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#### NOTE

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From:	General Secretariat of the Council
To:	Council
Subject:	Conclusions of the Informal Meeting of the Directors for Rural Development (Malta, 22-24 March 2017) <i>- Information from the Maltese delegation</i>

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Delegations will find in Annex an information note received from the Maltese delegation on the above-mentioned subject to be dealt with under "Any other business" at the "Agriculture and Fisheries" Council on 9 October 2017.

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# Informal Meeting of the Directors for Rural Development

**22<sup>nd</sup> - 24<sup>th</sup> March 2017**  
**Corinthia Hotel, St. George's Bay, St. Julian's**

# Informal Meeting of the Directors for Rural Development

## The Role of Pillar II in Supporting the Future of Young Farmers

**22nd - 24th March 2017**  
**Corinthia Hotel, St. George's Bay, St. Julian's**

### **1. Introduction**

This Informal Meeting was held as part of the Maltese Presidency of the Council of the European Union for the period of January – June 2017. The Informal Meeting was held on Thursday, 23<sup>rd</sup> March at the Corinthia Hotel, St. George's Bay, St. Julian's, with site visits to an agricultural production/greenhouse site, an olive grove and a visit to an RDP 2007-2013 project taking place the following day i.e. Friday, 24<sup>th</sup> March.

The future of the Common Agricultural Policy (CAP) hinges on young farmers. Despite the various challenges faced by young farmers in different Member States, Pillar II of the CAP has been increasingly at the forefront to assist young farmers. As the theme for this Informal Meeting implies (*"The Role of Pillar II in Supporting the Future of Young Farmers"*), the topics presented and discussed outlined the relevance and importance of Pillar II for young farmers and the continual development of the agricultural sector, especially post-2020.

Presentations were delivered by representatives from the Malta Department of Agriculture (DoA) giving an overview of Agriculture in Malta, the European Commission (EC) on how young farmers are being supported through the CAP, ECORYS on the knowledge needs of young farmers, and the *Conseil Européen des Jeunes Agriculteurs* (CEJA) on how the Rural Development Programme (RDP) can support generational renewal. In the afternoon, workshops were delivered by the Malta College of Art, Sciences and Technology (MCAST), ECORYS, CEJA and the Malta Youths in Agriculture (MaYA), all focusing on different aspects concerning the needs of young farmers and support through the European Agricultural Fund for Rural Development (EAFRD).

## **2. Plenary Session I**

### **a. Presentation 1 - Malta's Case: An Overview of Agriculture in Malta**

Presentation by the Malta Department of Agriculture (DoA)

Delivered by Mr Frankie Caruana, Assistant Director, Agriculture (Rural Development Department)

- Mr Caruana stressed that Malta must strive to support this fundamental sector;
- Utilisable agricultural area amounts to 11,689ha, whilst the number of holdings stands at 12,466, with the majority of holdings (fragmented over a network of small parcels) being smaller than one hectare;
- The challenges associated with Maltese Agriculture include:
  - Small Size - the lack of economies of scale (making Malta dependent on export potential, albeit the difficulties faced due to the Islands' insularity), the reliance on the importation of raw material;
  - Land Fragmentation – high cost of agricultural land, inaccessibility of parcels, and livestock farms with no farmland;
  - Limited Resources – limited agricultural area, significant challenges in access to available land, ageing farming population and the difficulty faced by new entrants to join the sector;
- Way forward:
  - Updating the national agricultural policy, with a special focus on quality schemes;
  - Investment in market research;
  - Emphasis on knowledge transfer and sharing
  - More effort to promote land consolidation.

### **b. Presentation 2 – Supporting Young Farmers through the CAP**

Presentation by the European Commission

Delivered by Mr Mihail Dumitru, Deputy Director General, DG AGRI

- Currently, only 6% of young farmers are classified as land managers, with more than half of the land managers being 55 years or older;
- One of the difficulties faced by young farmers is that land is limited in area, apart from issues concerning legislation, inheritance and taxes, amongst others;
- Public expenditure allocated to Focus Area 2B amounts to €6.9 billion for the 2014-2020 Programming Period;
- Omnibus Simplifications:
  - Start-up support under Rural Development – simplification of conditions mostly concerning the flexibility for Member States to define the setting up date for projects, the duration of the scheme is aligned with the duration of the business plan and the condition that the young farmer is to become the main decision maker when transferring land and/or business. The regulation mentions that this type of support can also be implemented by the means of financial instruments;
  - Young Farmer Payment – the scheme's outreach has been increased to cover more land;
- Reflections on the future:
  - Modernisation and simplification of the CAP – a public consultation will be held from April until the end of May, with 14,000 contributions already received;
  - Cork II Declaration has already setup an action plan to transform ideas into actions;
  - Focus on land market, access to new types of knowledge, and innovation.

