

INTERPARLIAMENTARY MEETING ON COMMON AGRICULTURAL AND COHESION POLICIES

Encouraging small farmers in the new budgetary context and the digital revolution and food chains

- Information sheet -

Rural communities represent 50% of the EU population. To make them attractive and dynamic, efforts must be made as regards both economic and employment growth, and infrastructure, mobility and basic services in these areas.

In addition, the active population in the agricultural sector grows older and the working methods are constantly changing. In this context, efforts to attract young people to agriculture should take into account their appetite for new technologies when trying to develop their economic activity, for seeking intelligent solutions when confronting their daily needs, for using more and more information, or for sharing experiences. Investing in innovation, education and training are thus essential for the future of European agriculture.

The future Common Agricultural Policy (CAP) aims to encourage investments in research and innovation and, at the same time, to give farmers and rural communities the opportunity to take advantage of these investments' results. Using new technologies can sometimes be difficult for farmers seeking digitization. Expensive machinery, lack of infrastructure and lack of knowledge are the challenges that the agricultural sector needs

to overcome. The new CAP will encourage the use of new technologies by both farmers and national administrations in order to simplify their work.

The agricultural sector must enter the digital era, in a joint effort to ensure food for large populations and to fight climate challenges.

Digitization, innovation and knowledge are important for strengthening the primary producers' positions within the food supply chain, for optimizing agricultural practices (precision farming, for instance), for improving environmental and climate performances and for ensuring a smart, sustainable and resilient agricultural sector.

Innovation is the instrument designed to lead the small farms towards structural transformation, to open the markets for them and help their undertakings turn into viable agricultural enterprises; it also increases their capacity to identify new ways for taking advantage of their production. Furthermore, innovation may enable farmers to jointly capitalize on the information they have acquired, to adapt their production to the market requirements, to have better access to equipment and optimize their production

costs, to create short supply chains and to cope with the different market challenges.

Given the need to produce more with less, digital technologies can become essential for sustaining the agricultural sector and increasing its competitiveness. The use of innovative technologies can also provide answers to the current challenges, such as the increase of agricultural output, reducing the fuel consumption, improving the working conditions for farmers, preserving and improving the soil characteristics, significantly reducing the risk of erosion or increasing soil water reserves.

Whilst the emphasis put on research and development has to be welcomed, additional efforts are needed to develop the necessary capacities and infrastructures, in order to translate the achievements of agri-food research into sustainable EU-wide practices and to facilitate the exchange of knowledge and training services among Member States.

Developing integrated national strategies to promote innovation and digitization in rural areas can result not only in acquiring digital skills, but in transferring knowledge towards rural areas or in developing digital tools that target specific areas/sectors, as well. In addition, such strategies may also support young people from rural areas, increase the rural attractiveness for them or provide digital services at reasonable costs.

The main innovation support instrument under the new CAP will continue to be the European Innovation Partnership (EIP-AGRI), which will support local collaborative projects that aim to promote a sustainable and competitive agriculture and forestry. The innovation approach by EIP-AGRI is based on an operational knowledge sharing system, where all stakeholders are actively involved in the process.

Additional funding of €10 billion will be available through the EU's research program Horizon Europe, meant to support research and innovation in sectors such as food, agriculture, rural development and bio-economy.

Synergies established between Horizon Europe (with transnational projects) and the CAP (with regional/local projects and CAP networks) can contribute to the creation of a knowledge and innovation system in agriculture, the aim of which is to accelerate the adoption of innovative practices among all stakeholders in rural areas.

Elements for dialogue:

Many new technologies are used or about to be used in agriculture, but their level of implementation in Europe is still very low compared to other regions of the world (like USA, for example).

What causes the reluctance to the new and to the introduction of new technologies in agriculture: the lack of knowledge about the agricultural needs by the technology providers, the difficulties the small farmers face in investing or the profitability of new technologies?