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AGRICULTURE & INNOVATION



# EIP-AGRI Focus Group

## New entrants into farming: lessons to foster innovation and entrepreneurship

MINIPAPER: Defining New Entrants – 01 12 2015

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## Defining New Entrants

The EIP Agri focus group on New Entrants into Farming was specifically formed to address *ex novo* new entrants: individuals starting new farms who had no previous agricultural experience. These individuals were understood as having the potential to introduce new innovations and higher levels of entrepreneurship into farming; the tasks of the focus group were to clarify the main challenges faced by these newcomers, to identify the potential business and organisations models they utilise, propose potential innovative actions to enhance and stimulate establishment of these new enterprises and to identify needs from practice and possible gaps in knowledge. Within this list of tasks there is an assumption that the business and organisational models utilised by newcomers to farming can provide the impetus for similar activities and approaches to be taken up by existing farmers. Enabling new entrants was thus constructed as means of enabling innovations and entrepreneurship to spread more rapidly throughout the sector, as well as securing the generational renewal necessary for a vibrant agricultural sector.

**This minipaper draws together the issues surrounding definitions of new entrants**, expanding on the literature compiled for the initial discussion document and elaborating the discussions held at the first focus group meeting. Defining new entrants is of practical interest, in order to ensure that a consistent topic is being discussed during the focus group and in potential future research. Defining new entrants is also of policy relevance, because a definition is necessary for identification of recipients for programmes and supports, and assessing associated impacts. An operational definition is also essential to underpin any quantification of potential recipients; a key issue identified in the discussion paper is the lack of available statistical information on the numbers of new entrants to agriculture in Europe.

The purpose of this minipaper is to explore a comprehensive range of issues associated with the definition of new entrants, rather than to achieve an agreed final definition. Instead, **we argue that any definition of new entrants needs to be 'fit for purpose'** (i.e. suited to its application). For example, new entrants as defined for subsidy purposes may differ from new entrants as defined for research purposes.

We begin by identifying the potential definitions and associated types of new entrants, and then explore some of the key sources of debate in the definition of new entrants. These include different forms of succession, working off-farm for a period of time, intention to earn a livelihood from farm farming activities, making changes to farming practices, farm diversification, off-farm employment, age, land tenure, corporate new entrants and the ubiquity of alternative production practices amongst new entrants. We conclude with some reflections on the purpose and implications of defining new entrants for policy purposes.

### Initial definitions of new entrants

As demonstrated in the initial discussion paper for the focus group (Sutherland, 2015), **entrance into farming with no previous experience or resources is unusual** – individuals who start farms frequently have some prior experience with farming, owing to the resource needs of new farm establishment (land, labour, capital, housing, skills and knowledge as well as social networks associated with farming). There is thus a substantial grey area between the extremes of *ex novo* new entrants and full successors to farming businesses.

The definition of new entrants proposed in the initial discussion paper was based on assessments of new entrant definitions utilised in policy and research contexts, inside and outside of Europe (see Appendix A)<sup>1</sup>. The following definition was proposed as a starting point for discussion:

A natural person, group of people or legal entity who have within the past five years established a new agricultural holding or farming business in their own name(s). The natural person, group of people or legal entity should be actively farming (i.e. producing agricultural products for sale) and be either establishing a new agricultural holding or returning to a family-held holding after a minimum of 10 years of off-farm employment.

This definition thus included:

<sup>1</sup> For EU definition of young farmers, underpinning new entrant supports, see page 6 of this minipaper.

- Individuals and groups who are completely new to farming
- Individuals and groups who were raised in rural areas and/or employed on farms but have not held a farm in their immediate family or inherited agricultural land
- Individuals or groups who grew up on farms but are establishing a new farming operation separately from their parents' farm
- Individuals or groups who are establishing new farms on tenanted or contracted land
- All age categories
- Individuals and groups who have no formal agricultural training (training is a requirement for agricultural land access in some countries e.g. Austria, France)
- Individuals and groups who are pursuing farming on a part-time or non-commercial basis (i.e. their farm does not represent their primary livelihood)
- Legal entities including corporations and co-operatives
- Direct successors (following a period of off-farm employment)

The definition excluded agricultural workers (i.e. farm employees) and direct successors who have worked on a farm for most of their adult lives (Sutherland, 2015).

