

EIP-AGRI Focus Group

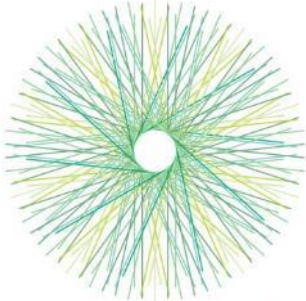
New Entrants to farming: lessons to foster innovation and entrepreneurship



MAY 2015 – MARCH 2016



New Entrants Focus Group experts



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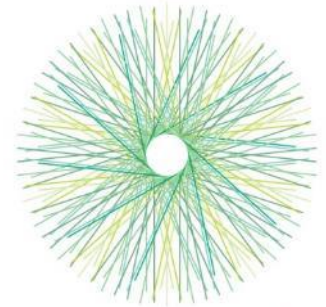
Members from Belgium, Bulgaria, Czech Republic, Estonia, France, Finland, Germany, Hungary, Ireland, Italy, The Netherlands, Portugal, Slovenia, Spain, United Kingdom

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EIP-AGRI Focus Groups tackling agricultural challenges

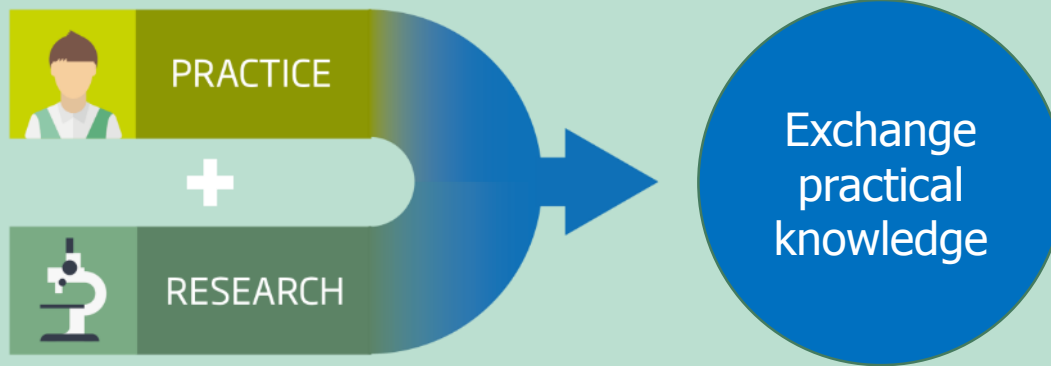
- Open calls for interest of participation
- 19 participants, varied types of actors
- Short duration, focused
- Inspiration for Operational groups
- Suggestions for further research



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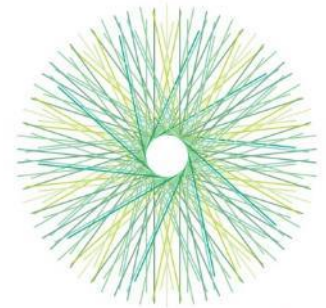
EIP-AGRI Focus Groups, tackling agricultural challenges



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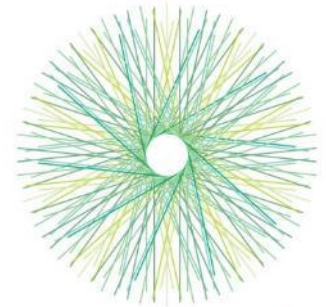
Question tackled



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- Clarify the main challenges and potential solutions
- Identify the potential business and organisational models of newcomers
- Propose potential innovative actions to enhance and stimulate setting up new agricultural enterprises
- Identify needs from practice and gaps in knowledge for future research

Specific Focus Group tasks



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Defining new entrants

What is the voice of new entrants?

How can new entrants access land, capital and markets?

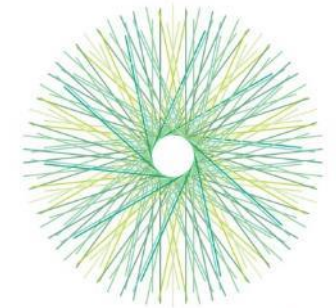
What is the role of local authorities?

What are the gender issues amongst new entrants?

