“REDESIGNING THE FARMING SYSTEM FOR LOCAL PROSPERITY, THE ROLE OF CAP IN THE ITALIAN EXPERIENCE”

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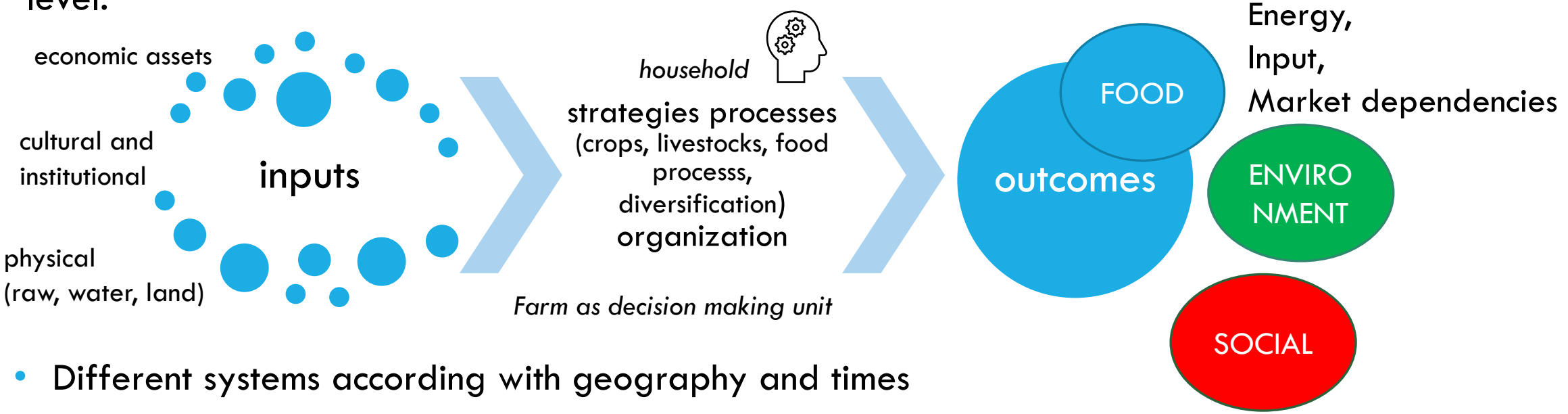
FARMING SYSTEM: AN EVOLUTIONARY CONCEPT

Farming system links physical, human and cultural resources, main socio-economic trends, household organization into organizational solutions and management at farm level.



- Different systems according with geography and times
- Subsistence farms, Commercial farms (intensive-scale vs precision farming-scale)
- Today the farming system is incorporating new tensions named resiliency to stresses, social and environmental sustainability for both local and global society