During the meeting, a number of issues with this definition were raised. These included: whether companies should be included in the definition of new entrants; the multiple nature of new entrants (e.g. as part of couples, families, co-operatives); whether those who have inherited a family farm but have been raised in an urban environment and take up the family farm later in life are also new entrants; the duration of time during which an individual or group could be considered a new entrant; the extent to which a 'new entrant' must be actively farming; the percentage of the farm household or business' income that comes from agriculture; and the commodities associated with 'farming' (particularly whether only new entrants to alternative agricultural systems should be considered). These are further explored below.

In reflection of these issues, the revised definition proposed to the focus group was:

A natural person, or group of people who have within the past ten years established a new agricultural holding, farming business or cooperative. The natural person or group of people should be actively farming (i.e. producing some agricultural products for sale) and be either establishing a new agricultural holding or returning to a family-held holding after a minimum of 10 years of off-farm education or employment.

The revised definition extended the duration of time under which an individual could be considered a 'new entrant' reflecting concerns that five years was insufficient time to establish a commercially viable farm. However, there were also arguments made that an individual or household who enters farming remains a new entrant for their lifetime (i.e. they will always have started farming without prior experience and can therefore be recognised as a 'new entrant'). The term 'legal entity' was replaced by 'cooperative' to enable collaborative groups to be considered new entrants, but exclude companies such as agri-businesses. However, it may also be appropriate to include non-profit organisations and limited companies formed to enable share farming or joint ventures involving new entrants. The term 'actively farming' was the subject of some debate, as many new entrants establish pluriactive businesses in order to generate revenue, and therefore may not be producing traditional products (or limited quantities) for sale. At the end of the paper some reflections on the necessity and limitations of a comprehensive definition are given.

Definitions of new entrants in the EU and other countries were included in the Discussion paper written for the focus group. These have been included to this minipaper in Appendix A.

## Types of new entrants?

The variety of possible entry points – individual and collective – for new entrants arguably leads to a variety of types of new entrant. To elucidate these potential types, an initial flowchart was developed, which has been elaborated for this paper to include diversified innovative successors and to increase the emphases on making



major changes to farming operations and access to land. The flowchart identifies different potential 'types' of new entrant, on the basis of multiple criteria: being raised on a farm, access to land, working off-farm for a period of time, intention to earn a livelihood from farm farming activities, making changes to farming practices, farm diversification, and off-farm employment. The flowchart is necessarily simplified – some new entrants will fall into more than one category. New entrants are identified in blue boxes, successors in beige.

**Being raised on a farm** is one of the key points of distinction between successors and *ex-novo* new entrants. However, there are multiple challenges to operationalising this distinction. First, **being raised on a farm does not ensure that the individual in question will be able to continue as a successor on that farm** – the farm may stay with the parents, pass to a sibling, or be divided between multiple successors. Succession is not only about acquiring land and capital, although those are important. Succession can also involve inheriting a home, knowledge of farming practices, access to labour and social capital (social networks through which resources can be accessed). Complete newcomers to farming can be expected to lack most of those resources, although they often bring new (external) networks, skills, knowledge and capital to their farm businesses. **New entrants therefore have support needs which differ from farming successors.**

For new entrants raised on farms, even if they did not inherit the land, they may have access to resources from the parent's farm, such as buildings or equipment, or be able to locate a growing livestock herd on a parent's farm. New entrants may also be accessing family-held land (e.g. held by an extended family member, rather than a parent), accessing land or facilities through subsidised rental, or 'paying out' family members to enable formal transfer of farming assets. In addition, the new entrant farm may be being farmed by a couple or group, one of which has been born on the farm in question, with access to some or all of the farm resources. Should the other farmers be considered new entrants, given that they are new entrants to the farming sector? The implications are that new entrant supports could be made available to any household member, creating the risk of opportunism, but also enabling new entrants to take on new activities within existing farms. What degree of family assistance constitutes 'succession'?