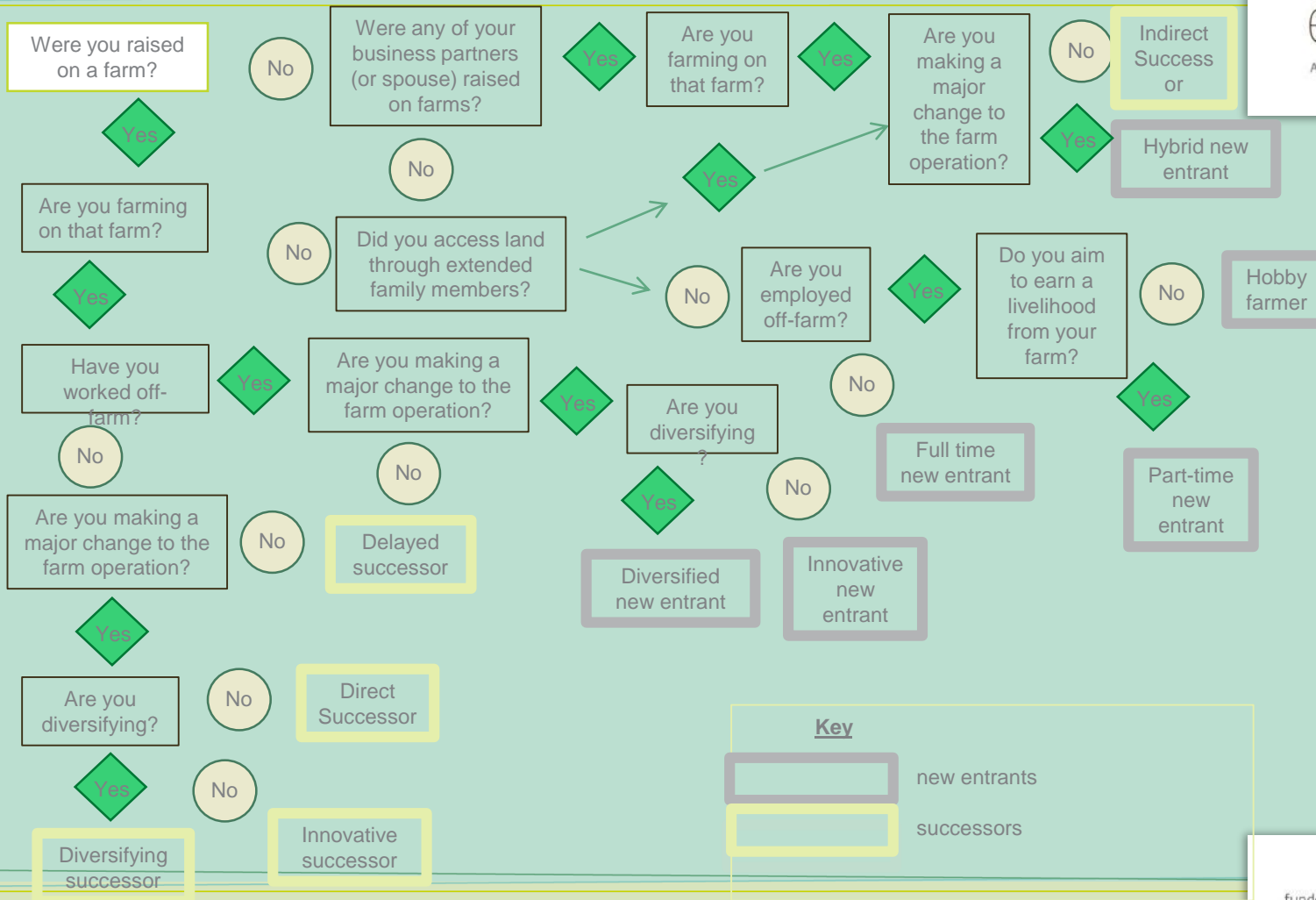
How can advisory services support new entrants?

How are new entrants involved in urban/rural interactions?

