the dynamic interaction
13 between bio-physical and socio-economic drivers is the key towards a more sustainable land and
14 water management. With regard to a highly developed agricultural area in southern Italy,
15 multi-regression models were developed to interpret the observed inter-annual variability of
16 cropped land. Main drivers related to Common Agricultural Policy support, product market
17 prices, crop yield and irrigation water availability were investigated. The adopted models revealed
18 the different weighs of each driver. The findings reported the role that direct payments played in
19 supporting the extension of irrigated crops, such as processing tomato. Likewise, the models
20 pointed to decoupled payment scheme as the most important driver of change in the crop pattern
21 over the last years.

22 **Keywords:** Land and water management; land use change modelling; water and irrigation policy;
23 modelling of policy impact.

24

25 1. Introduction

26 Starting from 1960s, there was a growth in both food production and global population [1]. As
27 the global population will continue to grow in the coming decades, at the same time, food demand
28 will increase while food producers are expected to experience greater competition for land, water
29 and energy [1].

30 As such, agriculture and farming are in general responsible for increasing environmental
31 threats, including degradation of land and freshwater [2]. The technological innovations allowed a
32 rapid increase in agricultural productivity [3] during the last fifty years. In fact, world's agricultural
33 production grew up about three times over the period, while the cultivated land grew 12%. More
34 than 40% of the growth in food production come from irrigated land, which has doubled its area and
35 can be interpreted as a global signal of increasing degree of pressure on water resources [3].

36 Major water resources exploited for irrigation are surface and groundwater bodies. For many
37 production areas, groundwater remains the unique source of freshwater when surface water sources
38 are not available [4]. As a whole, irrigation is currently responsible for groundwater withdrawals of
39 about 2,800 km³ per year [5]. In fact, irrigation represents the most impacting water use on
40 groundwater resources [6], as it accounts for 70% of global withdrawals and 90% of consumptive
41 water uses [7]. The irrigation water demand depends primarily on the extension of irrigated land,
42 which ultimately depends on farmers' decisions. As found in some researches [8] farmers' behavior
43 with respect to cropping pattern is driven by economic factors, such as market prices, agricultural
44 subsidies, land and capital availability.

45 Focusing on the European Union, the Common Agricultural Policies (CAP) were traditionally
46 introduced as a balancing tool to help national productions to compete in both domestic and

47 international markets [9]. Moreover, agricultural policies enable farming profitability [10], which
48 produce direct and indirect values in terms of landscape conservation and cultural heritage. On the
49 other hand, the role of agricultural policies is secondarily connected to water resources sustainability
50 and protection [11]. Specific policies for water resources protection often failed due to their direct
51 and indirect contrast with farmers' support policies [14 - 15]. Although other policies strictly focused
52 on the diffusion of water saving technologies, it has not proved to be efficient in controlling
53 irrigation water demand [14].

54 A number of studies have tried to explain the cropping pattern evolutions as a function of
55 market and policy drivers. Econometric models for crop production can be developed also to
56 understand past dynamics of crop productions, evaluate policy effects and design new policies to
57 enhance economic productivity and environmental conservation [15].

58 The present study concerns the Province of Foggia (Puglia region, Southern Italy), which
59 represents a highly developed agricultural area and is the largest irrigated area of Puglia (Southern
60 Italy). The irrigation service is provided and managed by the Reclamation and Irrigation Board of
61 Capitanata (CBC), that covers 84% of utilized agricultural area (UAA) of the Province. The CBC
62 adopts volumetric block tariffs, whereby farmers pay according to their actual consumption.
63 However, the surface water resources of CBC is integrated with on-farm groundwater resources.

64 Multi-regression models were developed to interpret the inter-annual variability of crop land
65 devoted to processing tomato (intensive crop with high irrigation water requirement) and durum
66 wheat (extensive rain-fed) under the variability of the main drivers related to CAP support, market
67 prices, crop yield and water availability. Our working hypothesis is that water availability together
68 with crop economic attractiveness may have shaped the evolution of cropping patterns and water
69 resources exploitation. The purpose of the present study is to shed light on drivers of cropping
70 patterns and their impacts on irrigation water requirement.

71 The article is organized as follows. After this introduction, Section 2 presents the Study Case.
72 Section 3 reviews some major variables and hypotheses of modelling, and in addition, is presented
73 the adopted modelling approach. The parametrization process, for two multi-regression models,
74 results and discussion are presented in Section 4. The last section draws concluding remarks.

75 2. Study Area

76 2.1 Overview

77 The case study of the present work corresponds to a fertile plain covering about 5,000 km²,
78 where cereal production was started since the Roman age. The climate of the area is classified as Cfa
79 (warm temperate, fully humid, hot summer) according to the updated Köppen-Geiger climate
80 classification [16], while the hydro-geological setting is characterized by a significant river network
81 with a marked seasonal streamflow regime. Significant alluvial aquifers underlay the Capitanata
82 plain between the hilly area of the sub-Apennines (South-West) and Gargano area (North-East) and
83 represent an important water resource for the whole area.

84 At provincial scale, the UAA covers 495,100 ha corresponding to 92% of the total agricultural
85 area [17]. This production area is relevant for the intensive farming, particularly for the production
86 of processing tomato, which account for 33% of the national production. More in details, the crop
87 pattern is characterized mostly by rain-fed winter cereals (with durum wheat covering 47% of the
88 UAA), irrigated horticultural summer crops (with processing tomato covering 4%), forage and
89 pasture systems (15%), olive trees and vineyards (15%), the remaining agricultural area (19%) being
90 covered by less representative permanent and seasonal crops. The irrigation network is available
91 approximately on 150,000 ha, but only 126,000 ha are effectively supplied. Two irrigation systems
92 are established within the area: the *Fortore* district, on the Northern part, serving 110,000 ha, and the
93 *Sinistra Ofanto* district, on the South, serving approximately 40,000 ha. Both are on-demand
94 pressurized districts, with volumetric water pricing, and delivering points equipped with
95 water-meters, of which 10% with prepaid card devices to monitor water demand [18]. Water

96 resources conveyance (i.e. dams and diversions) and delivery systems of both districts are managed
 97 by the CBC, which is a governing and technical body ruled by farmers' representatives.

