

Unlocking opportunities to secure competitive and sustainable family farms in the EU through the Rural Development Policy 2014-2020

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Starting point

Characteristics of family farms

- Great heterogeneity in family farms across the EU
e.g. full/part time, old/young farmers, with basic skills/
well educated -> “one size fits all” not an option
- Strong habits and risk adverse behavior
- Dependence from subsidies
- Difficulties to access to cross sectoral, cross border
cooperation

BUT regardless the great differences **each farm must be competitive and sustainable**

- to be able to produce food
- to contribute to rural economies



What the family farms need to be more competitive and sustainable?

Driving forces:

- Financial instruments adapted to their needs and possibilities
- Guarantee generational renewal
- Access to information through: training and advise about new technologies, organisation and management practices, farm structure, marketing, new communication tools
- Bring innovation into practice:
 - to improve the efficient use of resources
 - to promote better production practices and products



What are the opportunities in the new RDP for family farms?

Union priorities:

1. Fostering **knowledge transfer and innovation**
2. Enhancing **farm viability and competitiveness** and promoting innovative technologies
3. Promoting **food chain organisation**
4. Restoring, preserving and enhancing ecosystems
5. Promoting **resource efficiency** and supporting the shift toward a low carbon and climate resilient economy
6. Promoting **social inclusion**, poverty reduction



What are the opportunities in the new RDP for family farms?

Investment measure (Article 17)

- Not a mandatory measure but **used by most of the MSs**
- Budget: e.g. 5% in England, 32% in Latvia
- EU Co-financing: e.g. 40% in BE, 85% EE
- Important contribution to **resource efficiency and sustainability**
- Impact on reducing the **direct cost of production** and making **labour more productive**
- Opportunity for collective investments



What are the opportunities in the new RDP for family farms?

Investment measure: some examples

- Investment in equipment, technologies or processes to reduce waste and to develop new or higher quality products – England
- Investments aimed at processing and utilisation of renewable sources of energy – Slovakia
- Investments in livestock farms on efficient technologies for reducing pollution and compliance with the standards – Romania
- Creation and modernization of local collecting networks, reception, storage conditions and packing capacities – Belgium



What are the opportunities in the new RDP for family farms?

Farm and business development (Article 20)

- Creation and development of new farms run by families is essential for the development and competitiveness of rural areas
- Important to ensure generation renewal
- Budget: e.g. 2,5% in SE, 11% in EE
- EU Co-financing: e.g. 40% in BE, 90% in RO young farmers
- Setting up of young farmers, business start-up aid for development of small farms

Includes also purchase of ownership rights, agricultural land and improvements of existing facilities



What are the opportunities in the new RDP for family farms?

Agri-environment-climate (Article 28)

- The only mandatory measure to be programmed, contributes to minimum 30% expenditure for environment
- Environmental sustainability - high importance
- Commitments of 5-7 years to enhance biodiversity, improve water and soil management, fostering carbon sequestration, genetic conservation
- Budget e.g. 7% in LV, 69% in England
- EU Co-financing: e.g. 54% Ireland, 75% EE, 85% RO
- Opportunity for collective commitments



What are the opportunities in the new RDP for family farms?

Knowledge transfer (Article 14)

- Crucial measure to promote and improve sustainability, competitiveness, resource efficiency and environmental performance
- Used by most of the MSs
- Budget: e.g. 0,2% in FR (at region level) , 2,8% in SE
- EU Co-financing: e.g. 40% in BE, 90% in RO
- Helps to link farmers and scientists



What are the opportunities in the new RDP for family farms?

Knowledge transfer in practice:

- Demonstration activities – facilitates practical experience with innovative technologies
- Short-term management exchanges – exchange of knowledge and good practices between farmers
- Farm and forest visits – focus on teaching –learning

Important: can be combined with other measures such investment, agri-environment-climate measure



What are the opportunities in the new RDP for family farms?

Cooperation measure and EIP:

- New measure – offers the opportunity to family farms to get involved in projects and work together with a broad range of experts
- Budget: e.g. 0,15% in RO, up to 8,7% in France (at region level)
- New income opportunity for family farms
 - using farming to deliver various benefits to society
 - diversification of farming activities into social functions
- Development of short supply chains and local markets



What are the opportunities in the new RDP for family farms?

Cooperation measure and EIP:

”Innovation is an idea put in practice with success”

- The EIP operational groups – collaboration of interested stakeholders, e.g. promoting a resource efficient and competitive agricultural and forestry sector
- Member States can decide about the topics to be addressed or keep it open
 - important that farmers get involved in decision making process for the topics
- The operational groups focus on small projects for short term and on very specific problems



Some key elements that are essential for unlocking the opportunities

When implementing the Rural development measures we need to take into account that:

- Rural development measures are combined in an efficient way
- A focus is put on economic viability and farm diversification
- The administrative burden is decreased and procedures for application are simplified
- The financial support is sufficient to encourage family farms participation and enhance their competitiveness



Example from Latvia - Family Farm «Mežacīruļi»

Start at 1992...

- 7 hectares of land
- 3 dairy cows
- 20 sheep
- 6 sows

Today: multi-purpose farm

- 300 dairy cows
- 700 hectares of land
- 0,84 MWel. Biogas plant
- 0,5 hectares of greenhouses (lettuces, cucumbers, flowers)
- 30 employees + 10 seasonal employees



Conclusions

What a more competitive and sustainable family farming delivers?

- More growth, jobs and entrepreneurship in rural areas
- Better territorial balance, both in economic and social terms
- Increased family farming households' income
- Unlock opportunities by making use of innovations