Challenges multiple 'types' of new entrant



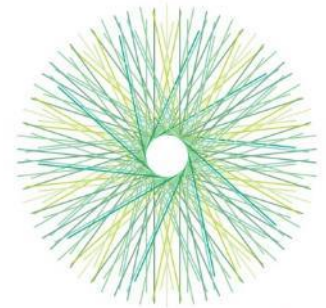
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Key

- new entrants
- successors

Conclusions – definitions



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No single best definition of new entrants

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Definitions of 'new entrants' should be 'fit for purpose' – suited to the purpose for which the definition is being sought

New entrants can be of any age

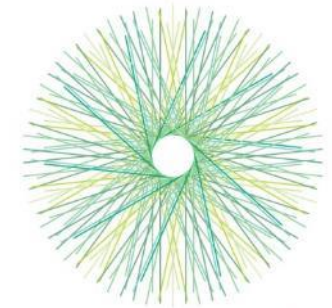
and

New entrants can be of any background (from direct successors to *ex novo*)

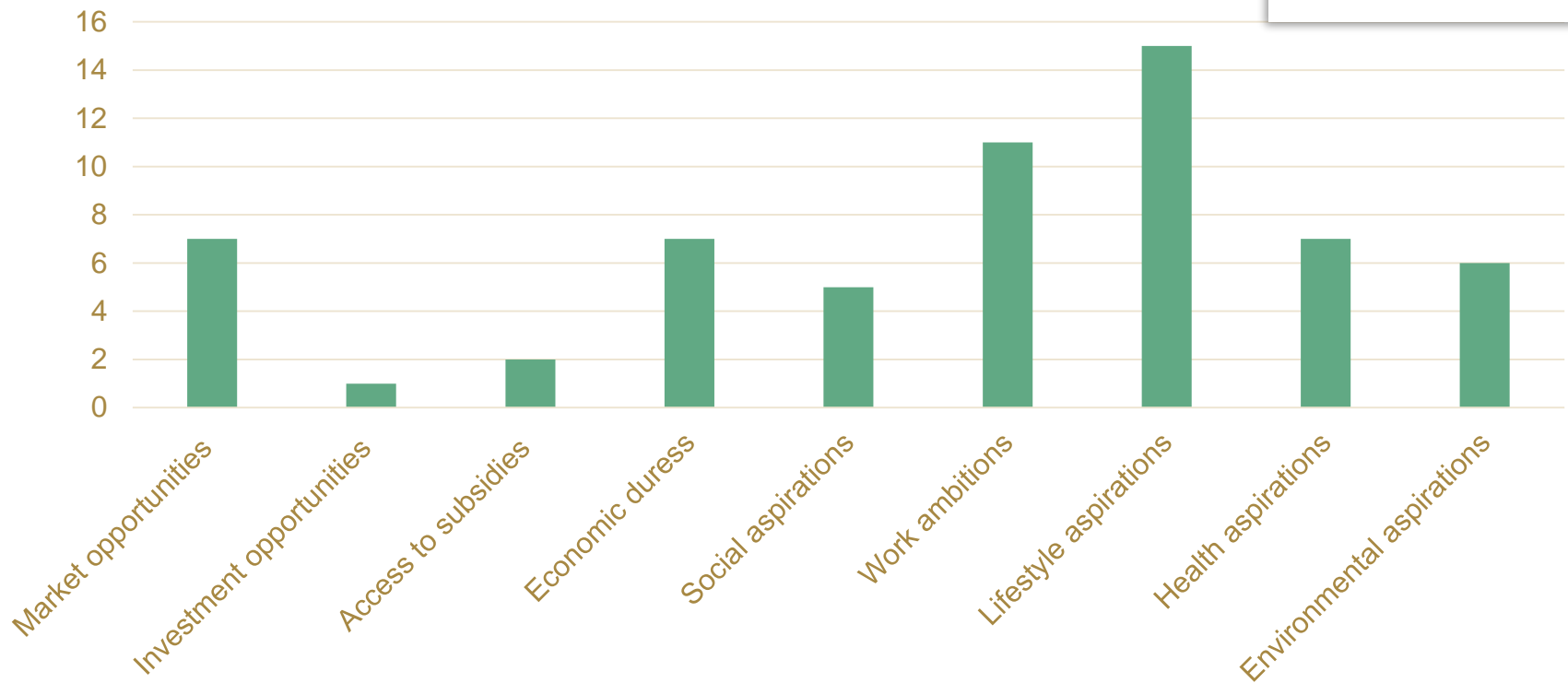
BUT NOTE THAT:

It is not currently possible to assess the number of new entrants in European agriculture

Drivers for new entrants as voted by FG 14

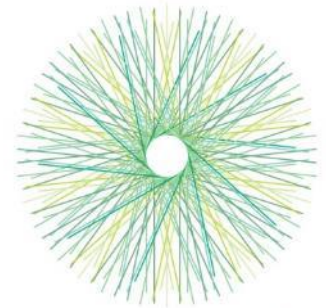


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Other drivers: reconnecting the food system, political movement