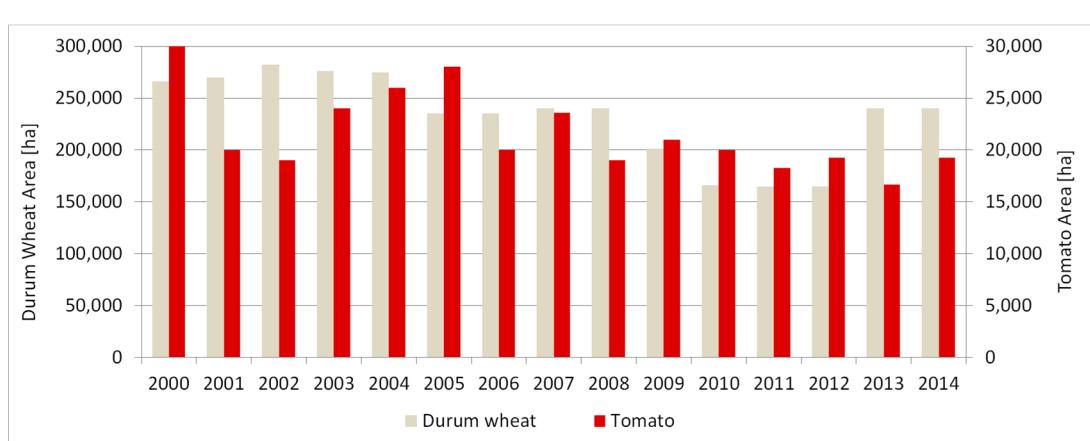
98 Groundwater exploitation instead is operated at farm scale through private wells used to
 99 increase the irrigation capacity, particularly in conditions of water stress. The annual irrigation
 100 requirement for the Province of Foggia is estimated around 300 Mm³ (mean annual value in the
 101 period 2000-2014) and is covered with a share of groundwater resources around 66%. The case study
 102 can be considered as an example of joint use of limited surface water (SW) under a centralized
 103 authority for delivery and control (i.e. CBC) and groundwater (GW), which is exploited by a large
 104 number of small users [19].

105 Since in the last 15 years, the study area has experienced a relevant evolution in the traditional
 106 cropping patterns that reflected on surface water and groundwater resources management.
 107

108 2.2. Variations of crop areas and irrigation requirement

109 In this research two crops were considered, namely winter durum wheat and processing
 110 tomato. These are representative of two contrasting types of crop (i.e. extensive vs. intensive,
 111 rain-fed vs. irrigated, winter vs. summer crops) with distinct pressures on land and water resources.

112 In particular, for the period under investigation ranging from 2000 to 2014, two datasets were
 113 considered, one from the National Statistical Service [20] for the period 2000-2011 and one from the
 114 National Service for Agricultural Economy [21] for the period 2012-2014. During that period, large
 115 areal variations were observed for both durum wheat (between 282,000 ha in 2002 and 165,000 ha in
 116 2011) and for processing tomato (between 30,000 ha 2000 and 16,670 ha in 2013). Moreover, the areal
 117 variation of the other crop types was also considered to characterize the evolution of irrigation
 118 requirements. In the following Figure 1, provincial area variations of investigated crops are shown.
 119



120
 121
 122 **Figure 1.** Cropping area variations.
 123

124 The total irrigation requirement of the study area is variable according to the seasonal climate
 125 variability and to the inter- and intra-annual evolution of cropping patterns. Starting from the
 126 dataset of agricultural land use, the monthly variability of irrigation requirement was estimated
 127 throughout the period of interest, according to Zingaro et al. [22].

128 At the whole district scale (CBC), the resulting water needs are reported in Figure 2 and
 129 compared with the annual supply volumes from SW resources (*Fortore* and *Sinistra Ofanto* districts)
 130 based on the observations provided by the Regional Water Authority. Figure 2 shows a weak
 131 correlation between SW supply and water needs also highlighting a relevant share of irrigation
 132 requirement that has to be necessarily fulfilled through GW pumping. Overexploitation of GW is
 133 likely to happen during drought periods, as the difference between irrigation requirement and SW
 134 supply suggests in Figure 2.
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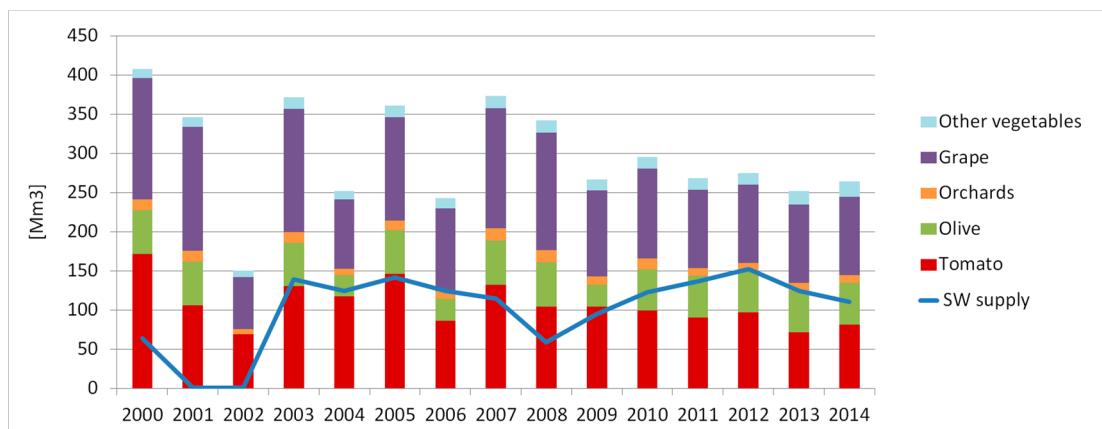


Figure 2. Irrigation water requirement and SW supply.

