

## CZECH REPUBLIC

### Farm's performance, restructuring & modernisation

#### Location

Czech Republic

#### Programming period

2014 – 2020

#### Priority

P2 – Competitiveness

#### Measure

M1 – Knowledge transfer & information actions

#### Funding (EUR)

Total budget 20 333

EAFRD 8 555

National/Regional 8 728

Private 3 050

#### Project duration

2018 – 2019

#### Project promoter

Agricultural Association of  
the Czech Republic (AA CR)

#### Contact

[rychla@zscr.cz](mailto:rychla@zscr.cz)

#### Website

[www.ivzops.cz/cz/](http://www.ivzops.cz/cz/)

A series of seminars to improve the economic performance and viability of agricultural enterprises, by offering information and training on risk management tools.

### Summary

There is a need to gradually reduce the dependence of Czech farms on area-based payments as a safeguard against unexpected events and market collapses. Improving understanding, amongst farmers, of the root causes of risk is an essential step towards encouraging better mitigation and management practices.



The Institute of Education in Agriculture launched a series of 11 regional educational seminars on this issue under measure M01 of the RDP. They offered training opportunities and information regarding income risks in agriculture, as well as advice on the effective mitigation of such risks - with a focus on farmers taking independent action. The seminar series also sought to address the lack of agricultural commodity market-related information and analysis available to farmers.

### Results

The first five seminars were organised in the autumn of 2018 and the next six will be held in spring 2019.

Each seminar was attended by 15 - 20 people. All of whom are either the heads of farms, or senior management within farming companies.

The presentations were followed by lively discussions and participants appreciated the well-structured overview of agricultural risks and appropriate actions to reduce them.

### Lessons & Recommendations

- ❑ This project is just one of many information and education activities run by the Institute for Education in Agriculture (AA CR). However, the RDP have enabled the institute to broaden its portfolio of seminars by covering topics that go beyond technology improvements for higher profit towards environmental sustainability, animal welfare, circular economy, collaboration among farmers, quality systems and risk management.
- ❑ Seminars like these are proven to attract the attention of farmers/farm management and are regarded by that audience as being a highly relevant and useful part of the process of reducing farmers' dependence on area-based payments.

## Context

Given current policy trends, it appears that support for agriculture will cease to be as generous as it has in the past. This raises the question of how to reduce the dependence of Czech farms on area-based payments as a safeguard against unexpected events e.g. natural disasters, the spread of diseases, or market collapse (price volatility). This is particularly pressing in the context of climate change, globalisation and the increasingly protectionist measures of some countries.

Improving understanding of the causes of risk, shocks and price volatility is an essential step towards encouraging farmers to take action by themselves, with some moderate and targeted assistance at policy level.

## Objectives

The main objective of the project is to educate farmers about risks to agricultural income (particularly those related to the markets) and about possible actions to reduce their impact. This was achieved by:

- providing a classification of income risks in agriculture;
- providing information about effective risk mitigation actions - with a focus on farmers taking independent action;
- addressing the lack of information and analysis available to farmers by providing a list of credible information sources and by presenting analyses of the main agricultural commodity markets (domestic, European and world).

## Activities

The project consists of 11 regional seminars for agricultural practitioners and the provision of training and information materials (in the form of an openly accessible collection of background papers and presentations).

The project is managed by the Institute for Education in Agriculture - a non-profit spin-off of the Agricultural Association of the Czech Republic (AA CR) - who is the primary beneficiary of the support.

The seminars are organised in the 10 most significantly agricultural NUTS 3 regions of the Czech Republic, plus one joint seminar for the regions of Liberecký kraj and Kralovohradecký kraj. Thus the seminars cover 12 out of the 14 NUTS3 regions in the country. The regions of Prague and Karlovarský kraj are not covered by the project because they only have marginal agricultural production. However, farmers of these two regions can take part in any of the 11 seminars.

The seminars are delivered by researchers from the department for Agricultural Markets of the Institute for Agricultural Economics and Information (IAEI), who have in-depth experience in market analysis and income risk research.

The seminars are all structured in the same way, allowing lecturers to update specific content, incorporate new market information and projections, and thus relay up-to-the-minute information. The lecturers also draw on their experience from a previous run of information seminars entitled: "Improving market access for agricultural producers" (2017 – 2018) organised by the AA CR with RDP support. This enables them to adjust some parts of their lectures to the needs of regional audiences.

Each seminar is evaluated by the participants via a self-completion. An in-depth evaluation will be available when the full programme of 11 seminars has been completed.

## Main results

The first five seminars were organised in the autumn of 2018 and the next six will be held in spring 2019. Each seminar was attended by 15 - 20 people. All of whom are either the heads of farms, or senior management within farming companies. In spite of being managed by – and primarily attended by members of – the Agricultural Association, the seminars are open to any interested farmers, food processors, land or forest owners, entrepreneurs and employees. The Agricultural Association perceives this as an opportunity to attract new members and further its reach.

The seminars are also open to students of agricultural professional schools, however, since they are not RDP beneficiaries, their participation is not registered.

The presentations are always followed by lively discussions, and the feedback so far suggests that participants appreciate the well-structured overview of agricultural risks and risk mitigation actions.

Being insured against natural disasters is quite common in Czech agriculture, so participants are more concerned about market risks. They particularly appreciate the information about current trends and drivers in domestic and international markets provided by the seminars and feel that this empowers them to make decisions in the short and establish medium term (risk averting) strategies for stabilising their farm income.