What new entrants bring to the agriculture sector

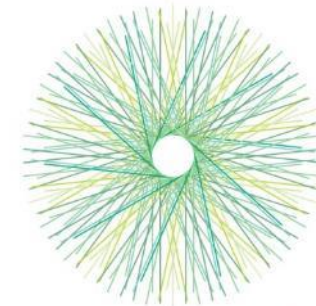


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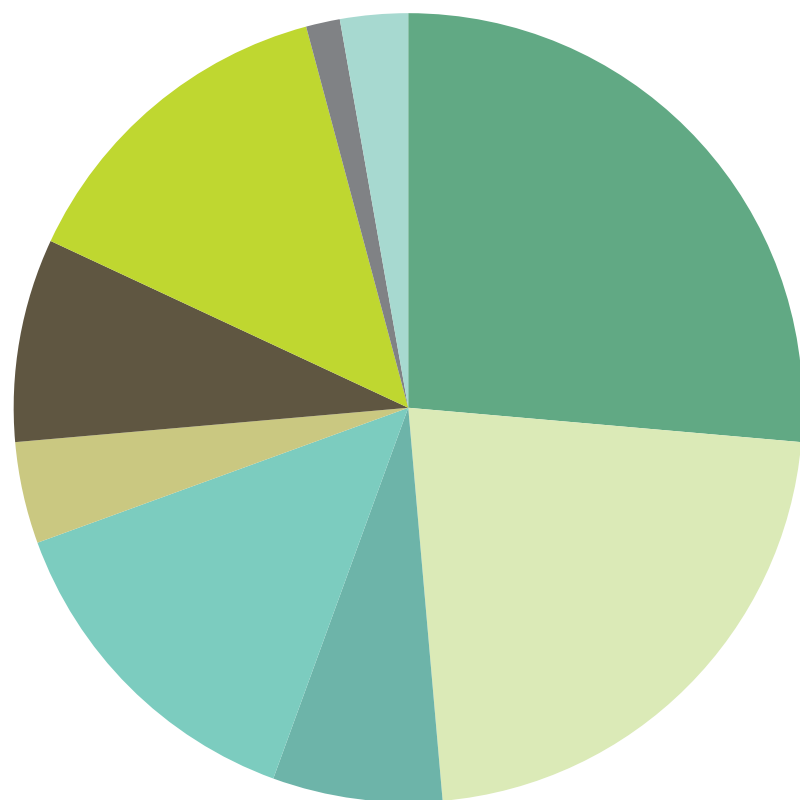
Stimulating local economies through:

- Introducing new knowledge or techniques
- Developing new business models based on end-users
- Developing more sustainable farming systems
- Developing new organisational models (e.g. share farming, pre-financing, crowd sourcing)
- Increasing connections between farming and the local community (particularly in areas where there is substantial land abandonment and/or depopulation)
- Adapting traditional knowledge to develop business innovations (e.g. artisanal food production)
- Higher visibility of women in agriculture

Barriers to new entrants as voted by FG experts



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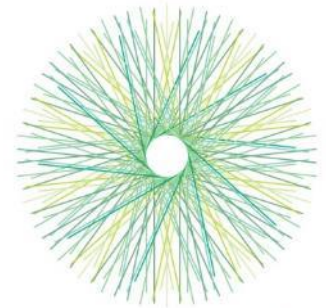
- Access to land
- High start-up costs
- Access to markets
- Low profitability of farming
- Low status associated with farming
- Limited access to information
- High levels of bureaucracy/paperwork
- Low access to off-farm employment
- Lack of farm diversification opportunities

Most common barrier is access to land

Other barriers

- Marketing knowledge
- Institutions support mainstream farmers
- Lack of support from existing farmers and technicians

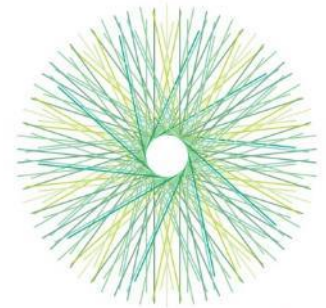
Important supports for new entrants



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- Advisory services: can support new entrants through training, facilitating networking, enabling share farming and joint ventures
- Local authorities: can support new entrants through local procurement, enabling access to publically held or abandoned land and local housing
- ICT: important for marketing, accessing information and establishing networks