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140 3. Materials and Methods

141 3.1. Framework

142 Understanding drivers of land use changes may assist in developing a sustainable management
143 of land and water resources in the future. It is assumed that the observed cropland extension is
144 directly linked to farmers' decisions which depend on other external drivers. With this study, the
145 interactions between historical areal variations and influencing drivers are analysed.

146 The adopted methodology involves the following steps. Initially, a comparison between
147 temporal series of influencing drivers and observed variations of crop area was performed with the
148 purpose of studying possible correlations. Connections between drivers and areal variations, in
149 terms of polarities and possible delayed influences, was drafted considering the expert knowledge,
150 besides the abovementioned comparison, and following the approach proposed in Giordano et al.
151 [23] through semi-structured interviews with local stakeholders. The result of this step was
152 explicated by means of conceptual maps. Then, a multi-regression modelling approach was adopted
153 [24] to define the structure of models equations. Conceptual maps and models equations were
154 implemented using the STELLA® tool, which allowed to take into account the network of
155 interactions, including delay mechanisms influencing the system dynamic evolution [25],
156 throughout the period of interest. The equations' parameters were estimated by means of the least
157 square method using the PEST® software package for parameter estimation [26] on the basis of the
158 historic values of crop areas. Finally, a Sensitivity Analysis (SA) was performed to investigate how
159 the variation in the model output can be attributed to variations of its input drivers [27].

160 Considering the very simple structure of adopted multi-regression models (MRM) together
161 with the peculiar variability of MRM input variables, a SA approach was undertaken with the
162 specific purposes of ranking, screening and mapping the distinctive roles of the input drivers
163 according to Saltelli et al. [28]. The SA was performed splitting the period of interest and the
164 corresponding model structure into two parts, one with coupled agricultural support scheme and
165 the other with decoupled support scheme, trying to highlight the relative contribution to the crop
166 area variability under regular, intermediate and drought conditions (see 4.4).
167

168 3.2. Description of main drivers

169 The farmers' choice regarding the evolution of cultivated area is differently affected by many
170 drivers both of physical and non-physical nature [2]. These drivers can be of economic nature, such
171 as market prices and policy subsidies, or of climatic and phytosanitary nature such as crop yield, or
172 related to the availability of water for irrigation [29]. All of them contribute in shaping the evolution
173 of cropping patterns which can be assumed as the product of farmers' decisions mostly based on

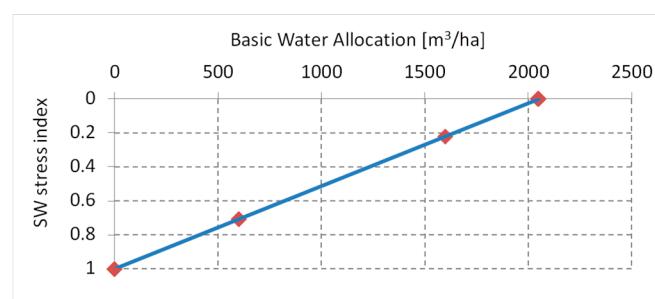
174 income maximization purposes. Focusing on investigated crops, the changes in processing tomato
 175 and durum wheat areas were analyzed and compared against the observed changes of subsidies,
 176 crop yield, market price and irrigation water availability. Therefore, the analysis is based on the
 177 assumption that these four drivers are the most influential in the study area, since these are
 178 recognized as major revenue drivers on agricultural productivity [30], and therefore these drivers
 179 act on farmer's decisions towards annual maximization of economic returns even when such
 180 influencing drivers undergo some structural of unpredictable changes.

181
 182 **3.2.1. SW stress index**

183 Considering the present case study, the area devoted to processing tomato is mainly located
 184 within the *Fortore* district, as reported by [31] and summarized in ISTAT Census data. Therefore, the
 185 availability of SW was defined on the basis of information about the *Fortore* district, which is
 186 supplied by the *Occhito* dam.

187 Although the CBC applies a volumetric water pricing with a three-tier scheme, the water tariffs
 188 are actually established from year to year by the CBC irrigation managing authority. Through
 189 semi-structured interviews with CBC managers, it was derived that, from a merely technical
 190 standpoint, the annual decision on the irrigation water tariffs reflects the water scarcity condition
 191 corresponding to the volume stored in the reservoir (*Occhito*) soon before the start of the irrigation
 192 season (i.e. March) [23].

193 Over the study period, different tariff plans were implemented according to the available water in
 194 the reservoir. The correlation between the accessibility of SW supply and the first block volume
 195 (with minimum tariff) in each year was therefore investigated. In particular, under water scarcity
 196 conditions the CBC managers tend to lower the first block volume from 2050 m³/ha of regular
 197 seasons, down to 600 m³/ha for severe water scarcity seasons. This relationship between SW
 198 availability and corresponding first block volumes was condensed into a SW stress index (SI)
 199 ranging from 0 in regular SW supply years to 1 in years when irrigation service from SW system is
 200 not feasible at all (Figure 3).



202
 203 **Figure 3.** SI related with BWA (blue line) and observed value (red circles)

204
 205 **3.2.2. Market price and crop yield**

206 Datasets on market prices for the interested period were derived from different sources, such as
 207 the local market trade chamber (Camera di Commercio di Foggia, CCF), the institute of agricultural
 208 economy (ISMEA), and from technical journal papers reporting market prices collected from
 209 farmers' organizations for quite a long period [32].