### **3. Plenary Session II**

#### **a. Presentation 3 – Knowledge Needs of Young Farmers in EU-28**

Presentation by ECORYS

Delivered by Ms Marie-Jose Zondag

- The main needs of young farmers in the EU-28 include the availability of land to buy, the availability of land to rent, subsidies and access to credits;
- The majority of young farmers obtain knowledge from other farmers or farmers' associations;
- There is a huge difference between those young farmers who think positively of exchange schemes and those who actually participated in one;
- The most important hindrances for young farmers to join an exchange scheme include:
  - Lack of time;
  - No replacement on the farm;
  - Lack of funds;
  - Lack of knowledge – not aware that exchange schemes are available;
- Recommendations;
  - Improve communication and publicity to make young farmers aware of exchange schemes;
  - Offer a farm replacement service to improve participation rates;
  - Offer language courses to improve participation rates;
  - There are enough exchange schemes, however young farmers are not aware of them.

#### **b. Presentation 4 – How can the Rural Development Programme support Generational Renewal?**

Presentation by the Conseil Européen des Jeunes Agriculteurs (CEJA)

Delivered by Mr Alan Jagoe, President, CEJA

- “*Who will be the young farmers of the future?*” was the first question posed by Mr Jagoe, a dairy farmer from Ireland. Out of 22 million farmers, 6% are under the age of 35, 38% between the age of 35 and 54, and 55% above the age of 55;
- For the RDP to support generational renewal, every policy needs to be ‘young farmer approved’ so as to include a young farmer element in it. Also, clear exit paths and cooperation between the generations is greatly needed;
- There is still scope for RDP investments to continue to support young farmers post-2020;
- Highlighted first-hand examples of successful young farmer and generational renewal oriented schemes in place in Ireland;
- Education is key. However, it is not only farming skills that are required but rather the use of technology, the internet, knowledge on financial structures, banking knowledge, environmental knowledge, etc.;
- Farm assistance is needed in order to possibly create a viable replacement scheme allowing for days off from the farm for the farmer;

## **4. Workshop Outcomes**

### **a. Workshop 1**

#### Education and Knowledge Transfer

Facilitated by MCAST

- Different farmers have different learning abilities;
- Importance of farmer-to-farmer exchanges or advisor-to-farmer encounters rather than class-based method;
- Training through small focus groups, on-site training;
- Farmer training needs to focus more on hands on and practical experience;
- Prefer to learn agronomic skills rather than business and accounting skills;
- Real-life case studies – learning from other's experience;
- E-learning is being explored as a possible teaching tool.

### **b. Workshop 2**

#### Exchange Schemes for Young Farmers through EAFRD

Facilitated by ECORYS

- Various exchange schemes already in place, there is a wealth of experience already available, no need to re-invent the wheel;
- More efficient and cost effective to use existing channels;
- The National Rural Network can also reach targets by facilitating and promoting exchanges;
- Exchange schemes are not only interesting for visiting farmers but also for hosts;
- Simplification post-2020, by not having too detailed rules and allow more room for manoeuvre;
- Complementarity of funding needs to be kept in mind – Interreg Europe and Erasmus + also offer similar opportunities, so complementarity is indeed important.

### **c. Workshop 3**

#### Supporting the Needs of Young Farmers

Facilitated by CEJA

- Supporting generational renewal through six key points: finance; support; well-being; knowledge and education; and investments;
- Support does not necessarily need to be financial but also, for example, advice;
- Supporting the aspiration of youths in rural areas (Cork 2.0 Declaration): infrastructure, innovation and investments;
- EAFRD cannot be the only budgetary support for young farmers and rural areas – the importance of rural proofing.

#### **d. Workshop 4**

##### Young Farmers and Innovation

Facilitated by MaYA

- Innovation means different things for different farmers and different Member States – no restrictive definitions, needs to be flexible, subsidiarity;
- Young farmers tend to be more innovative and open to change;
- Innovation can make rural areas more attractive;
- Cooperation: sharing of innovative solutions – from the lab to the field;
- Innovation can lead to employment;
- Small actions may have widespread effects;
- Start by securing a traditional farm, then innovate;
- Innovation must continue post-2020.

#### **5. Presentation 5 – Next Informal Meeting of the Directors for Rural Development**

Presentation given by the Estonian Delegation

Delivered by Mr Merle Saaliste

As Estonia is the next Member State to chair the Presidency of the Council of the European Union from July – December 2017, Ms Saaliste informed that the next Informal Meeting of the Directors for Rural Development will take place in **Tartu, Estonia** between the **26<sup>th</sup> and 28<sup>th</sup> of July, 2017**. The topic/focus to be discussed will be **e-agriculture**. Ms Saaliste invited the delegates in attendance to put forward information regarding e-agriculture, in preparation for the Informal Meeting by sending an email on:

[Anne-Liisi.Mandmets@agri.ee](mailto:Anne-Liisi.Mandmets@agri.ee).

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