**Working off-farm for a period of time** is common amongst new entrants who were raised on farms, bringing important skills and capital resources to farming later in life. They are therefore 'new' to farming, but should they still be considered 'new entrants' if they simply take over a parent's farm once that parent has retired? Can this distinction be reasonably operationalised? For example, how long a time period is necessary for this distinction to be made (e.g. does attending a full-time college course count?) Or should we make a distinction between time off-farm for study and time off-farm for work?

**Making changes to farming practices:** new entrants are expected to bring with them highly innovative approaches to farming. However, innovation is not the sole domain of new entrants. If the farmer (however defined) is making a major change to farming practices (such as converting from dairy to beef), or investing in a major on-farm diversification project (such as renewable energy) the farmer is entering a new sector and establishing a new business. Should this farmer be identified as a 'new entrant'? Some successors to existing businesses simply carry on the existing farm trajectory (Sutherland et al., 2012) – should these individuals be considered 'new entrants'?

**Farm diversification** is one of the innovative approaches adopted by both new entrants and established commercial farmers. In some cases, these activities provide substantially more income to the household than the production of primary agricultural commodities. To what extent is the individual considered a farmer, and thus a new entrant to farming, if there is very little income from production of agricultural commodities? How should this income level be determined (i.e. relative to other income on the farm? Relative to the income of other local farmers? Production levels similar to that of other local farmers? Use of the farm's production within a single agricultural business?) Reducing production levels could also represent an important change to farming operations; some new entrants see extensification as important to sustainable development, safeguarding the landscape and creating jobs resulting in more liveability. This also raises questions surrounding what constitutes agricultural commodities (e.g. production of insects for protein? beekeeping? salt production? agriforestry? woodland management?)



**Intention to earn a livelihood from farm farming activities** relates to the growing number of hobby or non-commercial farmers evident in European agriculture. Establishing a farm for the purposes of lifestyle or recreation can occur at any life-stage, but is particularly common amongst individuals who become farmers later in life (both as new entrants and upon inheritance of a farming business). The distinction relates to the use of new entrant definitions to determine eligibility for subsidy supports – there is general agreement within the focus group that supports should not be targeted to all individuals entering the sector, but solely to those who are undertaking commercial farming activities. However, the definition of ‘commercial’ is again difficult to operationalise; many new entrant farms are not commercially viable in their early stages. In addition, many ‘hobby’ farmers seek to break even or make a small profit from their farms; they may not be dependent on farming as a substantive source of household income, but still need to make some money from it. Hobby farmers can also provide important ecosystem services, particularly in High Nature Value farming areas (Pinto-Correia et al., 2015). Part-time farming is well recognised in the academic literature, where farming activities are not expected to represent full-time activity, and therefore should not be expected to generate the monetary rewards associated with full-time employment. However, they may still represent commercial businesses, relative to the scale of activity involved. Which of these farms should be considered new entrants? And which should be subsidised?

**Off-farm employment** is commonly undertaken by new entrants and members of their households, as a means of generating income while the farm is being established. However, off-farm employment may continue indefinitely, aligning with a part-time farming strategy or as a longer term career path of a household member: many non-farming households have multiple incomes and it is reasonable to expect that this is also the case with many farming households (e.g. two or more adults pursuing different career trajectories). Where this becomes an issue for defining new entrants is in relation to the intention to earn a living from farming activities described above.

### Other issues in defining new entrants

**Age** has deliberately been excluded from the focus group’s definition of new entrants, owing to general agreement in the focus group that individuals and groups enter farming at a variety of ages; the skills and capital gained during urban careers can be particularly beneficial to the establishment of a commercial farming operation. However, age is clearly identified in the policy definition of young farmers utilised in determining eligibility for new entrant supports. Regulation (EU) No 1307/2013 of the European Parliament and of the Council states:

For the purposes of this Chapter, ‘young farmers’, means natural persons:

who are setting up for the first time an agricultural holding as head of the holding, or who have already set up such a holding during the five years preceding the first submission of an application under the basic payment scheme or the single area payment scheme referred to in Article 72(1) of Regulation (EU) No 1306/2013; and (b) who are no more than 40 years of age in the year of submission of the application referred to in point (a).