MACRO CHALLENGES AND CRISIS

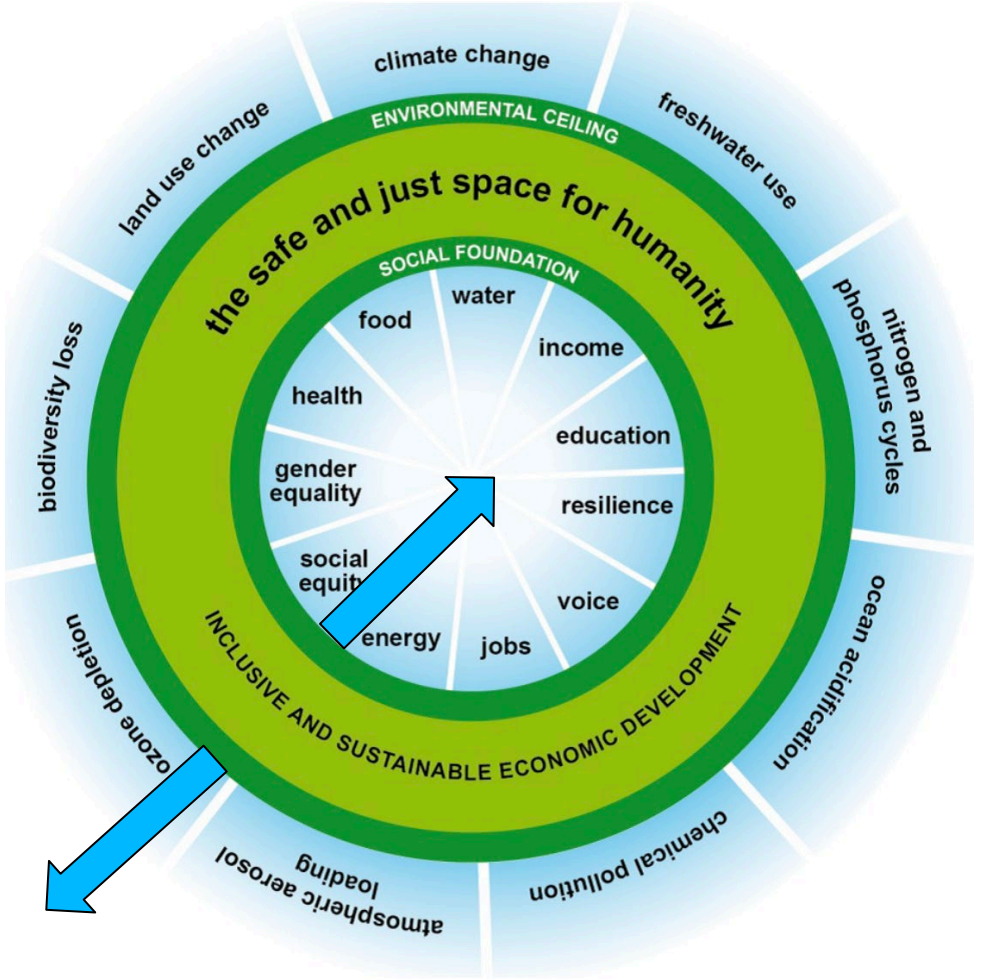
- Economic concentration: a shorter n° of firms produces most of the world income
- Gini index and increasing disparities (especially in developed countries)
- Climate challenges: new transformative solutions to meet emerging needs
- Migratory flows: economic – environmental - political reasons
- Urban concentration
- Energy and market constraints
- Re emerging food scarcities

- From economic development to prosperity (Jackson) (2nd EU Cork declaration)
- The economy of donut (how to enlarge the vital space for humanity)

NEW GOALS DEMANDS FOR REVOLUTIONARY PRINCIPLES AND ACTIONS

Enlarging the donut

Kate Raworth (2018)

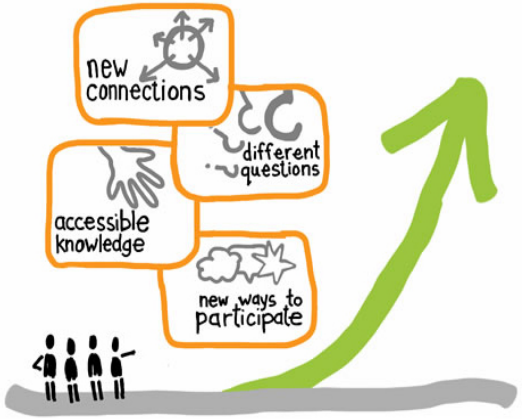


Prosperity without growth Jackson (2009)

FARMING SYSTEM: CHANGING DEMANDS

What farming is for today? FROM COMMERCIAL FARMS TOWARDS INNOVATIVE MODELS ABLE TO FIT EMERGING SOCIETAL NEEDS:

- **Food as food**
  - Food and nutrition security
  - Quality
- **Food and ecosystem services**
  - Food & environmental pressure
  - Food & positive environmental externalities
  - Food and climate mitigation
- **Food and the societal issues**
  - Social services and social farming
  - Cultural journey in agriculture and rural areas
  - Job creation and job rights



Changing meanings: from food production to farming as a set of diverse new food related apps

