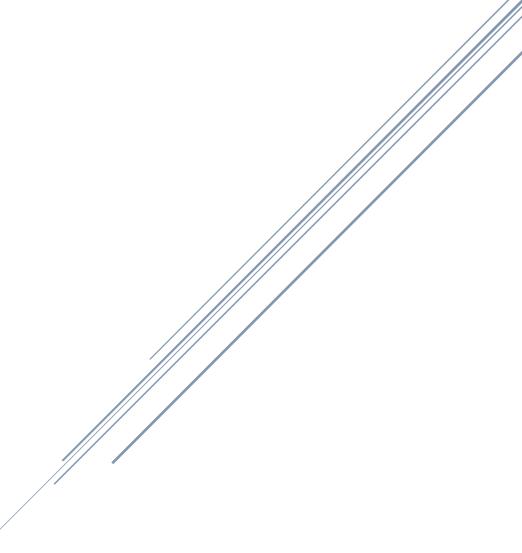






YOUTH PARTICIPATION TO AGRICULTURAL POLICIES IN EUROPE

CASE STUDY - GEORGIA



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Youth participation to agricultural policies in Europe

What is an agricultural policy?

We shall first try to define the very concept of agriculture. According to Kingsley Akarowhe, agriculture is the "cultivation of the land and rearing of animals (...), the creation of outputs for the satisfaction of man. The output are products, goods and services of the agricultural sector that helps to improve, sustain and better the live of man in any society, and also contributes to both the GDP (Gross Domestic Product) and GNP (Gross National Product) in aggregate." ¹

Based on this definition, we can understand agricultural policies as a means of enhancing agricultural productivity. An agricultural policy takes into account the primary, secondary and tertiary processes in agricultural production. When a government implements agricultural policies, it most often serves the same purposes: improving agricultural practices, ensuring output growth and developing the agricultural sector.

What is the CAP?

The **Common Agricultural Policy**, which came into force in 1962, is one of the EU's oldest policies. While its record is indisputable (food self-sufficiency of the EU), this policy is today strongly criticized. The European budget dedicated to the CAP represents €55 billion per year, or 43% of the total EU budget.² The CAP feeds nearly 510 million people, employs 34 million people and has a turnover in excess of €1000 billion.

Article 39 of the *Treaty on the Functioning of the European Union* sets out the objectives of the CAP as follows:

- increase agricultural productivity by promoting technical progress
- ensure a fair standard of living for the agricultural community
- stabilize markets
- ensure that supplies reach consumers at reasonable prices.

¹ Kingsley A. Retooling Agricultural Policies and Programmes for Sustainable Development in Nigeria. Curr Inves Agri Curr Res 2(1)- 2018. CIACR

² Groupe France Stratégie (2019) Faire de la PAC un levier de la transition agroécologique

For a long time, most European citizens had a good image of the CAP. It was particularly the case in France but also in most European countries except for the United Kingdom. In the 1960s, the CAP was considered this wonderful political tool that enabled governments to feed their population during the difficult post-war years. The CAP also had the reputation to improve farmers' incomes who did not have the same standard of living that the average population during these times of high economic growth.

Yet the CAP has today come in for the **heaviest criticism**. It has been accused of guzzling half of the European budget, of giving money to rich property owners instead of small farmers and of having encouraged a quest for higher yields to the point of using tons of pesticides and fertilizers. The farmers are now the first ones to be resentful of the CAP which they often consider as an unintelligible, alienated bureaucratic machine that has turned them into civil servants whose incomes entirely depend on European grants.

The 1970s and 1980s have indeed been a succession of missed opportunities, mainly due to national selfishness from the member states. Yet, the 2014 reform took place in a new institutional background as the Treaty of Lisbon of 2009 had given more power to the European Parliament. New symbolic tools were created, such as the "green direct payment" (or "greening") which supports farmers who adopt framing practices that respect environment and thus help reach climate goals.

How does the CAP work?

From the very beginning (with **the treaty of Rome in 1957**), the CAP was organized as a **centralizing policy**, not leaving much room for national governments to intervene. The treaty settled the aids and institutional prices and forbade the member states to distribute the aids to the farmers on their own, in order to avoid any distortion of competition. Later on, the evolution of the CAP to include environmental and rural development issues gave a greater latitude to the states.