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Setting an age limit may be useful for ensuring generational renewal in agriculture – arguably more lasting change can be expected on innovative farms established early in an individual or household’s career trajectory, rather than later in life. Farms started later are more likely to be recreational holdings, but this is not necessarily the case. Facilitation of new entrance of young people is also expected to encourage older farmers to pass on their land, although there is limited academic evidence that this occurs in practice.

The academic literature includes a large number of studies demonstrating that the age of farmers is reflected in farm business decision-making. Age is rarely addressed as a single factor; studies addressing the age of farmers also include a number of other demographic factors such as gender and educational level. It is also important to note that academic studies typically address age on a continuum (i.e. ‘younger farmers’ may not directly represent the category ‘young farmers’) and do not take into account a category of new entrants. Vesala and Vesala (2010) found that younger farmers and better educated farmers were more likely to identify themselves as professionals and businessmen, suggesting stronger entrepreneurial orientation. Together with attitudes and

beliefs, age has been found to relate to orientation towards sustainable and efficient agriculture (van Passel et al. 2007); views on sustainability (Comer et al. 1999; Vanslembrouck et al. 2002), conversion to organic farming (Lobley et al., 2009; Rigby et al., 2001; Padel, 2001) and positively impact on welfare of animals kept on farms (Mann, 2005). However, Battershill and Gilg (1997) argue that farmer age relates to the time period in which an individual was socialised, rather than particular characteristics of younger or older people. They suggest that farmers socialised into production-focused farming in the 1970s latterly found an interest in conservation in the 1980s, whereas younger farmers were raised in an era where environmental schemes were common, and so viewed conservation as a business enterprise, and were generally more interested in environmentally friendly food marketing than conservation schemes. In addition, the reported age of the 'primary farmer' may be misleading in terms of decision-making responsibility. Decisions on an individual farm are often made jointly; younger and older individuals may therefore be involved in the decision-making process. Burton (2006) argues that a compilation of the age of family members working on a farm is a better indicator of farm structural and managerial characteristics than the age of the principle decision-maker.

**Land tenure** reflects the status of the individual in relation to one of the primary assets of most farming businesses – agricultural land. Both owner occupiers and tenant farmers are commonly identified as farmers. Where tenure becomes an issue is in cases of contract farming (e.g. in the cereals sector), where the farm owner hires contract workers or companies to undertake agricultural production (these arrangements can vary from on-off contracts to plant or harvest a field, to multi-year contracts for companies to undertake all aspects of production). Contract farming is becoming increasingly common throughout Europe, as non-agricultural actors (such as pension funds) acquire farmland for investment purposes (Kay et al., 2015). Should individuals who establish new contract farming businesses be considered new entrants? There are also new forms of contracts being developed by new entrants in for example Community Supported Agriculture where contracts are being made on amounts of produce being delivered at the end of the season. These types of contract-farming businesses might be seen as new entrants.

**Personal tenure** reflects the period of time during which an individual can be considered a new entrant. It was agreed in the focus group that five years is not always long enough to establish a viable commercial business; 10 years was agreed to be more reasonable. However, focus group participants agreed that this longer term was not appropriate for use in defining new entrant supports, as young people in particular would find it daunting to be tied into a 10-year support programme with its associated commitments. They suggested that supports should last for five years in the first instance, with the option for extension. There was also concern that only new entrants within the past five years should be considered 'new entrants' (i.e. supports past five years should be an extension; starting new supports after the five year period were not necessarily appropriate).

**Corporate new entrants** are included in American definitions of new entrants to farming. Agricultural and financial businesses are purchasing agricultural land and becoming legal 'farmers' with a variety of implications for the agricultural sector. The phenomenon is less well-understood in Europe, but concerns were raised in the focus group that new entrant subsidies should not be received by businesses entering the sector with substantive non-agricultural capital, particularly those perceived as engaging in 'land grabbing'. At the same time, it was also recognised that a number of cooperatives and joint enterprises have the legal status of limited companies; these entities can represent new entrants, and present opportunities (e.g. through membership) for new entrants to gain access to key resources such as land, skills and equipment. The focus group were therefore reluctant to exclude companies entirely.

