

More than just a business

Family farming has many different meanings to many different people. While such farms come in all shape and sizes, one thing all practitioners agree on is that family farming is more than a business – it’s a way of life. The following article shows what constitutes this way of life, the challenges that family farms in Europe and throughout the world face and why and how the European Union supports this type of enterprise.

The concept of family farming varies according to culture, region and tradition. Diversity is inherent to the model and consequently, there is no universal definition for family farming. Nevertheless, there are some shared principles that can define family farming as agricultural, forestry, fisheries, pastoral or aquaculture production that is managed and operated by a family and predominantly reliant on family labour, including that of both women and men. The family and the farm are linked, co-evolve and combine economic, environmental, reproductive, social and cultural functions. Definitions of family farming tend to ignore size criteria, especially if they refer to large geographic areas. This is because such farms vary greatly in size, and furthermore what is considered a small holding in one region may not be in another.

Overall, family farming is more than just a business – it’s a way of life and one that is deeply associated with values such as solidarity, continuity and commitment.

While it is true that the majority of family farmers are smallholders who remain highly vulnerable to poverty and hunger, it is important to remem-

ber that this model dominates today’s agricultural landscape: family farms provide 70 per cent of world food production (FAO, 2013), employ a significant workforce and are also a key driver of rural development throughout the planet.

■ Common strengths and common challenges

Reducing poverty in developing countries requires an increased production of staples by family farms. Whether this necessary growth is feasible and sufficient will depend on the prevailing political and economic environment, and the ability of institutions to enable key factors such as the development and the application of appropriate agricultural techniques, the management of land and water access and the ability to maintain open markets, all in the context of ensuring the quality provision of public goods. Many countries have

gone quite a way down this path, but the route is long. Regardless of the level of economic development, targeted policies supporting family farms around the world are crucial to ensuring food security, a resilient rural society and social stability.

The International Year of Family Farming (IYFF) showcases the added value of family farming: its social function (maintaining the vitality of rural areas), environmental benefits (such as maintaining landscapes and soil fertility for future generations) and its economic impact both in terms of food production and employment.

As family farms – of all sizes – look to survive and grow in the context of globalisation and a changing world, they face some perennial management challenges strongly associated with this particular kind of family business, including the need for modernisation and innovation on the farm, prepar-

European Network for Rural Development
 Directorate-General for Agriculture and Rural Development
 European Commission
 Brussels, Belgium
 AGRI-H3@ec.europa.eu

The Munro family in Scotland. Diversity is inherent to the family farm model.



Photo: R. Cheyne

ing for succession and encouraging future generations to get involved, and developing economic flexibility via farm-centred diversification and pluriactivity.

■ Closing the gender gap, encouraging the next generation

As the livelihood of farming families depends on the work carried out by each family member, the survival of such farms is highly dependent on the combined effort of both women and men. Rural societies are traditionally characterised by gender-specific roles, and in most cases, men are considered the head of the household involved in decision-making, market exchanges and handling finance. In many cultures, access to land and property is determined by gender. When it is only men who are entitled to inherit land, women are left in a vulnerable position with no legal property rights and in a co-dependent position (International Land Coalition, 2013).

There is a need to elevate women from this secondary role and to make their work in the rural economy more visible, in order to move forward and improve living conditions in rural areas. Public policies that protect women and facilitate their access to land, resources, education and credit are considered a priority in the context of the family farming and rural development agenda. For instance, many countries in Africa have started to reform policies and regulations on rural land to the benefit of women and vulnerable groups (FAO, 2012).

Acknowledging that men and women of all ages are equal actors and can shape the future development of family farms is vital to the survival of sustainable family farms. Young people in particular play a pivotal role in improving the livelihoods of family farms: they provide the family with a long-term per-

Promoting the timely and effective transfer of farm ownership and management responsibilities from one generation to the next is crucial. The Romanian farmer Gheorghe Bangala and his son Madalin prepare to milk the sheep.

spective for their farm and tend to enhance openness to farm innovation.

Promoting the timely and effective transfer of farm ownership and management responsibilities from one generation to the next and facilitating greater access to land for young people looking to enter farming for the first time is crucial. This holds particularly true for Europe, where nine farmers out of ten are older than 55 (EU Agricultural Economics Brief No 6).