210 According to the reference dataset, the market price for processing tomato varied between 60
 211 €/t (2005) and 120 €/t (2008). Mainly, the observed fluctuations were related to the harvested
 212 production, as a result of the year-to-year crop yield and cultivated area, and therefore according the
 213 supply and demand market law.

214 Regarding the variability of wheat market price, the dataset available from the CCF clearly
 215 reflected the global prices variation of commodities' market, though with differences due to
 216 climate-yield singularities. Market price has varied between 140 €/t (in 2005) and 355 €/t (in 2008) for
 217 durum wheat.

219 To take into account also the variability on crop yield, the ISTAT dataset [21] concerning crop
220 areas and production volumes was elaborated to obtain the annual production per unit area (in
221 t/ha). The datasets concerning production volume and market prices were combined obtaining the
222 annual series of Gross Product Volume (GPV), which is measured in €.
223

224 3.2.3. Change in the structure and intensity of subsidies

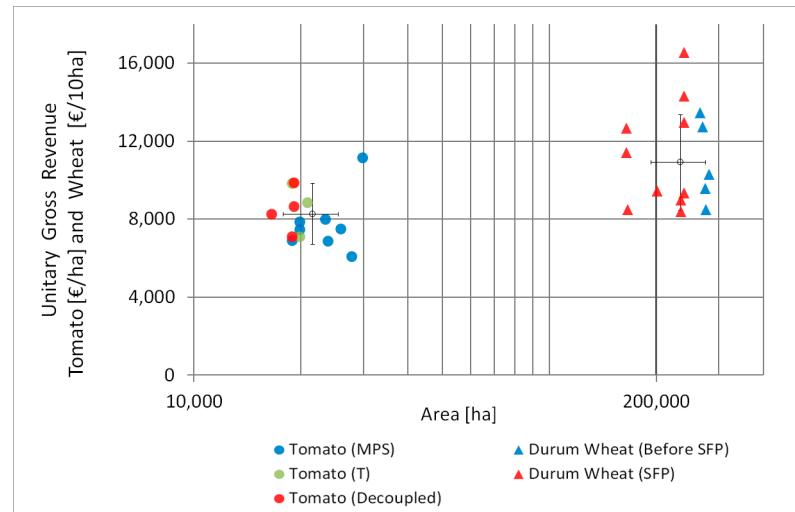
225 During the analysed period, subsidies connected to the Common Agricultural Policy (CAP)
226 were deeply reframed in structure and intensity. For the time horizon of the present study, the main
227 CAP reform begun in 1992 with the MacSharry Reform, which reduced the level of market price
228 support (MPS) and introduced a concept of direct payment in order to reduce the level of market
229 distortion, for the period 1994-2000. In 2000, there was the Agenda 2000 Reform, which introduced a
230 further reduction of market price support also focusing on environmental targets. In 2003, the
231 Fischler Reform was approved which introduced the decoupling of almost all direct payment linked
232 to production, in order to disrupt the loop between incentives and increase of production, and to
233 push farmers to respond more tightly to the market signals. From 2004 to 2008, the coupled direct
234 payments and decoupled payments varied, respectively, from 77% to 15% and 3% to 68% of total
235 CAP payments [33]. In 2008 the CAP introduced a Health Check Reform that completed the
236 decoupling process. With this reform the complete decoupling of payments from production was
237 intended to lead farmers' crop decision to be independent from subsidies. Consequently, farmers
238 who received subsidies in past for a specific crop were not forced to carry on the same crop.
239 Moreover, the Health Check Reform has given particular importance to the green economy,
240 environmental sustainability and to increase of competitiveness of the EU agricultural sector [34].

241 Moreover, in the case of processing tomato there were various changes in the farmers' support
242 scheme during the study period [35]. For the period between 2000-2007, the tomato was supported
243 by means of a market price support (named MPS in Figure 4), so the subsidies were related to
244 production volumes according to Reg. (CE) 2201/96 as much as 34.50 €/t [36]. For the period
245 2008-2010, there was a period of transition (named T in Figure 4) with a progressive decoupling
246 process of support, in which the specific crop payments moved from the product to producers thus
247 reducing the profitability of the crop production. In Italy, the Ministry of Agriculture adopted a
248 transitional period preserving part of the coupled payment (50%) besides the decoupled payment, in
249 agreement with Reg. (CE) 1182/2007 and Dm. 1129 of 31/1/08. The amount of coupled payment was
250 about 1250 €/ha [36]. However, the decoupled payment, provided only to historical producers, was
251 related to fixed production at farm-scale and based on the average crop area in the period 2004-2006.
252 For the period 2011-2014 (named Decoupled in Figure 4), the support after the Health Check Reform
253 reached the full decoupling of the total payment according to Reg. (CE) 73/2009.

254 The support scheme for durum wheat was always strongly coupled and focused on traditional
255 production areas [37]. During the analysed period, the support scheme was deeply changed to
256 overcome overproduction and stabilize farmers' income. For the period 2000-2004 (named Before
257 Single Farm Payment in Figure 4), durum wheat was supported mainly through a market price
258 support, together with a direct support per hectare and a premium for traditional areas [38].
259 Between 2005 and 2009 (named SFP in Figure 4), the effect of the Fischler Reform was to change the
260 support scheme from "coupled" to "decoupled" and to implement eligible areas. In detail, a Single
261 Farm Payment (SFP) was introduced based on farmers' payments claimed in period 2000-2002 and
262 on eligible hectares of land [11]. During the period 2010-2014 (named SFP in Figure 4), with the
263 Health Check Reform on the SFP, the full decoupling process of the CAP scheme was achieved [39].

264 The dataset reporting the support supplied for durum wheat over the studied period was
265 extracted from the database collected by the Network for Agricultural Economic Reporting (RICA).
266 In detail, on the basis of a sample of farms in the area of interest, the intensity of a support per
267 hectare was derived. On the basis of the collected data, the unitary gross revenue of farming activity
268 is adopted as the sum of annual GPV and subsidies, divided by specific crop area to obtain unitary
269 values. A comparison between unitary gross revenue and crop area is shown in Figure 4 for the
270 analysed period.