**The alternative nature of many new entrants** became evident through discussion with study group participants. Most new entrants discussed in the focus group who were not successors in some form, were involved in alternative approaches to farming (e.g. local and organic food, short supply chains, providing services like childcare, health care etc.). This reflected the barriers to new entrants, particularly the substantial capital investment required to establish a conventional farm. Alternatively, initiation of alternative farming business can also be an expression of new skills brought to agriculture by new entrants resulting in taking new chances, and seeing business opportunities which are missed by traditional farmers. However, there was also an ideological commitment on the part of many *ex novo* new entrants to change the way that the food system operates, through reconnecting people with local food, and the mainstreaming of sustainable agricultural production practices (currently considered 'alternative'). As such, some of the focus group members advocated limiting the definition of 'new entrants' to those farmers pursuing these practices.

## Thoughts on the value of defining new entrants

The process of developing a definition of new entrants has been helpful for elucidating the variety of means by which an individual or group can enter establish a new farm. In addition, there was some concern about the appropriateness of the term 'new entrant' in general, because it can raise barriers with mainstream farmers and farming organisations. For these cohorts, the term 'new entrant' can imply competitors for agricultural land and subsidies and/or limited previous experience and therefore low credibility as farmers. Some organisations which support the development of 'new entrants' in the UK and Ireland, have adopted the term 'land business entrepreneurs' instead, emphasising entrepreneurship over the relationship of the individual to their farm.

It is clearly difficult to come to an agreement of what constitutes a new entrant, and this has not been achieved in the focus group. We suggest that an alternative is to assess the various definitions and characteristics of new entrants on a 'fit for purpose' basis (i.e. in light of the purpose for which the definition will be utilised). If the purpose of defining new entrants is to define a population to target for supports, then it is important that this definition be easy to operationalise, and lead to the identification of a group of individuals who, if supported in the means anticipated, are likely to produce the anticipated results. If the intention is to enable young people to access land in order to establish farming businesses, then an agreed age will need to be selected. If the intention is to enable the establishment of commercial businesses by new entrants to the sector, then viable business plans and evidence that the individual has not worked in the sector for a period of time should be included in the criteria. If the intention is to gather information from new entrants across Europe to obtain more insight in motives, success- and fail-factors to sustain the above, the definition may need to be broadened (for instance to the period in which the holding was established) in order to derive information from successfully established new entrants.

A caveat to this reasoning is that it may not be necessary to define new entrants in some cases. For example, if the intention of the definition is to underpin supports to enable establishment of innovative new businesses, then the definition should be based on the characteristics of the businesses proposed, rather than the characteristics of the individual. Similarly, if the purpose is to encourage farm business diversification, supports for diversification activities, rather than new entrants, may be most appropriate.

## Research needs

The purpose of the focus group has been to establish what is known about the new entrant phenomenon in Europe. A number of potential research needs stem from the discussion of definitions

- There is a need for new entrants to be included in Eurostat analysis – at present, Eurostat does not assess an individual's duration as a farmer. Instead, new entrants are conflated with sole holders under the age of 35, which differs substantially from the definition of new entrants utilized in new entrant supports. We suggest that the addition of the questions: "In what year did you become the primary decision-making on this holding?" and "Did you work regularly on the farm prior to that time?" could be helpful for identifying new entrants. In addition, the questions "Do you have an identified successor for your holding" and "Is that successor currently working regularly on the holding" could give stronger insights into the number of successors currently working in European agriculture, and thus a more accurate assessment of generational renewal.
- There is potential under reporting of new entrants – in some countries, like the Netherlands, new farmers are not required to register until they apply for subsidies. In other countries, farmers may be motivated to register their successor as the primary farmer at an early age, to benefit from additional subsidies. Targeted research is needed to more accurately identify the numbers of new entrants.
- The impact of various EU policy mechanisms – particularly the Single Farm Payment (SFP) – on new entrants should be assessed in more depth. A report by Kay et al. (2015) for the European Parliament identified a relationship between the CAP and (farm)land grabbing, owing to the link between land and receipt of the SFP. As such, conditions for receiving the SFP may be contributing to the escalation in land prices and access issues for new entrants.