■ A focus on Europe

Family farming is the foundation upon which agriculture has thrived in Europe over the centuries. And it remains – by a long way – the most common model of farming operations in Europe today. Some 97 per cent of all farm holdings in the EU are held by individual farmers. By and large, such farmers continue to own and manage land previously cultivated by their ancestors, and this way cultural traditions and values are maintained. Farmers and their families typically carry out most of the farm work themselves, derive the majority of their income from farming, and live on or close to the farm.

In terms of size, family-run farms cover around 69 per cent of the EU's agricultural land, and their average size amounts to 10 hectares (ha). As corporate farms are, on average 15 times larger (152 ha), a common mispercep-



Photo: A. Alex

tion can be that family farms are synonymous with small-scale operations. However, the reality is that in the EU, family farms also dominate the largest farm size class of 100 ha and larger, 60 per cent of which are held by families.

Family farms in Europe also demonstrate significant variability in terms of the wide variety of activities they engage in, the different resources they depend on, as well as their degree of market integration, competitiveness, and the share of labour they make use of in order to run the farm.

■ Policy support for family farms

The EU's Common Agricultural Policy (CAP) focuses strongly on meeting future challenges related to food, natural resources and territorial balance. It supports all types of agriculture in the EU, including the rich diversity found in the family farming sector. While it is not possible here to detail the full range of support provided by the recently reformed CAP, it is worth highlighting some of the policy areas which are of particular relevance to family farming. These include recognition of the value of the environmental services that family farms typically provide, the efforts to boost farm competitiveness and economic diversity and the sup-



Photo: F. Seco

Clotilde Martins and her husband (Portugal) milking their goats. The survival of family farms is highly dependent on the combined effort of both women and men.

port for the continuity of the European family farming model in the future, through schemes to encourage generation renewal.

Innovation, climate and environment actions, and sustainable resource management are the cross-cutting priorities at the centre of rural development programmes throughout the EU. Funding for 'greening' activities (including organic farming and agri-environment-climate support), new entrants/young farmers, innovation, smallholdings and co-operation can be granted under the rural development programmes and combined with other public funding, like direct payments to active farmers.

■ Delivering environmental services

One defining characteristic of family farm management is its clear focus on providing a legacy for future generations and the so-called second pillar of the CAP (rural development policy) supports them in maintaining and developing sustainable land use. For example, low-input agricultural systems are often maintained by family farms in uplands and in other areas with natural constraints, which are threatened by declin-

ing profitability and continued rural depopulation. Payments under the second pillar of the CAP have contributed to halting land abandonment in such areas since 1975. Agri-environment payments co-financed by the European Agricultural Fund for Rural Development have also allowed family farms to continue to support climate change adaptation and mitigation. In addition, the combination of agri-environmental commitments with the development of rural tourism and other businesses (e.g. local food products) has often helped to maintain highly valuable environmental and cultural landscapes, while also generating economic benefits.

■ Innovation and competitiveness

Family farms involvement in innovative projects supported by the CAP is expected to be high, in line with their proven capacity to adapt their traditional businesses to prevailing external conditions, for example by focusing on high-quality food production and participating in short food supply chains.

One way to significantly increase farm profitability is to reduce the number of businesses participating in the

supply chain between the farmer and the final customer. Local food supply chains also make it easier for customers to identify the origin of their purchases, strengthen the relationship between consumers and local farmers and boost regional identity. Certain CAP measures help family farmers to sell their products directly to consumers or at least to become involved in short supply chains, and to better integrate family farms into distribution channels by providing support for quality schemes, adding value to agricultural products and promotion, for example through farmers markets, box delivery schemes or food festivals.

Mixed farming and diversification also help to maximise the utilisation of a farm's assets to improve production, efficiency and profitability. Opportunities to enhance family farm income can arise from career, family and life experiences as well. Social farming, for example, is a special form of on-farm diversification that enhances job opportunities, in particular for women and young people. Very often, a family member not previously involved in the farm business joins and makes use of farm facilities and livestock to develop and offer new services related to sectors such as education, welfare and health. Such initiatives can obtain CAP funds through the support allocated for the creation and development of new businesses.

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For details and a list of references, see www.rural21.com