



Workshop1: Semi-subsistence farming concepts and key issues

# Semi-subsistence farming in the EU: Current situation and future prospects

Report on Workshop 1

*Semi-subsistence farming concepts and key issues*

**Rapporteur: Tomas Ratinger**, Independent consultant, Czech Republic



*Connecting Rural Europe*



## Workshop1: Semi-subsistence farming concepts and key issues

**Chair: Zofia Krzyzanowska, *General Adviser, Ministry of Agriculture and Rural Development, Poland***

**Rapporteur: Tomas Ratinger, *Independent consultant, Czech Republic***

- **Presentation 1**

The example of smallholders in Ireland.

**Jim Kinsella, *University College Dublin, Ireland***

- **Presentation 2**

Case study: semi-subsistence farming situation and policy - the example of Hungary.

**Csaba Forgacs *Ass. Prof. Dr. habil., Corvinus University of Budapest, Hungary***



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## Workshop1: Semi-subsistence farming concepts and key issues

### Content

- Two case studies:
  - Ireland - small livestock farms – territorial and social perspective
  - Hungary – semi-subsistence farms (as recognised by statistical surveys and support programmes) – sectoral perspective with a territorial context
- Discussions
  - The notion of subsistence and semi-subsistence farms is common, but the measurements might vary substantially among MS and regions
  - Three dimensions of the issue: sectoral, territorial and national
  - The definition for what policy: what does actually the EU policy want to address
  - Need for statistical data





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### Discussion issues

- How are small farms and in particular SSF differentiated within the EU? What are the characteristics of SSF?
- Does a different weight of SSFs within the farm structure also imply different functions and policy needs?
- What should the EU policy address? – How does it affect the definition of SSF? Should the definition be common for the whole EU.
- Are there needs of a specific measure for SSF? Cannot the instruments already available for small farms be used?





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### Common notion: Farms which consume most of their production

- How to identify them, what are they characteristics?
  - They are small (size)
  - They are not economically viable, because sales do not generate enough income
  - The level of education and skill of the farmer tend to be low
  - They lack commercial objective, their objective is to secure food for the (broader) family
  - They lack capital, the level of technology is rather outdated
  - They are linked to the (nearest) local market – unable to cope with the modern agri-food chain





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**Common notion:** Farms which consume most of their production – **OR low income small farms (households)**

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- All of these characteristics have to be taken relatively to the national context and perhaps also to the regional context.





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### Sectoral and territorial issue

- Sectoral issue:
  - If they (SSF) are too many the agricultural sector do not produce enough and is not competitive
  - SSF block land which might be used by others in a more efficient way
- Territorial issues
  - Low income households, a problem if the share is too high in a territory
  - SSF household income depends on the availability of non-farm jobs in the region

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  - SSF might constitute an important integral part of the rural settlement/ society
  - SSF might provide important environmental services in which commercial farms are not interested
  - SSF might contribute to local markets
  - If they are declining these things are threatened.





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### What does actually want the EU policy to address?

- The restructuring of the farming sector to make it competitive?
  - Those who have potential for “comercialisation” should be identified and supported
  - (the characterisation of the others is also important, if the policy wants to assist their exit)
  - (territorial context is important – the need for off farm income continues)
- Or stability (social, environmental) of rural areas?
  - Policy should offer choices for making SSF households economically viable
- In any case a typology SSF (households) is needed
  - How they perform
  - What resources they have (land, human capital, capital, social capital)
  - The attitude







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### Recommendation on definition

- Use rather a broad definition of SSF (that all regions can fit) at the EU level (market participation?, income level?, size?)
- Claim targeting at **the programme level**