- Assess the policy implications of the different definitions of new entrants (e.g. if existing supports were broadened to a wider range of new entrants, what would be the impact on up-take and resultant changes to the farming sector?)
- What specific supports are needed by new entrants? New entrants may be disconnected from access to land, labour, capital, housing, knowledge and social capital, each of which may require different support mechanisms. In light of these varying needs, it is also important to question whether the desired generational renewal and innovation in the agricultural sector be achieved through direct financial assistance (as is currently the case) or whether other means are more appropriate (e.g. supporting training, innovative activities and development of new commercial products). Training and networking may be more useful for facilitating innovation than direct financial supports. A survey among different types of new entrants (based on the above definitions) to gain insight on needs for support (of different types) could be useful in identifying a range of support options that suit different situations.
- A study on how mainstream agricultural sector actors, particularly institutions, consider new entrants and if they are enabling adequate conditions for new entrants to enter the sector and receive support in tangible and intangible forms. The ongoing consolidation of land in Europe (Kay et al., 2015) may be evidence that existing land holders, represented in mainstream institutions, do not want competition from new entrants for land.
- Formal studies of new entrants who are now well established (e.g. longer than 10 years) could be useful for understanding their successes and lessons learned. It would also be helpful to study unsuccessful new entrants, to determine causes of failure and associated support needs. This should be within the context of other small-business start-up failures.

### Recommendations and messages for advisors, markets, local authorities

It was agreed at the second focus group meeting that each minipaper would summarise their findings into recommendations, which would then be collated into documents targeted towards advisors, markets and local authorities. As this paper is about the definition of new entrants, the recommendations primarily relate to research needs (above) and are somewhat generic to the three groups:

- New entrants are a heterogeneous population, with wide ranging needs. Activities and supports for new entrants should reflect this range of needs (as opposed to 'one size fits all' approaches).
- Develop 'fit for purpose' definitions: in operationalizing supports or activities for new entrants, consider which 'types' of new entrants are the target audience, particularly the means by which they enter the farming sector, and the intended outcomes of intervention, and define new entrants accordingly.
- Access to land and capital are not the only barriers for new entrants – they also required access to housing, labour, skills and social networks. These issues are further elaborated upon in other minipapers.

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## Appendix A – Formal definitions of new entrants in Europe and Internationally

- This appendix was also included in the EIP Agri Focus Group New Entrants into farming: Lessons to foster innovation and entrepreneurship Discussion paper, 18 May 2015, by Lee-Ann Sutherland

New entrants to agriculture have been defined in a number of ways.

### a) European Policy Supports

New entrants to farming are supported through the Common Agriculture Policy (2014-2020); supports include access to and top-up grants for the Single Farm Payment entitlements under Pillar 1, and business development grants under Pillar 2. In defining eligibility for these supports, the European Parliament and the Council of the European Union have defined new entrants as follows:

'farmers commencing their agricultural activity' means natural or legal persons who, in the five years preceding the start of the agricultural activity, did not have any agricultural activity in their own name and at their own risk or did not have the control of a legal person exercising an agricultural activity... Member States may establish their own additional objective and non-discriminative eligibility criteria for this category of farmers as regards appropriate skills, experience or education. (Official Journal of the European Union, 20-12-2013, pp. 347)

The regulations are aimed at supporting young farmers to enter the sector:

For the purposes of this Chapter, 'young farmers', means natural persons:

- (a) who are setting up for the first time an agricultural holding as head of the holding, or who have already set up such a holding during the five years preceding the first submission of an application under the basic payment scheme or the single area payment scheme referred to in Article 72(1) of Regulation (EU) No 1306/2013; and (b) who are no more than 40 years of age in the year of submission of the application referred to in point (a).

