Small Farms in Europe: Viable but Underestimated

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Introduction

Small farms are a crucial element of the European agricultural system. They produce most of the healthy and diverse food that we eat every day, they provide local jobs and sustain rural activities, and they secure the resilience of our food system. Nevertheless, across Europe small farms are disappearing. They struggle to compete with large multinational agro-businesses, they are under pressure from land grabbing, and they face serious challenges to secure public support, as they are often considered unviable and outdated.

The Access to Land Network and the Papers on Small Farms’ Viability

To gain information on the benefits, viability and problems of small farms, the Access to Land network, an initiative which brings together grassroots organisations from across Europe, is collecting the findings and experiences of its members from their work on and with small farms. Established in 2012, the network aims to raise awareness of land issues among citizens, consumers, farmers’ organisations, civil society organisations and policy-makers. It currently has 15 members from eight countries. Seven of these members have contributed to this series of papers on the situation of small farms in Europe, the problems they face and their coping strategies: AIAB Lazio, Italy; Eco Ruralis, Romania; The Real Farming Trust, United Kingdom; Regionalwert AG, Germany; Rurbans, Catalunya, Spain; Soil Association, United Kingdom; and Terre de Liens, France.

These organisations are working daily with small farmers and new entrants eager to establish small farms. Through our work, we witness contrasting trends in Europe. Since the 1950s, many small farms have disappeared in Western Europe and with them the know-how needed for high density, diversified, multifunctional farming on small plots. In Eastern European countries, this know-how still exists, yet it is under threat as it is considered outdated and policy makers often do not grasp the importance of these farming styles.
For the past decade, however, a new current is emerging in Western Europe, which valorises small-scale, diversified, high added-value farming. Some of it takes place in rural areas, some in urban and peri-urban agriculture; and often there is a link with Community Supported Agriculture (CSA) or other short-supply chains. These initiatives may highly contribute to the social, ecological and economical resilience of the local communities and territories.

In our series of papers, we thus explore several facets of the challenges but also of the potentials of small farms in Europe. This article draws on these papers to show that small farms can be economically viable and they provide important social and environmental benefits, but they are under pressure from land access problems. It then provides an overview of different approaches how small farms can be supported by all kinds of actors, from consumers to governments to civil society.

Small farms in Europe

Despite the consolidation processes that have been ongoing in the European farming sector for decades, small farms still make up the majority of European farms. More than two thirds of all farms in Europe have less than 5 hectares of agricultural land, and more than half have a Standard Output of less than 333 euros per month, before production costs are even deducted. (For a comprehensive comparison of small farms across Europe and an in-depth discussion of the parameters used to define them, see a comparative analysis of small farms in the European Union here.) Small farms are therefore a crucial part of the European agricultural system. Nevertheless, their numbers are declining. While in 2005 still more than 70% of all farms in the EU-27 worked on less than 5 hectares, by 2013 this number had fallen to just over 65%. In Romania, to give just one example, three family farms disappear every hour.

Making small farms viable

Often, this process of consolidation is seen as inevitable. Small farms, so the common argument goes, are simply not viable anymore. Indeed many small farms are struggling economically: They are not well adapted to mechanisation and they cannot supply the large volumes and homogenous produce which have become the reference of “modern” farming. Long supply chains and hygiene norms are further hurdles for small farms. Moreover, there is little and mostly inadequate policy support as subsidies are often aligned towards large agri-businesses.