Conclusions – new business models



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FG experts identified a wide range of business models which can be adopted by new entrants to address barriers

Examples include: career-ladder farming, contract farming, crowd funding, crowd sourcing, community supported agriculture, equity partnerships, farming incubators, junior-senior partnerships, land partnerships, share farming, social enterprise and workers' cooperatives

- Some models are widely known in some countries (e.g. incubators in France) but unknown in others
- These models have been developed from the grass roots and are largely disconnected from agricultural curricula and research

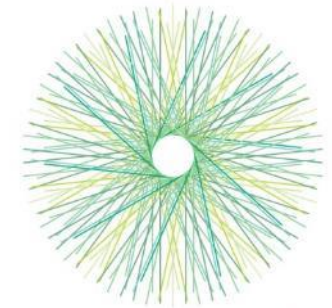
Conclusions – main research needs

Very limited research to date on new entrants

FG experts identified research priorities which will directly enable future new entrants to join the agricultural sector:

1. Assess the support needs of new entrants
2. Identify success/failure factors
3. Promote and develop collaborative business models
4. Assess and promote the value added by new entrants
5. Characterise new entrants (including demographics)
6. The role of local authorities in supporting new entrants

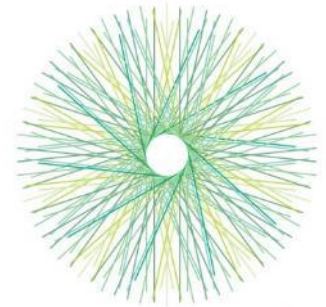
Although the focus group experts did not prioritise research into the definition (and therefore numbers) of new entrants, or gender issues relating to new entrants, both are necessary to underpin any further policy development relating to new entrants.



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Follow-up actions



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Final report

Overview fact sheet

Minipapers

Reports

Information note for advisors

Case study posters

PPT presentation

Information note on business models

Land partnerships

Worker's co-operative

Share farming

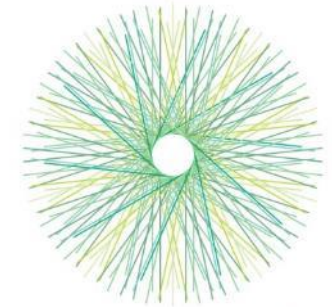
Social enterprise

Potential operational groups

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Find out more in the factsheets



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New entrants into farming: lessons to foster innovation and entrepreneurship

Which patterns characterise new entrants in farming and what can be learnt from them to foster innovation and entrepreneurship in agriculture?

New entrants - people entering farming for the first time, or returning to farming after a period of off-farm employment - are recognised as important to the vitality and competitiveness of the rural regions in Europe, but little is known about them and their stories. The Focus Group "New entrants into farming" brought together 20 experts, many of them farmers themselves, to gather the existing practical and academic information available, focusing on those with limited prior experience in agriculture. They identified a number of benefits that new entrants bring, such as:

- ▶ Introducing new knowledge, techniques or more sustainable farming systems
- ▶ Developing new business and organisational models
- ▶ Increasing engagement between farming and the local community

These actions stimulate local economies. However, new entrants face a number of obstacles (access to land, high start-up cost...) and they have found very different ways to overcome them. The EIP-AGRI Focus Group report presents cases and ideas illustrating how new entrants work, who they are, and what lessons they can provide.

"New entrants are not just a handful of people with a pie-in-the-sky idea who decide to test and experiment with agriculture just to see what happens. The group that is emerging is a growing reality recognised by more and more sectors of society who see that the role these farmers are playing in the territory is becoming truly strategic"

- Neus Monitor (Spain), expert from the EIP-AGRI Focus Group on New entrants -



New entrants into farming: lessons to foster innovation and entrepreneurship

Ideas for Operational Groups

- ▶ Toolkit for local administrations to engage new entrants
- ▶ Setting up new agribusiness incubator structures to be used by new entrants
- ▶ Share farming to connect people through projects
- ▶ Joint processing units: sharing, combining different resources and developing new products to create added value, and develop social capital and new business models

Research needs from practice

- ▶ Which types of support do new entrants need (markets, land access, financing) and how best to help them?
- ▶ Key factors and indicators for successful new entrants' initiatives
- ▶ Collaborative business models: relations with industry, markets and other new entrants
- ▶ Added value of new entrants: their positive impact on the economy and society
- ▶ Quantification /characterisation of new entrants: definition, age ranges, policy implications, gender issues, skills,...
- ▶ Role of local authorities in enabling (or limiting) new entrants

