

Attracting young farmers and fostering generational renewal in rural areas Event Highlights

Midway through the 2014-2020 programming period and following the adoption of the <u>European Commission's legislative proposals on the Common Agricultural Policy (CAP) beyond 2020</u>, the workshop discussed the lessons learned resulting from the implementation of the current CAP measures supporting young farmers and generational renewal, and the key steps for building a generational renewal strategy under the future CAP Strategic Plans (CSP).

Member States' representatives exchanged opinions and ideas regarding the post-2020 policy delivery model and about bringing together the two CAP Pillars, EAGF and EAFRD, to design interventions that can better respond to the needs of young farmers and new entrants.

The event also provided the occasion to present innovative ways to enter farming and support access to land, financial resources and knowledge.

Event Information

Date: 10 December 2018 Location: Brussels, Belgium Organisers: ENRD Contact Point

Chair: Mario Milouchev (European Commission, DG AGRI) **Participants:** 71: including representatives of Managing Authorities of the RDPs, Paying Agencies, and CAP Pillar 1 national experts.

Outcomes: Useful information, ideas and opinions of national authorities on the design of a generational renewal strategy within the future CSP, and examples of innovative initiatives to support access to land, financial resources and knowledge.

Web page: https://enrd.ec.europa.eu/news-events/events/enrd-workshop-attracting-young-farmers-and-fostering-generational-renewal-rural en

Supporting generational renewal: lessons learned and future planning



Policy implementation after the 2013 CAP reform

<u>Kristine Bori</u>, European Commission, DG AGRI stated that

Keeping supporting young farmers is vital

as they are more receptive towards innovation and new technologies, generally well trained and likely to engage in bigger-scale businesses. A variety of instruments under the CAP are available to assist young farmers. Almost 364 000 young farmers out of 6 302 216 beneficiaries have received support under Pillar 1 up to the end of 2017. While € 5.4 billion of public expenditure has been allocated under the specific rural development measure (M6.1) to support the setting up of some 181 thousand young farmers during the 2014-2020 programming period. The measure has been successfully activated in 25 Member States.

Facilitating youth access to finance

<u>Nivelin Noev</u>, European Commission, DG AGRI argued that

Young farmers are less successful at obtaining bank finances compared to older applicants. This is mainly due to: i) a misled perception of higher investment risk (as young farmers are usually more prone to reflect a higher ambition in their business plans); ii) the lack of collaterals to secure the loans. Financial instruments (FIs) under the EAFRD (loan and guarantee funds) can help young farmers overcome this barrier, supporting the business setup (sub-measure 6.1) and development. Managing Authorities are therefore highly encouraged to activate FIs and specific schemes targeting young farmers.



Designing a generational renewal strategy in a single CAP Strategic Plan

<u>Ricard Ramon i Sumoy</u> and <u>Chiara Dellapasqua</u>, European Commission, DG AGRI

The post-2020 CAP will be characterised by a more synergic interaction of the two Pillars (EAGF and EAFRD). The <u>Commission's legislative proposals</u> are based on innovative thinking:



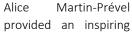
generational renewal is a key priority that should be addressed with a package of complementary interventions at EU and national level. Managing Authorities are assigned a central role in the delivery of the new model to better address local needs. For the definition on the intervention strategy, Member States are requested to elaborate a comprehensive needs assessment and establish an intervention strategy for the specific objective of generational renewal, addressing in particular access to land, land mobility and land restructuring, access to finance and credit, and access to knowledge and advice.

Innovation and entrepreneurship: success factors to enter farming



Access to land

<u>Alice Martin-Prével,</u> Terre de liens



insight into innovative ways for new farmers to enter farming and access land. Based on the recently published study 'Europe's new farmers', various initiatives could facilitate access to land such as accession to public land through innovation of local authorities, community trust or community finance, land partnerships and land sharing arrangements as well as farm incubators.



Land mobility

<u>Denis Duggan</u>, Macra na Feirme and <u>Austin Finn</u>, Land Mobility Service

Ireland's Land Mobility Service facilitates collaborative solutions among farmers and land owners to foster competitiveness and ease land transfer. The service supports different land mobility options such as long leases, partnerships, share farming or farm transfer. In place since 2014, the service facilitated over 400 land mobility arrangements, covering 15 000 hectares.



Farm success

<u>Marion Picot</u>,

CEJA — European Council of Young Farmers

The 'Farm success' project provides young farmers with training and guidance needed for the succession process in family farms, which takes on average some three years, ranging from two months to up to ten years in some cases. The project also emphasises certain administrative burdens and policy gaps such as succession taxes and lack of guidelines for the succession process.

Supporting young farmers and generational renewal under the post-2020 CAP



CEJA vision and expectations for the future

Jannes Maes, President of CEJA – European Council of Young Farmers

CEJA's president, Jannes Maes, called on the EU to ensure economic stability, especially in the aftermath of Brexit, as a vital condition to support young farmers across Europe. He encouraged Managing Authorities to involve young farmers in the planning of the new CSP from the early stages of the process. Access to credit remains one of the biggest challenges faced by farmers and especially by young entrepreneurs, and new

solutions should be explored. In this respect, the mapping and sharing of good practices across the EU could be a starting point to help identify effective approaches.

Outcomes of group discussions - Building a generational renewal strategy

Introductory presentations

<u>Isabel Aguilar Pastor</u>, Spanish Ministry of Agriculture, Fisheries and Food

Juuso Kalliokoski, Finnish Ministry of Agriculture and Forestry

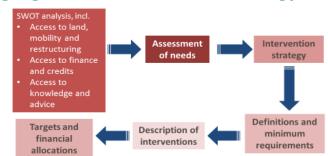
Discussions focused on the main steps for building a generational renewal strategy within the new CSP, from the SWOT analysis to the setting of targets. Participants exchanged on the main envisaged difficulties of the process and possible approaches to overcome them.

Cross-cutting issues

- Who is leading the process? It is essential to establish a clear management structure at Member State level and define the appropriate timeline for the drafting of the CSP.
- The **role of the Regions** in the process in not clear yet.

SWOT Analysis and assessment of needs

- Higher degree of complexity as the analysis has to cover all 9
 Specific Objectives, however Managing Authorities can build on the past experience and on data already collected.
- The availability of reliable data could be ensured by appointing a research institution for data collection.
- A proper analysis of land market is needed and could be developed through multi-stakeholder consultations.



Intervention strategy, definitions and minimum requirements, and description of interventions

- Need of a strong political will to translate the assessment of young farmers' needs into an actual intervention strategy.
- Difficulties in formulating **legal definitions applicable to both Pillars**. Commission guidelines would be welcomed.
- Perceived mismatch between the level of detail in the CSP, requiring only a brief description of interventions, and the complexity of the actual implementation phase, requiring compliance with numerous rules at national and regional levels.

Targets and financial allocations

• Annual character of result indicators might be a limitation and should be optional depending on the intervention.