The CAP is based on <u>three principles</u>: a <u>unified market</u> in which products circulate freely, **Community preference** for European products, and **solidarity**, which implies a major role for the EU budget.

The mechanisms of the CAP are based on common market organizations (CMOs) for each product. **Direct aid accounts for 80% of the CAP budget**. It compensates for the fall in quaranteed prices.

Examples of direct aids: aid per hectare, premiums per head of cattle, etc.

There are also instruments to control supply in the event of overproduction (Milk quotas, in place since 1984, came to an end in 2015, leading to a surge in milk production in Europe.).

The CAP has been based on **two pillars** since Agenda 2000: the first relates to **direct aid** and market support measures, the second to support for **rural development** including environmental concerns. Since 2007, the CAP is financed by two funds, which correspond to the two pillars of the CAP:

- the **European Agricultural Guarantee Fund** (EAGF) which finances direct payments to farmers and all the measures that regulate the agricultural market [pillar 1]
- the European Agricultural Fund for Rural Development (EAFRD) which finances all
 the measures aiming at achieving balanced territorial development, enhancing
 environment and promoting competitiveness. [pillar 2]

What about the European institutions? What do they have to do with the CAP?³

The **Council** is organized according to the agenda of the meetings so if the Council must discuss agricultural issues, the **Ministers of Agriculture** of each member state will take part to the meeting. The Council votes based on a qualified majority. It means the proposition must gain 73,9% of the votes.

The **European Commission** initiates the reforms by its propositions to the Council and the Parliament but has no power over agricultural reforms except for the aspects dealing with competition policy.

Since the Maastricht Treaty of 1993, the **European Parliament** shares the decision-making role with the Council but when it comes to the CAP, the deputies can only express their opposition on aspects such as public health and regional policies.

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³ Bureau JC., Thoyer S. (2014), *La Politique agricole commune*, La Decouverte, Paris.

What does agriculture in Europe look like today?

56% of Europeans live in rural areas, which cover 91% of the EU territory. The EU is home to around **12 million farmers and 4 million people working in the food sector**. Agri-food generates 6% of European GDP.

European agriculture is quite diversified, according to Eurostat 2016 figures: **52,5% of all EU's** farms are crop specialist farms and **25,1%** are livestock specialist farms.⁴ Mixed farms compose the remaining percentage. The vast majority (96% in 2016) of the farms in EU are family farms. ⁵

In terms of gender, according to the 2018 edition of the Eurostat Statistical Book, **71,5% of the farm managers in the EU were male**. The countries with the smallest amount of female farmers are Netherlands (5,2%), Malta (6%), Denmark (7,7%) and Germany (9,6%). Still, there is a slight of a progress with the number of female farm managers as they were 26,3% in 2005 and grew to 28,4% in 2016.

What difficulties do European farmers face?

Several sectors are currently in crisis, particularly the **milk and pork sectors**. The milk sector is undergoing a twofold phenomenon: the end of milk quotas in 2015 and overproduction worldwide, which is causing a very sharp drop in prices. The pork sector is suffering much the same fate.⁶

Major health crises add to the problems of price instability. The **African swine fever epizootic**, which arrived in Georgia in 2007, spread to the Baltic countries and then to Eastern European countries, with a rise in Poland of 3 to 5 km per month in 2018. Cases of avian flu and bluetongue are equally catastrophic.

What about youth and farming?

⁴ Agriculture, forestry and fishery statistics, Eurostat 2019 Statistical Book.

⁵ EU Rural Review n°17

⁶ Di Mambro A., (2015), "The European milk crisis", CIHEAM Watch Letter n°35

A majority of farmers (57,9%) were 55 years old or more in the EU in 2016. **Only one in every ten farm managers is under the age of 40**.⁷

The **number of farms in the EU has significantly declined** from 2005 to 2016. 4.2 million farms disappeared (it represents one quarter of the farms) and 85% of them were small farms of a size under 5ha.

And as the number of farms declines, **so does the number of young farmers**. Indeed, in 2005, 6.9% of EU's farm managers were under the age of 35, whereas they only represented 5.1% of the farmers in 2016. ⁸

The interest of young European people for agriculture in not a topic on which we can find many studies or numbers. Still, we could find a survey published by the European Commission in 2014, in which European citizens were asked about their point of view on agriculture and on the CAP. First, it is important to underline that 54% of the interviewees under the age of 25 had never heard of the support that the EU gives farmers through the CAP. In comparison, only 28% of the interviewees over the age of 55 had never heard of the CAP.