271

272
273274 **Figure 4.** Unitary gross revenue and crop area: Comparison between Tomato and Durum Wheat
275 under different support schemes.

276

277 From Figure 4, it seems that both the crop extensions decreased, while the unitary gross
278 revenue appears more stable under decoupled support scheme only for processing tomato. The
279 persistent variability of wheat unitary gross revenue, regardless of support scheme, could be
280 probably due to climate-dependence of crop yield and to the influence of international market
281 variability. The proposed methodology and developed models aims at an interpretation of the
282 influence of each selected driver on crop area changes.

283

4. Results

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4.1 Development of interpretative models

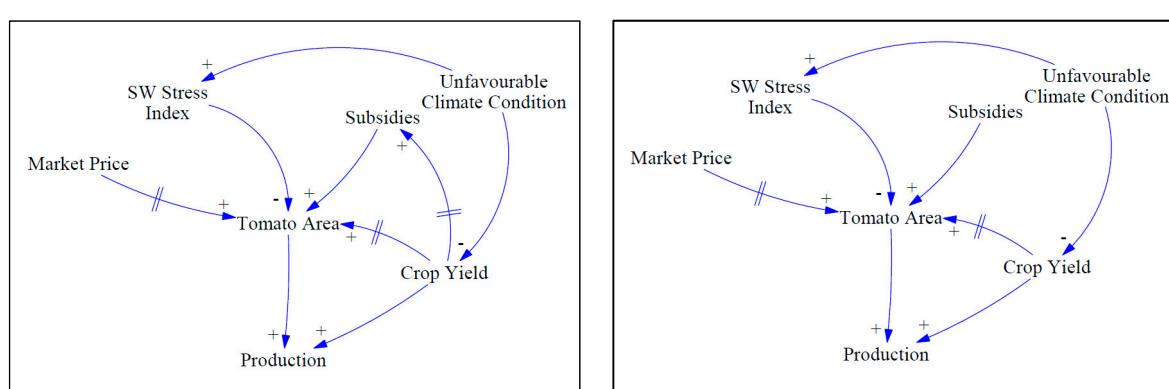
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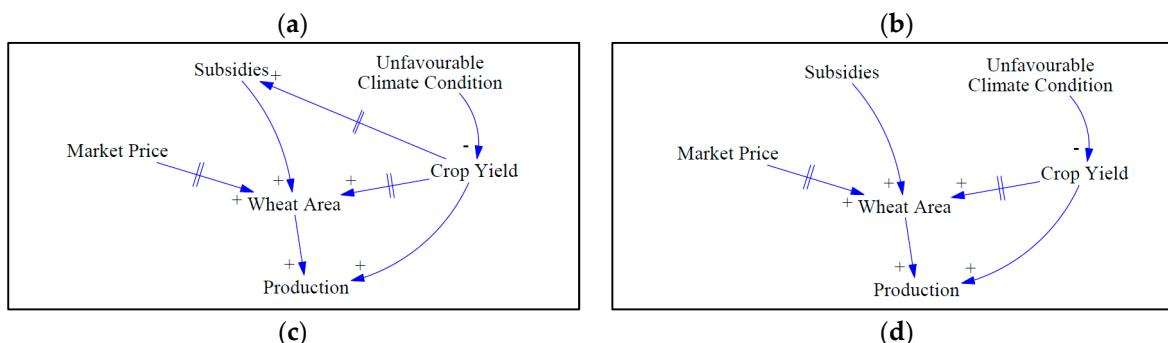
286 For the processing tomato, the observed change of crop land during the period of interest has
287 shown a reduction of around 35.8%. The relationships between processing tomato area and its
288 drivers are shown in Figures 5.a and 5.b. The distinction is in the relationship between tomato area
289 and subsidies, since under MPS and T support scheme, the change in tomato area is related to
290 subsidies, which in turn is related to the crop yield of the previous year, as shown in Figure 5.a.
291 While, when subsidies are decoupled from production the tomato area is related to a fixed subsidy
292 without connection to crop yield, Figure 5.b.

293

294

295





296

297 **Figure 5.** Conceptual maps: Relations (arrows) between variables with polarity (symbols) and delay
 298 (ticked arrows). (a) Tomato area under coupled support scheme; (b) Tomato area under decoupled
 299 support scheme; (c) Wheat area under coupled support scheme; (d) Wheat area under decoupled
 300 support scheme.

301

302 According to the conceptual maps in Figures 5.a and 5.b, the multi-regression model of
 303 processing tomato area (MRM-T) is expressed through the following Equation 1:

304

$$305 A_T(t) = \bar{A}_T [(c_S S(t)^{E_S}) + (c_M M(t-1)^{E_M}) + (c_Y Y(t-1)^{E_Y}) - (c_{SI} SI(t)^{E_{SI}})] \quad (1)$$

306

307 where: $A_T(t)$ is the tomato area [ha] at year t ; \bar{A}_T is the historical average value of A_t , $S(t)$,
 308 $M(t-1)$, $Y(t-1)$, $SI(t)$ are, respectively, subsidy [€/ha] at year t , market price [€/100kg] at year $t-1$,
 309 crop yield [100kg/ha] at year $t-1$ and surface water stress index at year t ; c_i and E^i are
 310 respectively the coefficients and exponents of each driver representing importance of each driver on
 311 the others.