Other requirements for funding include evidence of formal agricultural training or experience working on a farm. As such, new entrants within EU legislation are defined as sole holders of 40 years' age and under, who are setting up or have set up a holding during the previous 5 years. For young farmer supports, funding is available for 5 years from the date of application. In the case of set-up grants, support is limited to 24 months from the date of farm establishment.

*Strengths and weaknesses:* The EU policy definitions of new entrants provide helpful guides as to the period of time during which an individual can be considered a 'new entrant' (i.e. five years) and the role the individual plays in the agricultural holding (i.e. that the activity must be in their own name). It is also clear that the new entrant must be a person (i.e. not a corporation). However, in restricting supports to people less than 41 years of age, older new entrants are excluded. The definition does not exclude successors; individuals inheriting a farm business before the age of 41 satisfy the criteria of 'setting up for the first time ... as head of the holding'.

### b) International Policy Supports

The United States Department of Agriculture (USDA) defines 'beginning farmers and ranchers' as individuals or groups who have operated a farm or ranch for 10 years or less (Ahearn and Newton, 2009). If there is more than one operator, all must have less than 10 years' experience. The 10-year designation was first introduced by the Agricultural Credit Improvement Act of 1992, which enables reduced interest rate loans to be offered to beginning farmers and ranchers. The USDA definition of a farm is any place from which \$1,000 or more of agricultural products were produced and sold, or normally would have been sold during a reference year.

The Canadian government does not appear to have a national-level programme supporting new entrants to farming, although farms are included within assistance provided to new business start-ups (Pouliot,



2011). Instead, new entrant supports are available at provincial level. For example, Serkoukou (2014) describes a number of programmes available in the province of Quebec. The criteria for one of these programs is to be between 18 and 40 years of age, have recognised (agricultural) training, plan on making farming their livelihood, have a business plan that demonstrates profitability, plan on making agriculture their livelihood and conform to environmental regulations.

Uchiyama (2014) describes Japanese new entrant supports. These are oriented primarily towards successors to existing farming businesses, reflecting strong historic rules requiring transfer of farmland on the basis of kinship. Measures include inheritance tax relief and pension top-ups for early retirement, and encourage succession prior to the age of 35. A farm succession aid programme exists for Japanese farmers who do not have successors; the criteria for access are not clear, but appear based on age and lack of other access to farm land.

There do not appear to be national-level supports for new entrants to farming in Australia. Some new entrant programmes in New Zealand were mentioned in the Barr (2014) Australian report, but subsequent searching did not bring these to light.

*Strengths and weaknesses:* The USDA definition identifies a longer time period than the EU during which an individual is considered a new entrant. The USDA definition also enables co-owners (i.e. groups) to be considered new entrants. Ahearn and Newton (2009) note that the broad definition of 'farm' in the US leads to the inclusion in resultant figures of a number of individuals who use their farm solely for residential purposes. In the Quebec case, lifestyle farming is excluded and new entrants are defined as 40 and under. In the Japanese case, supports are primarily aimed at somewhat younger people than in the EU and the USA. Uchiyama (2014) reported that the farm succession aid programme had limited success in bringing new people into the sector, owing to disagreements about the value and transfer of the agriculture holding. In all three cases, the definitions of new entrants include successors.

#### c) European Statistics

Eurostat does not assess the duration of an individual's tenure as a farmer. It is therefore not possible to utilise Eurostat figures to assess the number new entrants to European agriculture. In line with international statistical analyses demonstrating shortages of 'new entrants', this concern is based on declining number of younger farmers (see DGIP, 2012).

*Strengths and weaknesses:* As Zagata and Sutherland (2015) point out, Eurostat figures conflate young farmers with new entrants. Successors are also not identified, so it is impossible to assess the number of new entrants who have (or have not) inherited their farms.