2023/27 CAP have the ambition to accompany such a process

ITALIAN FARMING SYSTEM AND CHALLENGES

- Ageing and depopulation in rural areas
- Growing economic dependency along the agri-food chains & value creation
- Labour market in agriculture: among scarcities, migratory flows, emerging inequalities
- Access to food for people in need
- Energy constraints
- Growing competition – sometimes unfair




- Young farmers and new business models: multifunctional farms and economic diversification (environment, direct processing & selling, new value creation, social services and tourism)
- Quality and sustainability
- digitalization
- Innovative and more fair value chains
- New agri-food networks (producers-consumers links)
- Urban food policies (new values and attitudes around food)
- Innovative services, on farm energy production




THE ITALIAN SWOT IN THE SP

Strenghts	Weaknesses
Agro-food system resilience to stress Added value food productions with territorial specialization High quality & controlled food productions Low environmental impact processes in agriculture Immaterial cultural link with italian food And its landscape	Lower income then other activities Small farms and low productivity with territorial/farm differentiations, disadvantaged area (mountains and disadvantaged), low codified knowledge and low understanding of risk management tools, growing abandoned areas due to low income
Opportunities	Treaths
New opportunities linked to emerging consumers and societal demands New policies (CAP and recovery) Risk management tools	Climate change and sanitary emerging related problems, market fluctuations (energy & inputs)economic crisis, shortage in public funds, urbanization and marginalization of agriculture sanitary emergencies (pandemic)

EU GREEN DEAL & CAP

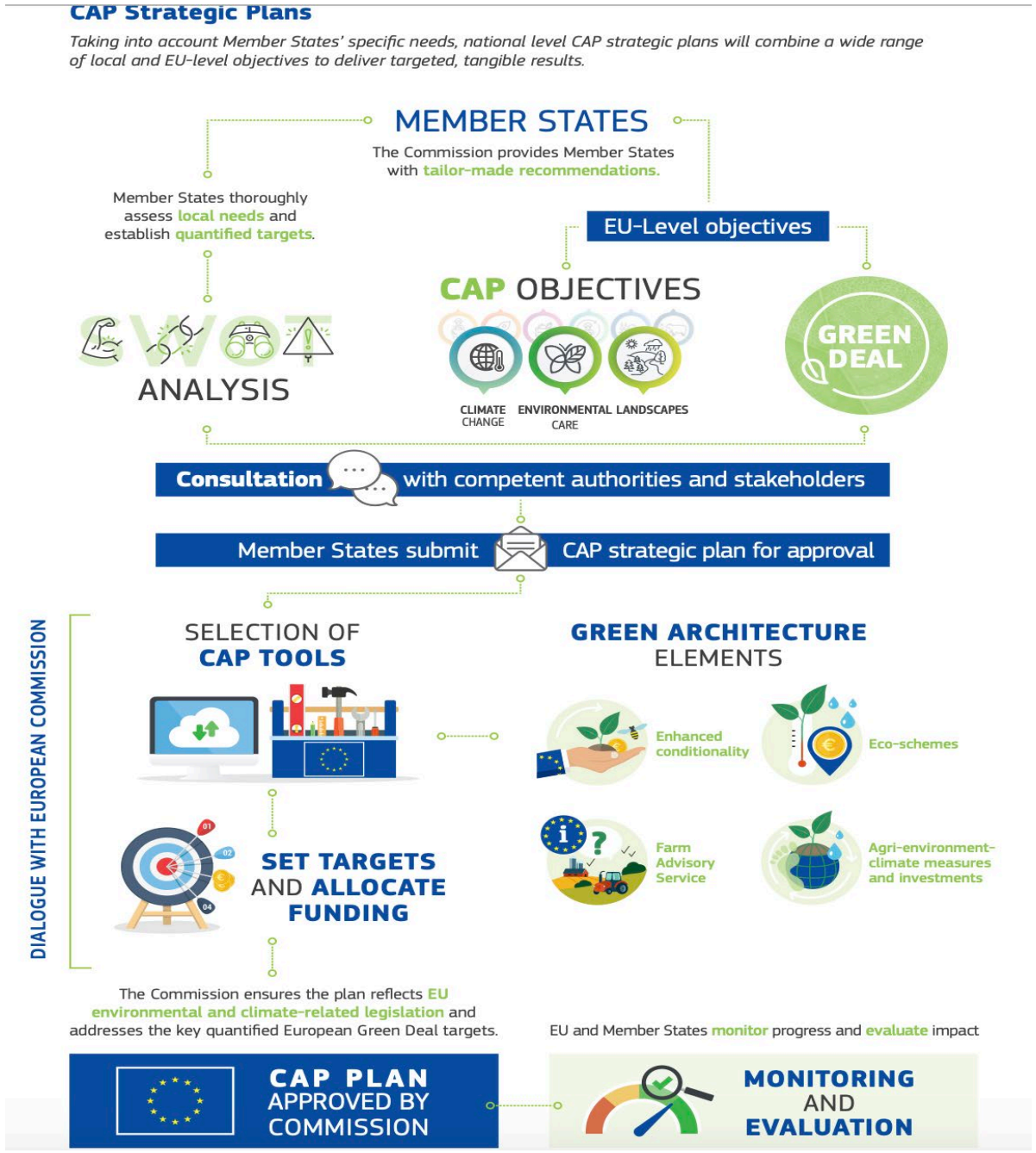
Farmers, agri-food businesses, foresters, and rural communities have an essential role to play in several of the Green Deal's key policy areas, including:

- building a sustainable food system through the Farm to Fork strategy;
  - Hygiene, sustainability, value chains and value at farm level
- adding to the new biodiversity strategy by protecting and enhancing the variety of plants and animals in the rural ecosystem;
- contributing to the climate action of the Green Deal to achieve the goal of net-zero emissions in the EU by 2050;
- supporting the updated forestry strategy, to be announced in 2021, by maintaining healthy forests;
- contributing to a zero pollution action plan, to be set out in 2021, by safeguarding natural resources such as water, air and soil.

Figure 1: The objectives of the proposed CAP Strategic Plan Regulation

EU-REG, MEMBERS STATES & INDICATORS

Green Deal targets related to the agricultural sector[18]	Impact indicators (as laid down in Annex I) or Context indicators (as envisaged in secondary legislation)	Output and result indicators (as laid down in Annex I)
• Reducing by 50% the use and the risk of chemical pesticides by 2030 • Reducing by 50% the use of high-risk pesticides	I.27 Sustainable use of pesticides: reduce risks and impacts of pesticides	R.37 Sustainable pesticide use: share of agricultural land concerned by supported specific actions which lead to a sustainable use of pesticides
• Reducing by 50% the sales of antimicrobials for farmed animals and in aquaculture by 2030	I.26 Limiting antibiotic use in agriculture: sales/use in food producing animals	R.36 Limiting antibiotic use: share of livestock units concerned by supported actions to limit use of antibiotics
• Reducing nutrient losses by at least 50% in 2030	I.15 Improving water quality: Gross nutrient balance on agricultural land	R.21 Sustainable nutrient management: share of agricultural land under commitments related to improved nutrient management
• Achieve 25% agricultural area under organic farming by 2030	C.32 Agricultural area under organic farming	O.15 Number of ha with support for organic farming
• Completing fast broadband internet access in rural areas reach		R.34 Connecting rural Europe: share of rural population benefitting from improved access to services and infrastructure through CAP support
• Increasing land for biodiversity, including agricultural area under high-diversity landscape features	I.20 Enhanced provision of ecosystem services: share of UAA covered with landscape features	R.29 Preserving landscape features: share of agriculture land under commitments for managing landscape features, including hedgerows



NEW EU-CAP AT ITALIAN LEVEL

A **growing debate with still strong path dependencies**

- National Plan for resilience and regeneration: 209 billion €: agriculture
- Debate among regions (responsible for agriculture) and national government (Country strategic plan)
- Competences are today differently allocated at regional/national level
- Translating main messages into adaptable national/local paths
  - Risks mitigation
  - Climate change and energy effective farms
  - Social conditionality
  - Quality and Italian agricultural model (small family farms, diversification & implicit multifunctionality)
  - Rural infrastructures for resilient and vibrant rural areas