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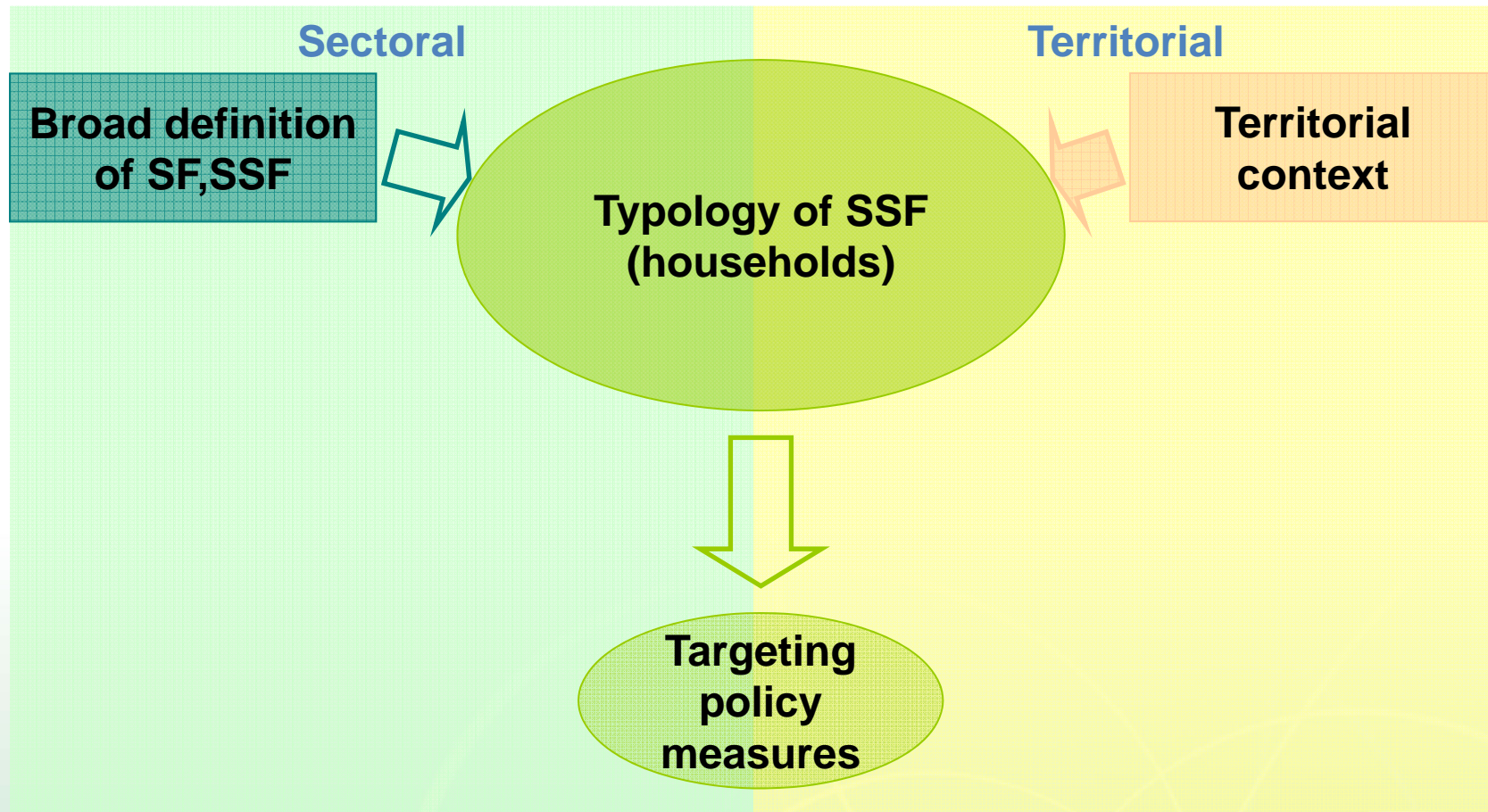