However, the experience of the Access to land partners has shown that small farms can indeed be viable if they are planned well. Often, this means that smallholders have to think outside the box, discard commonly held expectations, and find alternatives to the usual subsidies, bank loans, and marketing chains. In other words, they reduce costs, add value on the farm, and engage in direct marketing or pluri-activity. These points are well-illustrated in several papers by the partners of the Access to land network. Two articles on the United Kingdom show how small farms can be economically competitive
in the horticulture and the dairy sector (read the Soil Association article on market gardens here and the Real Farming Trust article on microdairies here). Their arguments are further illustrated in a number of case studies from the UK, which can be found here.(forthcoming)

Similarly, Rurbans has ten years of experience on advising future breeders and shepherds on setting up a viable small farm in the Catalanian context. In this paper, they provide useful advice to newcomers on the planning of a small farm which is viable in every sense of the word. For Italy, AIAB LAZIO demonstrates how short marketing chains can contribute to the economic profitability of small farms here. Furthermore, in several European countries, farm incubators are currently being developed to help new entrants, particularly newcomers, to start a small farm (read examples here (forthcoming)).

Valuing the social and environmental benefits of small farms

Small farms can thus indeed be viable if planned well and making intelligent use of their resources and advantages. However, on top of that, small farms are also highly beneficial to local communities and to society as a whole. Across all participating countries, the idea of peasant agriculture is a strong element of small farms. In the words of La Via Campesina, a peasant is a person “who has a direct and special relationship with the land and nature through the production of food and/or other agricultural products”. 5 Peasant agriculture is therefore a type of farming activity that stands for the respectful relationship with humans, animals and plants, is based on local farming knowledge and techniques adjusted to local conditions, with a strong emphasis on sovereignty, community and environmental responsibility. Moreover, peasant farmers because of their special connection to the land see themselves as stewards. As noted by a publication for the European Parliament, this type of farm is deeply invested in long-term sustainability and has a “higher standard of environmental care.” 6 Furthermore, small farms, partly as a result of their lower access to credit and financial resources, rely less on external inputs and ensure a more efficient use of their resources.

This low usage of inputs, for example pesticides, also means that small farms have less of a negative impact on biodiversity compared to industrial farms. In fact, they play an important role in preserving and enhancing biodiversity. Due to their small size, breaks in agricultural land are more frequent and create numerous habitats where native plants and animals can settle and grow. Plus, small plots tend to accept the natural landscape
rather than to destroy hills, creeks, or valleys. Many species have adapted to the landscapes created by traditional farming practices over centuries. Traditionally farmed areas are therefore extremely rich in biodiversity, and by continuing traditional practices, smallholders contribute to its preservation.\(^7\)

Furthermore, small farms have been found to be more resilient in the face of environmental changes and natural catastrophes. This becomes especially significant in the context of climate change. As Altieri argues, traditional agroecosystems as relied upon by small farms “are less vulnerable to catastrophic loss because they grow a wide variety of crops and varieties in various spatial and temporal arrangements”.\(^8\) Thus, small farms make our food system more resilient in the face of climate change but also other catastrophes.

Small farms are also highly beneficial to their local communities. We can see in current EU statistics that as the number of farms declines, the number of agricultural workers declines even faster, since the emerging large agribusinesses employ less workers, leading to rural unemployment and finally, rural migration.\(^9\) Small farms, in turn, provide employment and income opportunities in rural regions where these tend to be scarce. They are also often deeply engaged in community life, as all of the contributing partners found. Small farms are thus crucial to retaining vital rural communities.

Finally, small farms tend to market their produce directly or through alternative channels such as food box schemes or local markets. This is not only an important contribution to developing sustainable rural-urban relations. Short transportation routes also reduce the environmental impact of agricultural production. Small farms also tend to make efficient use of their resources and are well-positioned to take part in circular economies. The benefits of short chains and how these are connected to small-scale farming are discussed in detail in a study by AIAB Lazio, see here.