312 Similarly, the crop area for durum wheat was characterized by strong fluctuations with
 313 reductions up to 41% between 2002 and 2011. The multi-regression analysis was based on the
 314 variability of market price, PAC subsidies and crop yield, according to the interaction loops deriving
 315 from the conceptual maps in Figures 5.c and 5.d. In detail, both conceptual maps support the
 316 hypothesis that the crop area in one year depends on market price and crop yield of previous year.
 317 The difference in the two maps is in the relationship between durum wheat area and subsidies
 318 which, in the case of subsidies coupled with production (i.e. Before SFP in Figure 4), asserts that the
 319 durum wheat area is related to the subsidies payed for the production of the previous year Figure
 320 5.c. While, under decoupled scheme (i.e. SFP in Figure 4), the durum wheat area is related only to the
 321 subsidies attached to fixed eligible areas (assumed invariant from 2005 on), Figure 5.d.

322 According to the two conceptual maps for durum wheat, the multi-regression model (MRM-W)
 323 is expressed through the following Equation 2:

324

325

$$326 A_W(t) = \bar{A}_W [(c_S S(t)^{E_S}) + (c_M M(t-1)^{E_M}) + (c_Y Y(t-1)^{E_Y})] \quad (2)$$

327

328 where, A_W is the durum wheat area [ha] at year t ; \bar{A}_W is the historical average value
 329 of A_W ; $S(t)$, $M(t-1)$, $Y(t-1)$ are, respectively, subsidies [€/ha] at year t , market price [€/100kg] at
 330 year $t-1$ and crop yield [100kg/ha] at year $t-1$; c_i and E^i are the coefficients and exponents of each
 331 driver, respectively.

332

333 4.2 Parameterization of models components

334 4.2.1 MRM-Tomato parameterization

335 Equation 1 contains four pairs of parameters, one for each driver. The study period was divided
 336 into two parts in order to distinguish the effects of CAP support regimes, i.e. coupled and decoupled
 337 support. Therefore, two specific sets of parameters were estimated. The first period from 2000 to

338 2010, corresponding to market price support phase (MPS) and transition phase (T), is characterized
 339 by remarkable variability of all considered drivers, including stress water conditions ($SI > 0$). Before
 340 running the calibration with the PEST tool, the MRM-T function was bounded at the upper and
 341 lower limits, respectively 30,000 and 19,000 ha from the observation record. Using the
 342 abovementioned datasets, the parameters were estimated and their values are shown in Table 1.

343 During the second period, from 2011 to 2014, CAP subsidies became decoupled from
 344 production but accessed to long-established producers and with constant level of support related to
 345 a fixed crop area. Thus there was no influence of subsidies on the variation of cropping area; in fact,
 346 the calibrated value of c_s is 0. Moreover, in this period, no stress water condition occurred, while the
 347 other drivers sensibly changed. After a slight refinement of the lower bound area to 16,760 (historic
 348 value) the MMA-T function was calibrated and the corresponding parameter values reported in
 349 Table 1.

350

351 4.2.2 MRM-Wheat parameterization

352 Differently for the MRM-T, Equation 2 contains only three pairs of parameters (durum wheat
 353 being assumed as rain-fed crop), one for each driver. The study period for durum wheat production
 354 was characterised by fluctuations in drivers' values, particularly as a consequence of the Fischler
 355 Reform which started the decoupling process in 2005 with strong impacts on durum wheat
 356 production. Therefore, before 2005, the wheat area was related mostly to the subsidies of previous
 357 year (i.e. support coupled with crop production of the previous year), while from 2005 to 2014
 358 subsidies of same year was considered (effect of decoupling of the support). Based on such
 359 information on the PAC support scheme, the observed annual crop areas, and constraining the
 360 model variability between the historical values (285,000 and 165,000 ha), the MRM-W represented in
 361 Equation 2 was calibrated and the parameters' values are shown in Table 1. The calibration of model
 362 parameters was performed independently from the support scheme, thus over the whole study
 363 period, due to poor calibration results obtained with respect to two periods with different support
 364 scheme.

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Table 1. Estimated values and confidence limits of parameters

MRM-T				MRM-W				
Estimated value	2000-2010		2011-2014	Estimated value	2000-2014		Lower limit	Upper limit
	Lower limit	Upper limit			Lower limit	Upper limit		
c_s	0.00038	7.56E-05	6.85E-04	0.0000	0.0016	-1.67E-03	4.84E-03	
c_M	0.11457	-0.34325	0.57241	0.0093	0.0019	-1.79E-02	2.17E-02	
c_Y	0.0000	0	0	0.0009	0.0010	-2.04E-02	2.24E-02	
c_{SI}	0.4786	0.22857	0.73206	0.4786	-	-	-	
E_s	0.9679	0.77339	1.16254	1.0000	1.0567	-0.0250	2.3118	
E_M	0.7150	-0.98611	2.41616	0.8842	0.9974	-0.9855	2.9807	
E_Y	1.0000	1.00000	1.00000	1.0036	0.9991	-1.2531	3.2514	
E_{SI}	3.8050	-6.23259	13.8426	3.8050	-	-	-	

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The confidence limits, which provide only an indicator of parameter uncertainty, were obtained from PEST® tool. They rely on a linear assumption which may not extend as far in parameter space as the confidence limits themselves. Concerning the MRM-T for the period 2011-2014, the estimated parameters do not present the corresponding uncertainty due to the short number of the observations (four values).