#### d) European Research Studies

The vast majority of the academic studies addressing new entrants to farming in Europe focus on farm succession. A limited number of studies address the success of new entrant support programmes – thus defining new entrants in policy terms, or on the lack of young people in farming. For example, a study of new entrant supports in the UK defined new entrants generally as 'non-successors', developing a binary distinction between those farmers who inherited their farm directly, and those who did not (Ilbery et al., 2010). In line with EU policies they assess, these studies tend to conflate new entrants with young sole holders.

Few studies have come to light which focus specifically on assessing the number or characteristics of new entrants to farming in Europe. The ProAKIS FP7 project specifically addressed new entrants to farming in a set of case studies on agricultural knowledge systems amongst small-scale farmers. In this research, new entrants were defined differently in the cases: new entrants in the Bulgarian case were defined as individuals receiving Rural Development Programme (RDP) supports for new entrants; in the Polish case new entrants were existing farmers who were developing a new farm diversification opportunity (agri-tourism); new entrants in the Portuguese case were individuals accessing RDP funding to establish new micro-businesses on family-held land; the Scottish case focused on both successors and non-successors with less than 12 years' tenure on their holdings. From the study, it became evident that new entrants

may purchase land outright, but commonly also access land held by extended family members or enter into contracting arrangements.

A study of lifestyle farmers in Bulgaria, Portugal and Scotland (part of the FarmPath FP7 project) describes the complex range of backgrounds characterising 'new entrants': members of 'back-to-the-land' movements who are completely new to agriculture; individuals who were raised on farms but return as successors after an urban career; individuals raised on farms but returning to the local area to set up a new farming enterprise at a variety of life stages; individuals accessing farm land through family relationships but not direct succession; and individuals with a variety of farm and non-farm backgrounds migrating to farms in southern Europe in search of amenity lifestyles (Pinto-Correia et al., 2015). In a related study, Lošťák et al. (2005) defined new entrants as 'newcomers to the area', in their case studies in the Czech Republic, Greece and Bulgaria, but noted that many of these newcomers were the descendants of local people, who had previously lived in urban areas.

There are also a number of studies where new entrants are mentioned in passing. These studies relate to particular innovations in agriculture, such as organic farming, back-to-the-land movements, small holding and hobby farming. In these cases, new entrants are noted to be more common amongst the study sample, but the definition of a new entrant is not typically formally defined.

There are also studies where 'new entrants' refer to existing farmers who are entering a new sector (e.g. 'new entrants to the dairy sector' in McDonald et al., 2014).

*Strengths and weaknesses:* There is no consistent definition of new entrants to farming adopted in the academic literature. The literature is helpful for demonstrating the complex ways in which an individual or group can enter the farming sector.

#### e) International Research Studies

The Japanese Ministry of Agriculture, Forestry and Fisheries (JMAFF) began to collect statistics on new entrants to farming in 2006, differentiating between new entrants who come 'back to home farms' from non-farming jobs (i.e. farmers' children or retired people); those who are 'new employees in farm businesses'; and those who 'create new farms' (i.e. who do not succeed to farmland by kinship) (Uchiyama, 2014).

In an Australian study (Barr, 2014), new entrants were defined utilising proxy data from the agricultural census - those who report living at a new address and who described their main occupation as farming were assumed to be new entrants to farming. A rate of entry to agriculture was calculated as a ratio of the total number of farmer and farm managers in the Statistical Local Area.

*Strengths and weaknesses:* In the above cases, a more nuanced definition of new entrants is developed, recognising that new entrance can occur at any age, and that successors can return to farming after a considerable period of time away, potentially bringing the same skills and resources as new entrants without prior agricultural experience. The definitions also indicate the challenges in adequately defining who is a successor.

*Overall assessment:* There is very limited research specifically addressing *ex novo* new entrants in Europe. The academic literature tends to focus on succession, whereas the policy literature tends to conflate new entrants with successors and/or young farmers. There are few statistics available to support analyses of *ex novo* new entrants into agriculture – the USA appears to be the only country in which statistics on entrance into agriculture are specifically collected, but even in that case, the new entrants could be successors. The definition of new entrants to farming is complicated by the variety of ways in which an individual can access agricultural land or work experience, and the different stages in the life course during which an individual or group may decide to take up farming.