



CAP instruments that offer opportunities

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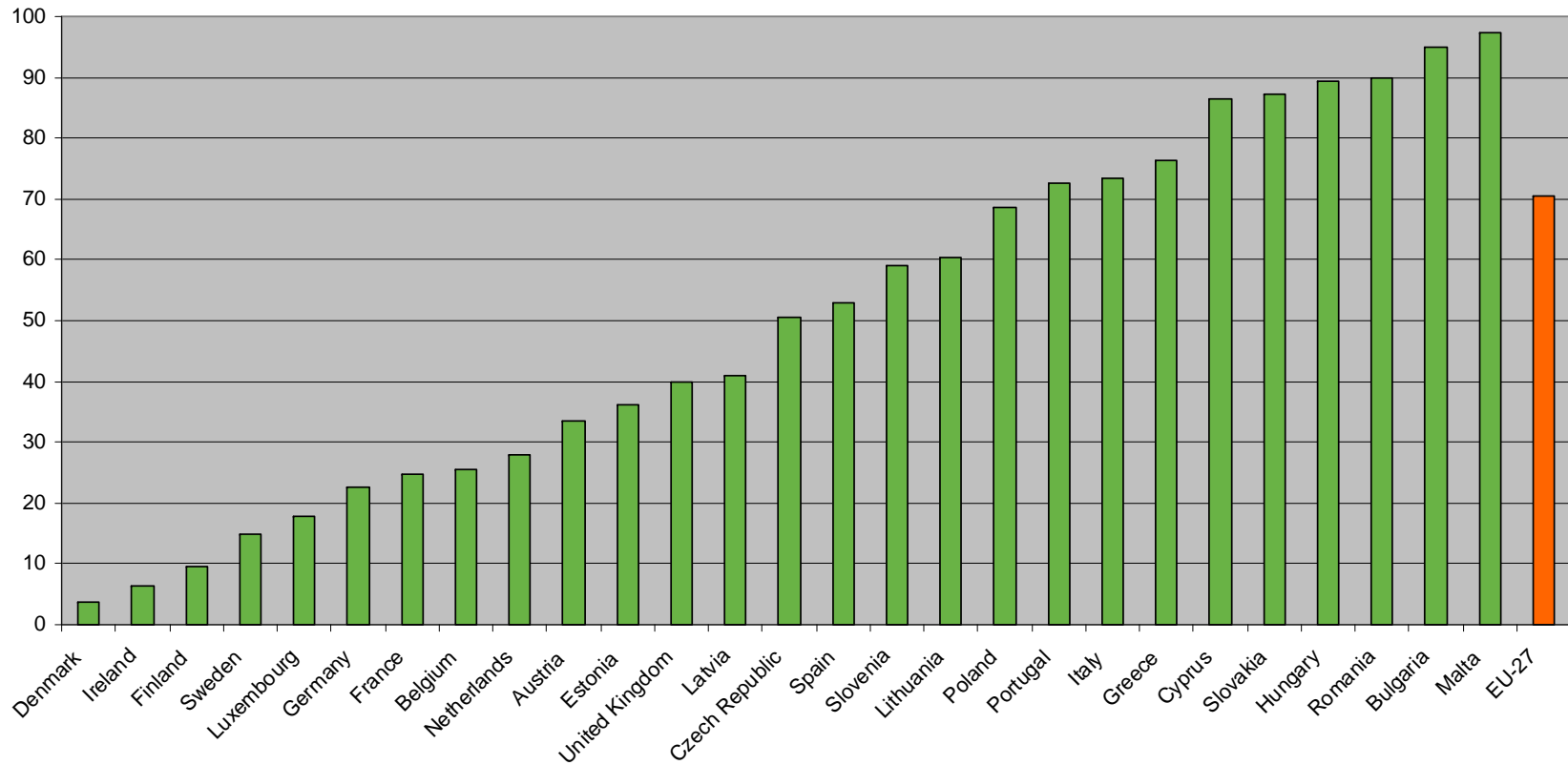
Conference on local agriculture and short food supply chains
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Outline

- 1. Diversity of farm structures and importance of direct sales**
- 2. Current instruments and challenges**
- 3. CAP proposals and next steps**

