



# Generational Renewal

## Country report – France

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## Introduction

44% of the French population (27 million inhabitants) live in 33,000 municipalities that are situated in rural areas in the French countryside. Three types of rural areas are considered: (i) The **very sparsely populated countryside** is affected by a rural exodus, an ageing population and growing rural poverty, with the economy being dominantly agricultural with some share of tourism in the mountain areas. (ii) **The agricultural and industrial countryside** where demography is strongly linked to the cities. These types of territories are characterised by high unemployment and low employment growth. (iii) 16.6 million inhabitants live in the countryside, which is **closely and strongly influenced by the proximity of cities**. These areas experience residential growth due to the arrival of young, educated and active population and are characterised by 'in-place' economic dynamics.

Population movement towards the West, the South of France and the coast is prevalent, while both the number of agricultural holdings (by 11% between 2010 and 2016) and total agricultural assets show a decreasing tendency (by 26% between 2000 and 2016).

The latest statistics regarding the age of farm managers date from 2013; they reveal that 38 % of them are over 55 years old<sup>1</sup>.

Access to land remains the main challenge for young farmers' setup, for mainly two reasons: its price, and its availability due to urbanisation and industrial expansion.

This country report aims to present examples of policy tools, financial instruments and innovative schemes to address challenges in generational renewal and farming in the countryside of metropolitan France.

## Policy tools

**The Young Farmers' Allowance (DJA)** can be granted to beneficiaries who meet the condition of professional agricultural capacity and submits a 4-year business plan to demonstrate the economic viability of the project. Projects that generate added value and employment, comply with agro-ecological principles, or include modernisation of facilities receive further modulation. The overall budget was increased to €200m in 2017.

**Land development companies (SAFER)** were first introduced in the 1960s. These are non-profit, public limited companies under the supervision of the Ministries of Agriculture and Finance. Initially, their objective was to reorganise agricultural holdings for more productive agriculture and attract young people. SAFER also acquire land (in 2016, a total area of 93800 hectares). The total land market accessible to SAFER represents 342000 hectares of which SAFER acquisitions represent 27.4%. There are 26 operational SAFER in France.

**Terres de Liens** has been promoting and supporting access to land since 2003. This is a convergence of several movements linking community education, organic and biodynamic agriculture, ethical finance, solidarity economy and rural development. The aim of Terres de Liens is to enable citizens and peasants to act locally. It manages two financial tools: 'la Foncière', a solidarity investment company with € 65 million euros of capital; and 'le Fonds', an Endowment Trust worth €1.9 million of equity capital which collects investment or donations in cash or kind. In 2017, Terre de liens had 13500 citizen shareholders, more than 4300 donors, and owned 139 farming households on 3300 hectares where 376 farmers worked.

'**Engaging together for Rural Development**' (MCDR) is an initiative set up by the national rural network. The two call launched to date (in 2015 and 2018) required applicants to propose a three-year action and demonstrate an innovative and partnership-based approach. Eligible themes include agro-ecology, local

<sup>1</sup> [https://www.lemonde.fr/economie-francaise/article/2018/02/24/dix-chiffres-cles-sur-l-agriculture-francaise\\_5261944\\_1656968.html](https://www.lemonde.fr/economie-francaise/article/2018/02/24/dix-chiffres-cles-sur-l-agriculture-francaise_5261944_1656968.html)



food governance, circular economy, social economy and rural-urban links. Three selected projects are linked to 'setting up in agriculture' (creating new cooperatives, promoting access to agricultural land, organising study trips for young people considering setting up rural businesses).

**RENeTa is the French network of test areas for market gardening.** The network consists of independent test areas – some set up by local authorities, agricultural colleges, or by public-private partnerships. These test areas typically require relatively small areas and initial investment. Themes can vary (viticulture, beekeeping, field crops, etc.), but the main focus is on market gardening. New entrants enter a 'creation pathway' (or 'incubator' phase) and sign up to a support system for business creators for one year (renewable twice). The person who enters this contract is entitled to social support (welfare, unemployment, training) as long as his/her project does not generate sufficient income. These test area schemes contribute to the social economy, food safety and the promotion of local value chains.

**Farmers set up cooperative (CIAP)** – an initiative launched in 2012 – supports innovative agricultural projects integrated into local – rural or periurban – territories. The scheme targets people – without age limit - who plan to settle in Pays de Loire and aim to set up an innovative farming scheme locally. The professional re-conversion support includes training, an 'incubator' service, and risk assessment and possible financial support for initial investments. The success rate of projects supported between 2015-2017 (275 projects) is 80%. CIAP is currently expanding its model to other regions (Pays de Loire, Bretagne, Centre, Normandie, Nouvelle Aquitaine).

**The Alter'NA fund of funds** is a partnership between the Nouvelle-Aquitaine Region and the European Investment Fund that aims to mobilise €30m (€14m EAFRD) to support 1500 farmers in the region over the next five years based on needs identified and evaluated by a feasibility study. Private sector participation is also foreseen.

**Crowd-funding schemes** – such as Miimosa or Kengo – are also dedicated to rural development. *Miimosa* specialises in supporting agriculture and food project. They also formed a partnership with 'Bienvenue à la ferme' (the main agritourism network in France) and AirBnB to attract more applicants to their most recent call for projects by offering an AirBnB grant and agritourism network membership to successful applicants. *Kengo* - a partnership of the regional authority, economic development agency, a regional newspaper and a regional bank - operates in Bretagne. To be eligible for crowd-funding projects submitted should have a collective scope or contribute to the creativity and attractiveness of the territory. If the participatory fundraising campaign has not reached 70% of the financial target, all contributors will be reimbursed and Kengo does not take any commission. A participatory fundraising campaign lasts on average 2 months.

## Other instruments

In recent decades, rural areas have become an attractive space for city dwellers. Escaping from urban pollution, congestion, noise, stress and the desire to live close to nature often motivate this 'outmigration' from cities. Several schemes support this movement and provide guidance for 'newcomers' to rural areas for enterprise creation in the sectors of tourism, services, etc. One such example is [a territorial strategy to attract young people to rural areas in the Massif Central](#). In this territory of France, in spite of a slight population growth (0.47%/annum) the natural balance remains negative. The Massif Central Partnership aims to counter this trend by numerous calls for projects funded from public funds, including the ERDF. Since 2015, 43 territories received funding, with commitments reaching €5.2 m. The aim is to reach an annual average population increase of 0.6% in the Massif Central.

