

The workshop provided an overview of the possibilities and implementation of the EAFRD Measures contributing to improving farm competitiveness. Participants also discussed issues linked to the design of actions needed to deliver farm competitiveness under the future **CAP Strategic Plans**.

Participants exchanged experiences and views on **good practices** and **bottlenecks** encountered during the implementation of Rural Development Programmes (RDPs). They discussed how **other types of interventions and factors, aside from investments**, can contribute to the creation of an enabling environment for increasing farm competitiveness.

Participants also shared ideas and opinions on how best to ensure **the complementarity of the different instruments available under Pillar I and Pillar II of the CAP**, in future.

Event Information

Date: 4 June 2019

Location: Brussels, Belgium

Organisers: ENRD Contact Point

Participants: Managing Authorities, Paying Agencies, national experts, EU institutions, farmers and representatives of farmer organisations, researchers.

Outcomes: Exchange of information, ideas and opinions on needs and examples of successful approaches developed under the current programming period, as well as on the design of the future CAP Strategic Plans to support farm competitiveness.

Web page: https://enrd.ec.europa.eu/news-events/events/enrd-workshop-pathways-farm-competitiveness-through-cap_en

Supporting farm competitiveness through the CAP: past, present and future



Farm competitiveness in the CAP and global challenges

Tassos Haniotis, European Commission, DG AGRI

The biggest future challenge for the CAP is to keep delivering economic competitiveness for farmers whilst also ensuring the environmental sustainability of the agricultural activity and promoting an efficient use of natural resources. Economic competitiveness has always been at the core of the CAP, aiming to allow EU agricultural products to compete on the global market, by bridging the gap between the EU and world prices and supporting farmers' income. However, progress on environmental competitiveness has stalled in recent years. The CAP and EU farmers are called upon to produce more with fewer inputs, in an uncertain global environment subject to higher price volatility and increased extreme weather events.

Competitiveness support tools under the current RDPs

Jose Manuel Hernandez Luque, European Commission, DG AGRI

The EAFRD promotes improved farm economic performance by facilitating restructuring, modernisation and integration of primary producers into the agri-food chain. More than 36 billion EURO are planned by Member States for that purpose in the period 2014-2020. The most relevant measures are: Investments (M4), Farm development (M6), Cooperation (M16), Producer organisations (M9), Quality schemes (M3) and Knowledge transfer and information actions (M1). The following lessons can be drawn from current and past RDPs: when sustainable, investments lead to positive effects; young farmers often trigger modernisation processes; training actions and advice improve management and agricultural practices.



Experiences from Member States: Lessons learned – group discussions

Experiences from [Italy](#), [Croatia](#) and [Romania](#) showed how different RDP Measures can be combined and successfully implemented in synergy to support farm competitiveness. Complementarity between **'hard'** (i.e. investments) and **'soft'** interventions (i.e. information, knowledge transfer and advisory services) has been ensured in different ways. These include the creation of specific **'packages of RDP Measures'** (including a basic combination of M1, M4 and M6 and in some cases also M9, M10, M11); **sub-programmes** for specific farm types and sectors; and the **use of selection criteria** reflecting the needs assessment. Relying on and supporting the initiatives of groups of producers and various supply chain actors (e.g. cooperatives) has also contributed to the **complementarity of the different Measures**. The joint implementation of several RDP Measures is likely to generate further complexity and additional paperwork, particularly at the stage of definition of the projects' business plans and for the management of the grant applications and the project selection process. However, such complexity can be addressed through the provision of advisory services to beneficiaries, the use of standard costs and the implementation of paper-free submission processes, as already available in several Member States.



Increasing farm competitiveness through...



RDP Measures beyond investments

[Gerry Gunning](#), Irish Farmers' Association

In Ireland, RDP Measures to support farm competitiveness are underpinned by domestic fiscal incentives (i.e. land leasing, partnerships and stock relief). Knowledge transfer and advisory services are key in facilitating improved farm efficiency through the adoption of smart farming technologies, digital tools and better commercial practices. Measure 10 also contributes to competitiveness, by supporting the Beef Data and Genomic Programme aiming at environmental efficiency.



Cooperation and innovation

[Hardi Tamm](#), Estonian Dairy Cluster

The EIP-AGRI Operational Group (OG) "MAVAS" is developing, an express test to track the most common types of bacteria causing mastitis in dairy cows. Consequently, the infection is addressed more quickly, making the treatment of infected cows more efficient, reducing costs and decreasing levels of antibiotic use. The initiative benefited from cooperation with the Finnish OG "SMARTFEED", which is developing a system for smart measurements in cattle feeding.



Global marketing

[Andreas Sundgren](#), Brännland Cider, Sweden

'Brännland Cider' is an enterprise producing ice cider in a rural area of Northern Sweden. The Company has defied the odds by successfully turning difficult geographical and weather conditions into assets. It produces a high-value niche product by combining local small-scale production with a global marketing strategy. The project has found that clustering of similar enterprises and the mutual sharing of knowledge and innovation creates market strength for all individual actors.

How to promote farm competitiveness under the post-2020 CAP

Enhancing farm competitiveness in the new CAP

[Chiara Dellapasqua](#), European Commission, DG AGRI

The new CAP will stimulate the development of digital technologies in agriculture and provide further support for on-farm investments, cooperation and the development of rural services and infrastructure. Special attention will be given to small and medium-sized holdings and to young farmers. Each CAP Plan should identify a clear relevant set of interventions which contribute to the specific objective of generational renewal. A minimum of two percent of the national envelope of direct payments will be reserved for this.



Main outcomes of group discussions with a focus on the future CAP

Competitiveness through investments



- Member States will have to design a **single CAP Strategic Plan** which will include the different tools selected to support investments, also covering sectoral support programmes. This will allow the complementarity of interventions to be further ensured;
- Currently market measures are administered by separate offices. The **increased coordination** required by the new delivery model will help to **avoid inconsistencies** between market measures and rural development measures;
- The CAP Plan **SWOT analysis** should also take into consideration the **need for investments and the specifics of the different sectors**.

Competitiveness through knowledge transfer



- Knowledge transfer actions should be **implemented from the beginning of the programming period** to effectively support farm competitiveness;
- CAP Plans should support initiatives that **combine traditional knowledge and local heritage with innovative approaches**, with mutual learning between older and new generations;
- **Peer-to-peer exchange** and learning opportunities should be further encouraged (perhaps through a voucher payment system) so that older farmers can share their experiences with younger farmers and new entrants.

Competitiveness and environment/climate sustainability



- Farmers are under multiple pressures and must be given the opportunity to pursue win-win strategies, combining the delivery of **ecosystem services** with **economic competitiveness**. To this end it is essential to identify and support multifunctional activities, including the development of **bio-based and circular business models**;
- **New technologies and innovative approaches** – including those developed through the work of **EIP-AGRI OGs** – could allow farmers to better reconcile economic profitability with the delivery of environmental services. However, such approaches can be expensive and may involve farmers taking an element of risk.