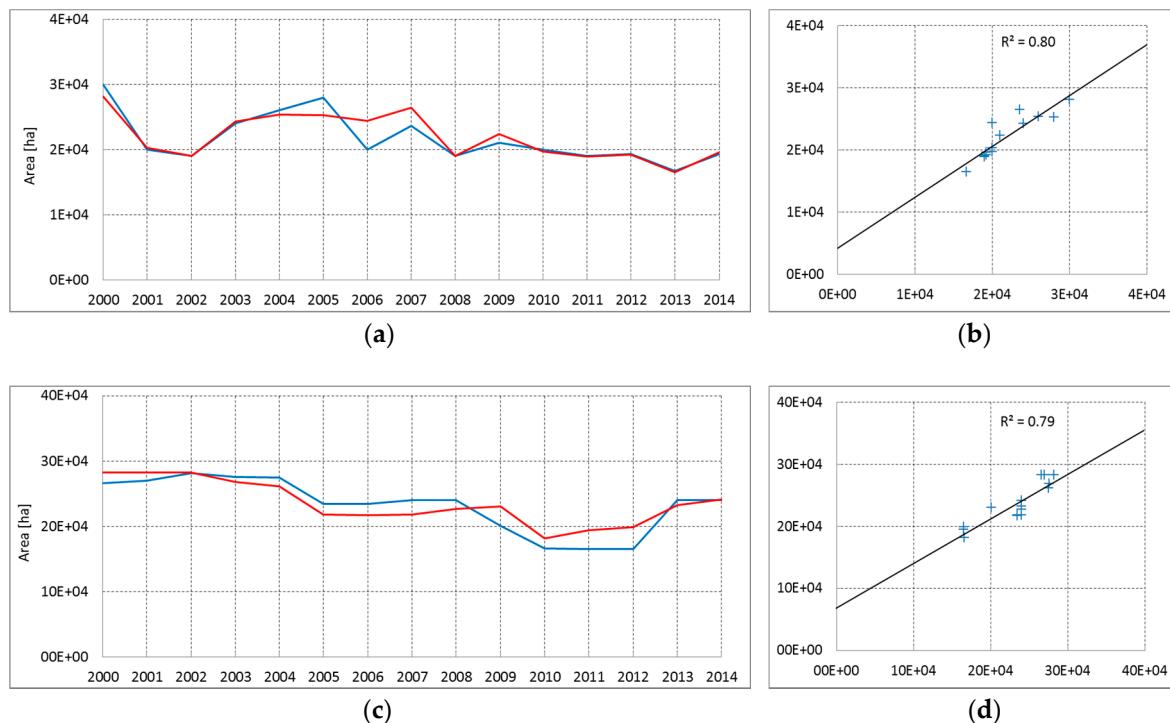
375 4.3 Validation

376 A comparison between model estimates of crop areas from the MRM-T and MRM-W and the
 377 historic values was performed as validation for the period 2000-2014 and is shown in Figure 6.

378 The crop area changes simulated for the tomato have shown a good agreement with respect to
 379 the historic values (Figures 6.a and 6.b), with a determination coefficient of 0.80. Only in 2006 a
 380 marked difference between observed and simulated area was found, probably due to the
 381 over-production reported for 2004, which caused a severe reduction of market price in 2005 (CIA
 382 annual report 2005) and consequent discouragement of farmers.

383 A good agreement was found also between simulated changes of the durum wheat area and the
 384 corresponding historic values (Figures 6.c and 6.d), with a determination coefficient of 0.79. Though
 385 the correlation is quite good for both crop area models, simulated durum wheat areas are
 386 overestimated by about 28% while the overestimation for tomato areas is around 18%.

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389 **Figure 6.** Simulated (red line) and observed (blue line) values of annual crop area for Processing
 390 Tomato (a) and Durum Wheat (c). Scatter plots are reported on the corresponding right panels, (b)
 391 and (d), with simulated and observed values, respectively, x-axis and y-axis.

392

393 4.4 Sensitivity analysis to evaluate the relative influence of area variability drivers

394 Using the abovementioned SA approach for the crop area variability for processing tomato,
 395 different conditions of irrigation water availability occurred during the period with coupled support
 396 scheme (from 2000-2010). Therefore, the results of SA were classified in three classes of water
 397 availability identified as regular (SI=0), intermediate (0 < SI < 1) and drought condition (SI=1).

398 Accordingly, the relative influence of each driver of the area variability was evaluated as its
 399 average weight under different conditions of water availability (Table 2). For the period with
 400 decoupled support scheme 2011-2014, only regular conditions of irrigation availability were
 401 recorded. Therefore, synthetic data records were used to estimate the influence of input drivers
 402 under intermediate and drought conditions, assuming the average values of market and yield
 403 drivers from the regular condition (Table 2). The results of the SA in Table 2 enabled to reveal the
 404 major drivers of crop area variability under different support schemes and climatic conditions.

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406
407**Table 2.** Sensitivity analysis for the MRM-T

Coupled			Decoupled			
	REGULAR	INTERMEDIATE	DROUGHT	REGULAR	INTERMEDIATE	DROUGHT
S	54 %	57 %	41 %	0 % ²	0 % ²	0 % ²
M	46 %	40 %	33 %	8 %	7 %	4 %
SI	0 %	3 %	26 %	0 %	3 %	36 %
Y	0 % ¹	0 % ¹	0 % ¹	92 %	90 %	60 %

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¹ During coupled period, the effect of crop yield is included in the value of subsidies.409
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411² During decoupled period, the support had no effects on the cropping area variation, see section 3.1.3.

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As far as concerns the variability of durum wheat crop areas, different support schemes were implemented during the study period with changing levels of support. Particularly, a marked reduction (about 50%) was observed. Moreover, strong fluctuations of crop yield were reported, which could be related to the positive or negative climate conditions [31]. Therefore, to estimate the relative influence of each driver under different levels of crop yield, the SA was organized according to the percentiles of the historic crop yield (i.e. the 33% and 66 % percentiles). In detail, regular yield condition was defined for $Y > 3.21$ t/ha, intermediate for $2.91 < Y < 3.21$ t/ha, and drought for $Y < 2.91$ t/ha. Thus, the results of the SA highlighted the relative influence of each driver of the area variability in terms of its average weight under different rainfall conditions (Table 3).

422
423
424**Table 3.** Sensitivity analysis for MRM-W

	REGULAR	INTERMEDIATE	DROUGHT	AVERAGE
S	91 %	94 %	92 %	92.3 %
M	5 %	3 %	5 %	4.3 %
Y	4 %	3 %	3 %	3.3 %

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426 5. Discussion

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As a whole, the accuracy of results can be considered good.