All of these aspects together show that small farms are part of a resilient and sustainable agricultural system which is well-suited for a modern, circular economy. These benefits provided by small farms are often forgotten or underestimated, not least because we currently lack methods to effectively quantify and measure them. In order to tackle the difficulties in measuring the positive societal and environmental contributions of small farms, Regionalwert AG has developed a set of indicators that evaluate the performance of small farms in the regional-economic dimension, the ecologic dimension and the social dimension. For more information on this indicators system, read the article here.
Small farms are under pressure for land access

While small farms can thus indeed be economically viable and by no means are outdated, they face serious challenges when it comes to land access. This was a shared feature of small farms across all the countries of the contributing partners. Small-scale farmers who need additional land to maintain or develop their farm business often find it hard to compete for land with larger farmers. They usually have less financial means: less capacity to mortgage, less income, less access to credits and subsidies. In many contexts, the sellers will prefer to sell to a large farmer, deemed more viable and solvent. Also many small farmers themselves do not believe in the transferability and long term viability of their farm, and choose to sell to a neighbouring farmer, rather than a new entrant, when they retire. Finally, small farmers often have less power and support in the farming sector and their local communities, meaning that their lease is more frequently interrupted or even evicted.

The challenges small-scale farmers face related to access to land are further illustrated by a paper by Eco Ruralis on common lands, which explains how small farms crucially rely on common land to organise their agronomic system and ensure their economic viability. However, land grabbing increasingly endangers the existence of these commons and thereby puts pressure on small farms. Furthermore, land grabbing drives up prices for agricultural land, thus making it harder for small farmers or new entrants with limited financial resources to buy or lease (additional) land. Finally, land grabbing can also mean that there simply is no land available for sale anymore in a given region for small farmers.

Yet land grabbing is not the only challenge small farmers face when trying to access land. As Terre de Liens shows in this paper on newcomers in search for small farms, there can also be a discrepancy between the types of farms which are available for sale and those which newcomers are looking for. Terre de Liens thus presents ways to match offer and demand for small farms and assist new entrants along their way of setting up a new farm or taking over an existing one. This analysis is further illustrated in a number of case studies, which can be found here. (forthcoming)

There are many ways to support small farms

With the current market and policy orientations, small farms are disappearing at a fast pace. However, throughout Europe grassroots initiatives have emerged to support small farmers and maintain small farms as a key component of the rural fabric. In many countries, consumers and small farmers are developing new solidarity relationships and inventing new distribution channels. This is illustrated by the growth of the number of Community Supported Agriculture (CSA) groups (analysed by Urgenci in its recent report Overview of CSA in Europe here) as well as the recent development of local food co-ops, collective farmer-run retail shops or farmers’ markets. In certain cases, CSA groups can
also help small farmers find land or keep the land they farm - read here the Access to land network’s report and examples (forthcoming).

Across Europe, local authorities are also engaging to support small farms. While still a minority, an increasing number of local councillors have become aware of the benefits of small farms for local food production, job creation, water protection, social and cultural activities, or landscape management. Some organise outlets for small farmers’ produce, for example through public procurement, farmers’ markets, or distribution platforms. Some provide public support and funds. Some act to preserve land and allocate it to established or new small farmers, who will provide food along with social and environmental benefits. For further information, read here our analysis and examples of what local authorities do to support access to land for small farmers (forthcoming).

There are also a number of public tools and policies in place which can be used to channel land towards smallholders and agroecological farmers. A good example for this are the SAFER agencies in France or the land stewardship agreements used in various parts of Europe - read more here about these and other examples (forthcoming). Finally, La Via Campesina shows in their report “How can public policy support small-scale family farms?” (read it here) what else governments can do to support small farms.

Conclusion

Small farms are by no means outdated. They can be economically viable and their persistence is highly desirable, as they provide a number of benefits to both their local communities and society as a whole, ranging from biodiversity protection to the provision of rural income opportunities and the enhancement of rural community life. Rather than being a thing of the past, they have great potential when it comes to innovative ideas such as circular economies. Farmers’ and civil society’s innovations are already defending small farms and reinventing their realities. But they also need more and better public support, for example in the face of challenges such as access to land. If we recognize the benefits provided by small farms and give them the support they deserve, small farms have the potential to be a decisive element of an agricultural system that is fit for the future: viable, resilient, and sustainable in every sense; socially, ecologically, and economically.

1 http://www.accesstoland.eu/-Reports-


5 La Via Campesina, Declaration of Rights of Peasants - Women and Men. 2009.