We could raise the question: are young people less interested in agriculture than the elder generations, or are they simply left out of the agricultural policy process and thereby ill-informed about all the topics related to agriculture?

Georgia: Tetritsqaro area

Georgia is a small upper-middle income country with a population of about 3.7 million, and an average nominal gross domestic product (GDP) per capita of US\$3,765. An Association Agreement and a Deep and Comprehensive Free Trade Area agreement was signed with the European Union in June 2014.

8 Furostat

⁷ Eurostat

⁹ "Europeans, Agriculture and the Common Agricultural Policy" Full Report. Eurobarometer and the European Commission, Fieldwork November-December 2009, Published in March 2010.

The local visit is going to take place in **Asureti**, a village situated in the Tetrisqaro Municipality, in the region of Kvemo Kartli.

In Georgia, agriculture is still an important sector although a declining one in terms of GDP contribution. Agriculture share in total Georgia's GDP went from 12.5% in 2006 to 9% in 2015. Still, 14% of the economically active population find professional occupation in agriculture and 43% of the population lives in rural area, according to the Rural and Agricultural Policy and Development Institute of ENPARD. ¹⁰ 86.5% of the agriculture lands have been farmed by almost 572 000 family holdings. The majority of them are small holdings with less than 1 ha area a land.

In the region of **Kvemo Kartli**, at the beginning of the 2000s, vegetable-growing was the main economic activity and potatoes were the main crop. In year 2000, Kvemo Kartli produced 41.8% of potatoes produced in Georgia. In 2018, most farmers are focusing on livestock, dairy production, fruit production according to the Georgian Farmer's Association. Potato production, though more important than in the other regions of Georgia (except for the Samckhe-Javakheti region where it is the main agricultural activity), is far less important than what it used to be.

According to the Georgian Farmer's Association annual report of 2018, here are the main activities of the member farmers: livestock (457), viticulture (310), fruit production (258), beekeeping (242)... Potatoes production is only practiced by 73 farmers nowadays.¹¹

Within the Association, the Farmer's Council, established on September 25, 2017, gather 120 members, 2 members from each 60 municipalities of all 10 regions of Georgia. Its main purpose is to protect the rights of farmers and ensure their participation in policy development process. The Council serves as a platform for advocacy activities.

What are the main challenges the Georgian farmers must face?

At the beginning of the century, the common complaints that the local population addressed to the local administrations or to the press concerned the lack of access to agricultural land. This issue echoed the **minorities' question**, as the Azeri people not only expressed their

¹⁰ The European Union for Georgia, Agriculture Review 2006-2015

¹¹ Georgian Farmer's Association, Annual Report of 2018

disappointment on the lack of good lands, but also denounced the unfair distribution of the lands. Indeed, when the USSR collapsed, the lands that used to belong to collective farms (kolkhozes and sovkhozes) were privatized. But the distribution has not always been fair. In many cases, the former directors of collective farms rented the lands. And because of the ultra-nationalist government of Zviad Gamsakhouria that lasted from 1990 to 1992, all Azeri directors of collective farms had been replaced by Georgians, so almost all the notables who then rented the best lands were Georgians and the minorities were once again left out.

One of the biggest issue concerning the lands is the **irrigation**. In rural areas, very few homes are connected to water pipes and if they are, they receive the water very intermittently. Besides the obvious health issues that this problem entails, there is also the problem of poorly drained soil. In the district of Tsalka, neighboring the Tetritsqaro district, there is high competition for well-irrigated land near to the irrigation canal but almost no demand for the poorly irrigated lands. In Dmanisi, another district of Kvemo Kartli, there is no water for irrigation at all, except in few villages that are situated close to a lake.

Youth and Georgia's agriculture

In June 2019, a partnership between the Umbrella organisation, Rural Youth Europe and the European Youth Foundation of the Council of Europe gave birth to a project called "Democracy is more than voting" where young people were encouraged to be active at a local level and to maintain a dialogue with local authorities.

Since 2018, with EU support, a project of the Georgian Farmer's Association is working on reducing unemployment for youth from rural areas. The association is also trying to raise awareness about agriculture on social media, where the most part of its followers are between 25 and 34 years old.

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