More ideas for Operational Groups and research needs available in the Focus Group report

Other outcomes

- ▶ Specific messages for local authorities, advisers or other potential new entrants in the targeted factsheets
- ▶ More practical knowledge in the case study posters, or bibliography (final report)

More information

Focus Group webpage	Inspirational ideas <ul style="list-style-type: none">• Thriving not just surviving: support for new entrants into farming - France• Finding the right match - farms for new entrants - Ireland
Final report	Factsheets <ul style="list-style-type: none">• for advisers• for local authorities• models for new entrants
Case study posters	

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Join the EIP-AGRI Network!

Register to the EIP-AGRI website where you can find peers, projects, ideas and resources to catalyse innovation in agriculture, forestry and horticulture.

Targeted factsheets



Advisers and new entrants into farming: lessons to foster innovation and entrepreneurship

What do new entrants into farming need?

New entrants - people entering farming for the first time, or returning to farming after a period of off-farm employment - are a heterogeneous population, with wide-ranging needs. Here are the main types of support that new entrants need:

- ▶ Access to land
- ▶ Access to capital
- ▶ Specific agricultural knowledge and business mentorship programmes
- ▶ Access to markets and short supply chains
- ▶ Networking and connections with traditional farmers and the local community
- ▶ Communication with public authorities

ADVISERS

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Recommendations for advisers



Local authorities and new entrants into farming: lessons to foster innovation and entrepreneurship

Why are new entrants to farming good for local communities?

New entrants - people entering farming for the first time, or returning to farming after a period of off-farm employment - are an important resource for the development of rural communities. Often they are highly educated and bring business skills and networks from other jobs.

New entrants who establish successful businesses can stimulate local economies, creating new jobs and business opportunities for example by:

- ▶ Creating new jobs for themselves, their employees and other members of the supply chain
- ▶ Making more productive use of local land
- ▶ Contributing to the development of local tourism
- ▶ Being part of a local food culture which highlights and increases sales of local produce
- ▶ Reinvigorating traditional knowledge to produce artisanal goods
- ▶ Increasing connections between farming and the local community through involvement in school programmes, walking tours, and short supply chains
- ▶ Providing local housing
- ▶ Undertaking sustainable agricultural practices, improving the environmental conditions of local land

LOCAL AUTHORITIES

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Recommendations for local authorities



New entrants into farming: models to enter agriculture

New entrants - people entering farming for the first time, or returning to farming after a period of off-farm employment - into farming face a number of barriers - such as accessing land, labour and capital. Legal frameworks and opportunities vary per country or region. The following options might be helpful for newcomers to agriculture in your country.

Legal frameworks for progressive entry into farming

Career-ladder farming | a stepwise entry into an established farm business.

▶ A new farmer enters a dairy farm as an employee or manager, then becomes a contract milker, and subsequently takes an entrepreneurial responsibility as a sharemilker. In exchange he receives a share of the turnover or profit, depending on what he brings in terms of labour or other inputs. Following this career path, the new farmer can eventually become a farm owner.

Land partnerships | a generic term for forms of cooperation between landowners and people interested in land to run a rural business or a farm.

Contract farming | a farmer outsources a part or all operational farming activities to a contractor. This model may be opportune when farmers wish to gradually retire from active farming.

Share farming | a form of cooperation whereby parties, maintaining separate businesses, combine resources to farm together: machinery, labour, installations, land, livestock, specialised knowledge.

Equity partnerships | partners form a new joint venture business to pool their resources, typically capital from one side and labour / knowledge from the other side. Often the labour partner is employed or working as the farm manager.

Junior-senior-partnerships | a new / young farmer cooperates with an established experienced farmer who needs qualified labour support or who is looking for someone to continue the business in the long run. This approach may be attractive when land price and leasing rates are very high, and established farmers have a clear interest to continue their business. Different legal frameworks are possible.

Incubator-supported start-up | a business or an organisation which supports young entrepreneurs to set up their businesses. Typically incubators offer office space, planning, subsidies, financing and marketing advice, but also equity capital and in some cases land.

▶ The French network RENETA provides land to new entrants to test their business idea in practice.

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Business models for other new entrants

Thank you for your attention!

[EIP-AGRI Focus Group webpage](http://www.eip-agri.eu)
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