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The variability of cropping area devoted to processing tomato was interpreted by means of the MRM-T, which considers four forcing drivers, which are market price, crop yield, SI and subsidies. Specific calibrations were performed for coupled and decoupled support schemes. Considering the heterogeneity of the considered drivers, the value of each parameter is representative of both the drivers' influence and the necessary normalization of model equation. According to the results, under the coupled support, the crop yield had no influence on the area variability. When water availability for irrigation was regular, (i.e. no restrictions in water block tariff) the most influencing driver was the intensity of subsidies (54%), followed by the market price factor (46%). While, with intermediate water availability (i.e. moderate water restrictions), subsidies were the most influencing driver (57%), followed by market prices (40%) and then the SI (3%). Under severe drought conditions, the relative importance of drivers was markedly changed, with subsidies weighting as much as 41%, followed by market price at 33% and the SI at 26%. On the basis of such results for tomato crop, subsidies were the most influencing driver under coupled support scheme (average value about 51%), followed by market price variability (average value 40%), while the influence of the SI, as expected, is evident only in case of drought. In the light of these results, the

443 observed reduction of processing tomato area were mainly related to the change in CAP support
444 scheme.

445 Under decoupled support scheme, despite the irrigation seasons was regular in the observation
446 period, the SA was performed for the three levels of water availability (Tab.2). Anyway, the effect of
447 subsidy amount on the area variability disappeared ($c_s = 0$) as subsidies became constant (decoupled
448 from production amount) and actually paid only to historical areas (i.e. support not extended
449 outside those zone). Concerning the remaining drivers of crop area variability, under regular water
450 availability, the most influencing turned out to be the crop yield (92%), followed by market price
451 (8%). Under moderate water restriction, once more, the crop yield was the most influencing driver
452 (90%), followed by market price (7%) and then SI (3%). Then, for severe drought seasons, crop yield
453 was the most influencing driver (59%), followed by SI (36%) and market price (4%). In conclusion,
454 under decoupled support scheme, the most influential driver has become crop yield (average value
455 about 80%), while water accessibility becomes important only during drought period. These results
456 highlighted the effect of water stress on the reduction of crop area.

457 In the case of tomato, direct and decoupled payments scheme presumably have incentivised
458 farmers to orient farming decisions to markets. This enhances competitiveness, but in the context of
459 increasing climate variability, it also exposes farmers to yield fluctuation. Although number of risk
460 management instruments are available to complement farmers' coping capacity with large income
461 losses, no evidence about the CAP 2014-2020 effects is yet available [40]. Policy makers should pay
462 great attention to yield fluctuation including more specific risk management tools within the CAP.

463 Additionally, during drought periods the reduction of surface water accessibility is likely to
464 produce further negative impacts on groundwater resources. More specifically, while droughts may
465 limit farms supplied only by surface water, farms supplied both by surface and groundwater may
466 take advantage.

467 The variability of the durum wheat crop area was interpreted by means of the MRM-W model,
468 which considers three forcing drivers, i.e. market price, crop yield and subsidy intensity. In this case,
469 an overall calibration was performed with respect to the study period and the model structure
470 resulted almost linear since only subsidies' exponent was different from the unity (Tab. 1). The SA
471 was performed with regard to three levels of crop yield (Tab. 3) supposed directly linked to the
472 climatic conditions. As a whole, subsidies showed to be always the most influencing driver (average
473 value about 92%). This findings are in line with those found in [41]. In fact, there was a decrease of
474 cropping area simultaneously to the change of the support scheme from "coupled" to "decoupled"
475 and to the implementation of eligible areas. From the environmental standpoint, the observed
476 reduction could increase the exploitation of water resources, due to the increasing interest of farmers
477 towards irrigated crops, being more profitable than durum wheat production.

478 Generally, it was assumed that after decoupling, the CAP's influence on farmers'
479 decision-making processes would be very limited. Results in this research have confirmed these
480 assumptions only in the case of irrigated crops such as processing tomato, in line with Giannoccaro
481 and Berbel's [11] results of slightly CAP's influence on water use after decoupled scheme.

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484 6. Conclusions

485 Bio-physical and socio-economic drivers were deeply analysed with regard to a wealthy
486 agricultural area where both water-intensive tomato crops and rain-fed cereal crops underwent a
487 substantial areal change.

488 The adopted multi-regression modelling approach is useful to interpret the crop area changes
489 when all required data are available, this representing a limitation for this methodology. According
490 to the conceptual maps two distinct multi-regression models were developed to interpret the
491 inter-annual variability of crop land devoted to tomato (intensive crop with high water requirement)
492 and durum wheat (extensive and rain-fed crop).

493 The adopted models were able to interpret the observed variability of crop area over the study
494 period, also highlighting the different weighs of each driver under changing subsidies' scheme and
495 accessibility to irrigation water. Concerning the CAP reforms, the decoupled scheme explained the
496 reduction of crop area for both tomato and durum wheat crops. In fact, the role of agricultural
497 subsidies was highlighted for both crops as the main attractor for farming. In detail, the durum
498 wheat area remains strongly influenced by subsidies, as the extension of cropped area tends to the
499 eligible area. Therefore, a reduction of support could further reduce the rain-fed crop area and
500 increase the interest of farmers toward more profitable irrigated crops. Conversely, under decoupled
501 support scheme, the tomato crop appeared highly influenced by crop yield, causing an increase of
502 risk exposure for farmers, especially under drought condition or more generally when water supply
503 restrictions are introduced. Consequently, to prevent further depletion of groundwater resources
504 and stabilize farmers' income, under the increase of yield-related risks, more specific risk
505 management tools may be included in future CAP reforms.

506 In conclusion, the results can help understanding the effects of agricultural and water policies
507 on the crop pattern change, thus on water resources exploitation, by separating the effects of other
508 variability sources.

509

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512

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