Majority of farms small in physical terms

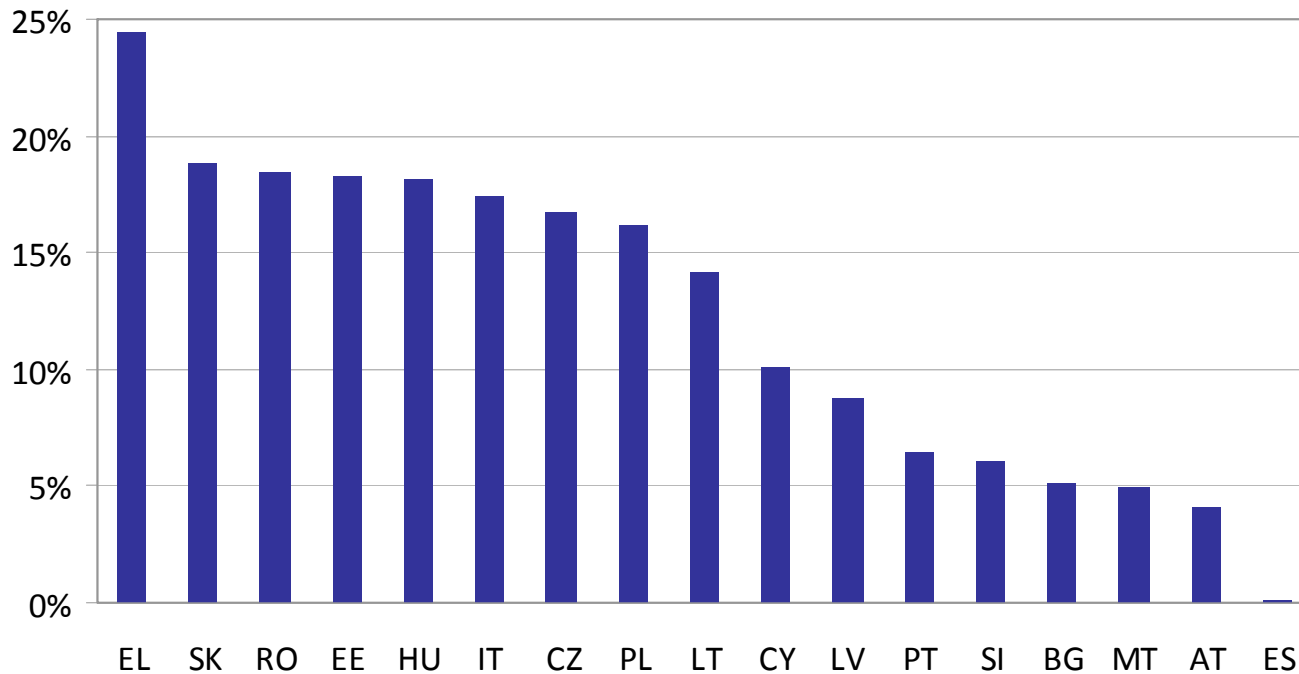
% small farms (< 5 ha)



Importance of farm direct sales

Share of farms selling directly more than 50% of their production (data are available for 17 Member States, and they are based on farmers' estimations)

[Source: DG AGRI elaboration based on Eurostat FSS 2007]



Consumers' appreciation: Eurobarometer survey

89% of people questioned agreed that there are benefits in buying agricultural products and foodstuffs which come directly from a farm close to where they live;

52% of respondents found it easy to identify "local" products;

89% of respondents also shared the opinion that it would be useful to have a label identifying such products.

Current RD support – key measures

Farm modernisation;

Adding value to agricultural products;

On-farm diversification towards non-agricultural activities;

Training and information.

Challenges for the future

Upgrading marketing skills;

Reaching a critical mass to access the market;

Improving infrastructure (farm shop, street markets);

*Stimulating local networks and partnerships
(connecting farmers, local authorities and
consumers);*

*Easier identification of local products and enhanced
communication about their qualities;*

Demanding requirements and standards.

Future rural development priorities

Priority 2: Enhancing competitiveness of all types of agriculture and enhancing farm viability

- facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification;

Priority 3: Promoting food chain organisation and risk management in agriculture

- better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations.

Thematic sub-programmes (TS)

Member States may include within their rural development programmes thematic sub-programmes, contributing to the Union priorities for rural development.

Aimed to address specific needs identified, among others in relation to:

- **small farms;**
- **short supply chains**

Indicative list of rural development measures for small farms and short supply chains

a) Investment and local infrastructure

- *On farm investment in physical assets*
- *Basic services and village renewal*

b) Farm and business development

- *Business start up aid for young farmers, non-agricultural activities in rural areas and development of small farms*
- *Investments in non-agricultural activities*
- *Annual payment for “small farmers” transferring their holding*

c) Skills and concept development, quality promotion

- *Knowledge transfer and information actions*
- *Advisory services, farm management and farm relief services*
- *Quality schemes for agricultural products and foodstuffs*

d) Cooperation of different partners

- *Small operators sharing facilities and resources*
- *Promotion activities related to short supply chains and local markets*
- *Setting up producer groups*

e) Local strategies (Leader)

Next steps

Consultation of Member States and stakeholders;

Working group « Product from my farm » in the framework of the Advisory group on quality;

Study on short food supply chains: publication in autumn 2012;

Council and EP debate in the framework of the Quality Package.