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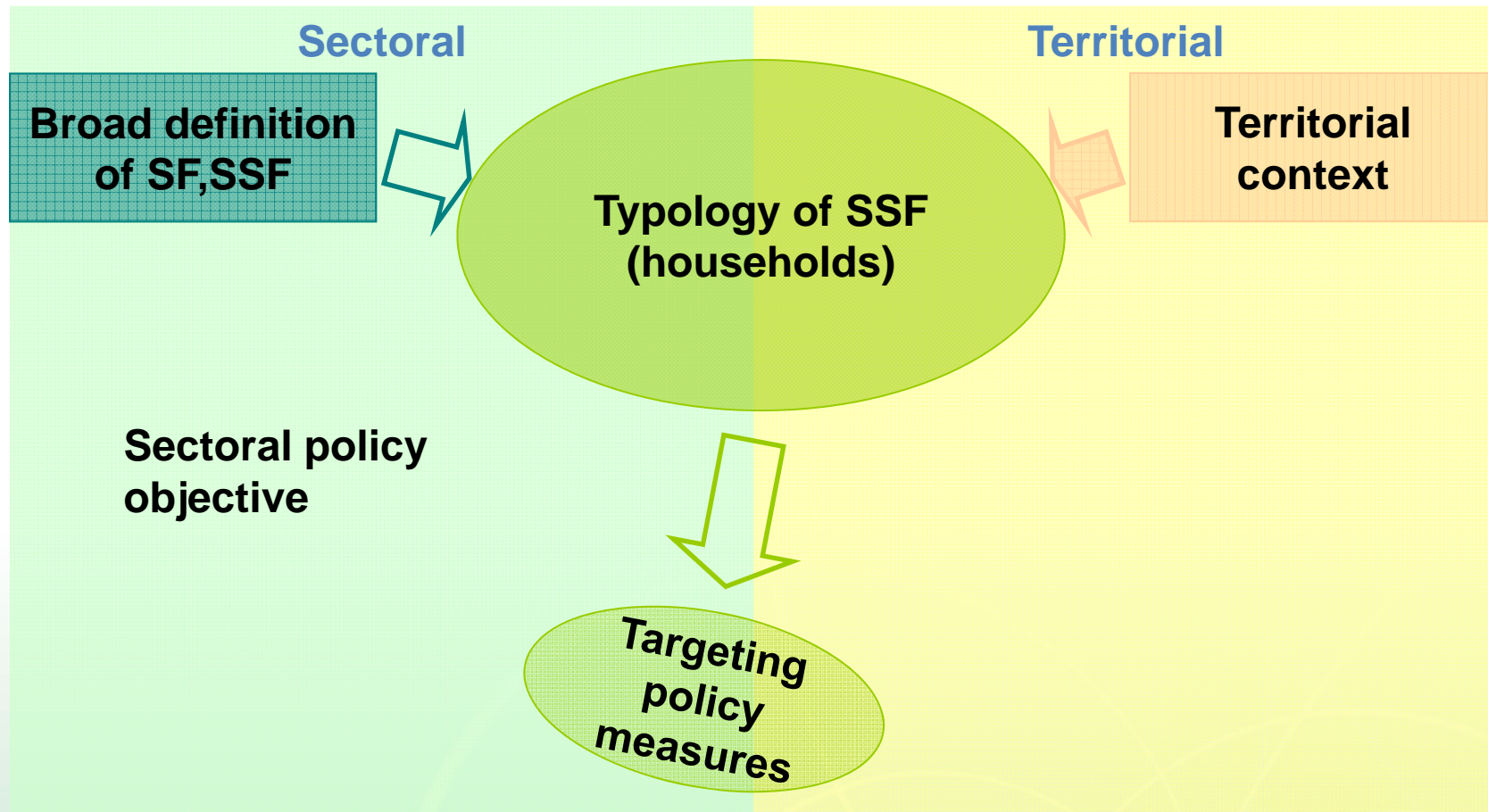


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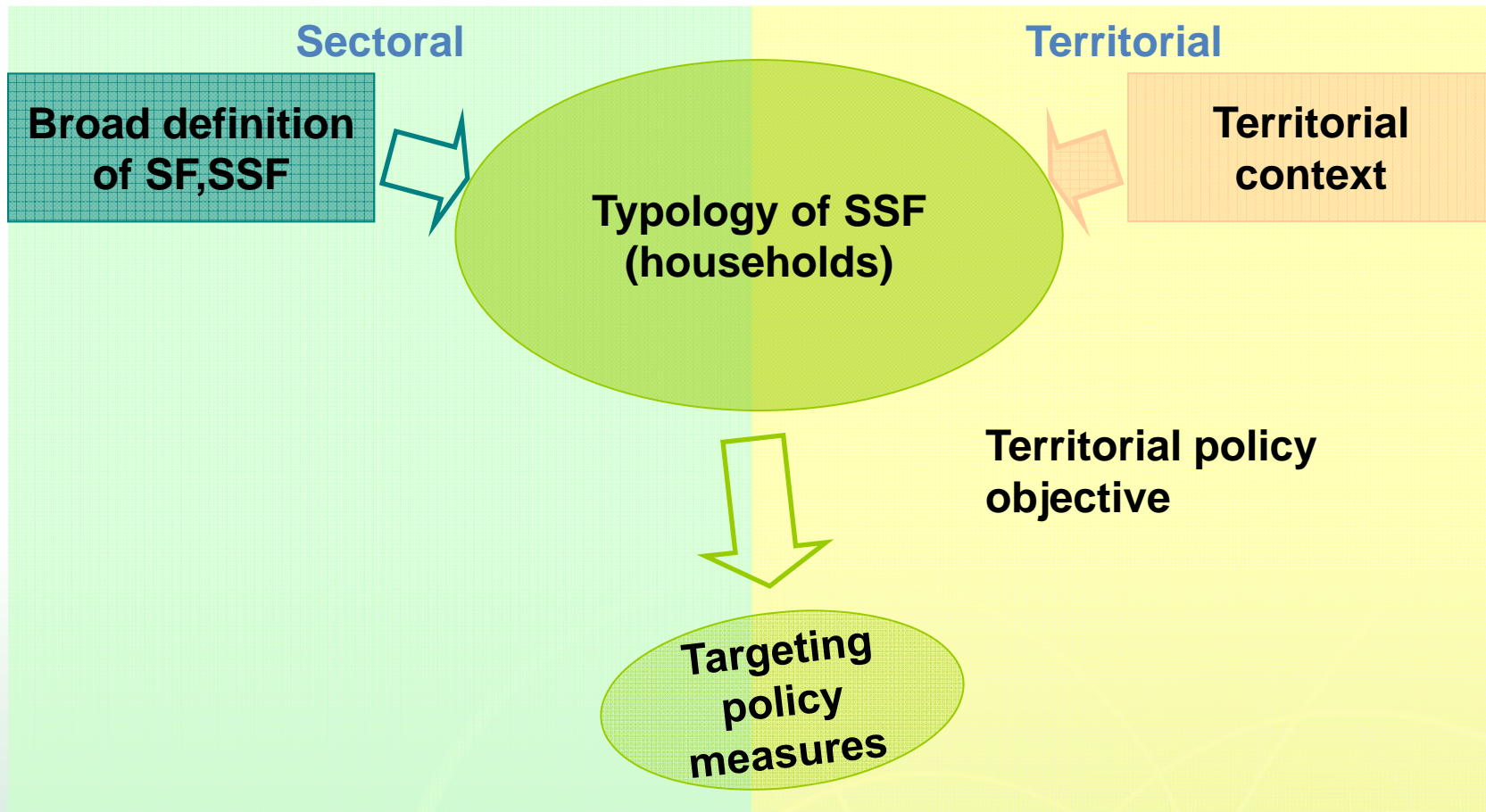


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### Multi-policy issue

Issue	Policy measure
Lack of commercial objectives	141 and support to advisory services
Size: land market barriers, availability of capital	Support to credit access, land reform?; land consolidation?
Education, skill	Training and coordination with ESF, advisory services
Age	Early retirement (young farmers)
Lack of capital for improving competitiveness	Modernisation programme, financial engineering
Dependence on local market	LAEDER, marketing coops,
Need for off-farm income	Rural enterprise - Diversification and Regional policy





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### In addition

- Putting money in the support of SSF will have very likely a multiplicative effect in local economy.
- If the measures are appropriately targeted!!!
- SSF can be combined with marginal areas and particularly mountain