At regional level: (responsible for agriculture in the Italian system)

- A growing attention on ecosystem services (biodiversity, forestry, landscape, organic)
- Typical products and the value of locality (form landscape, quality, regional reputation and attractiveness)

At **ground level:**

- Struggling for innovative concepts and some disconnections with national/regional debate and policies

THE ITALIAN STRATEGIC PLAN: SOME CHOICES

Type of intervention	Italian choice
Basic income support for sustainability (48%)	Old payments with internal convergence, stoploss 30%
Complementary redistributive income support for sustainability (10%)	10% available budget, only for farm with less then 50 ha for the first 14 ha
Complementary income support for young farmers (2%)	<=40 years, 1% RD
Schemes for climate, environment , animal welfare (25%)	5 ecoschemes: animal welfare & antimicrobial resistance 42,3%, grass in fruit production 17,5%, olive trees 16,9%, pasture 18,3, pollination 4,9 %
Coupled income support (15%)	quality animal production, hard-grain, oranges, vegprotein, rice, tomatoes DOP/IGP oil
Simplified regime for small farmers	Not applied

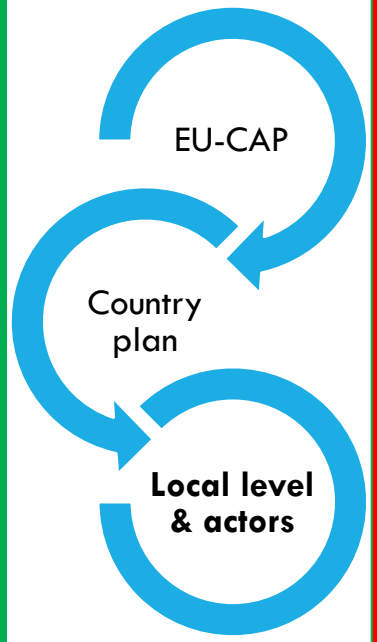
SOME OBSERVATIONS FROM THE COMMISSION

1. Strong improvement to be done in terms of coherence between problem (environmental, green deal targets, rural disadvantages) and actions in the plan
2. Low convergence and the need for a better redistribution of funds
3. Social conditionality to be improved since the starting of the plan
4. Too low ambition in terms of climate change
5. Larger attention on rural areas need, social infrastructures and LEADER
6. Improvement in the AKIS, and eco-schemes requested

NEW POLICIES: OPPORTUNITIES AND THREATS

Opportunities: new green deal

- Emerging CAP main-frame
- Larger attention on environmental and social aspects
- Value chains and sustainability
- Expectation for innovative paths
- Digitalization & smart agriculture
- Social innovations and local new solutions
- Rural development more attention on structural problems



Threats: Paths dependency

- Involvement in the political arena of traditional actors
- Mainly individual supports toward market and agency schemes
- Few attention on local collective actions
- Disconnection among local innovations attempts and emerging policies
- Still lacks in policies able to support collective changes

What is still missing to capture opportunities and to avoid threats?

ACHIEVING EXPECTED OUTCOMES: CHANGES ARE NEEDED

- New solutions able to face economic crisis and global dilemmas
- Involve citizens collaboration with institutions and public services able to improve the quality of life.
- The **traditional paths failed**, it's time to innovate, methods, and solutions by involving a plurality of actors

Local level: **Resource Mobilization & Social Innovation for specific environmental/food/ social missions**	**National level:** **More Coordination & integration**
• Allows people to **design in a collective way** new attitudes, norms and procedures transforming communities and institutions • SI **breaks traditional barrier** among non profit, public, profit, sectors and disciplines by the way of knowledge brokerage • **Community alliances** able to solve needs & mobilize resource in an innovative way • to **retro-innovate**	• Food value chain' new agreements • New energy production and use strategies • New clear attention and coherence on environmental questions (linking competences and indicators) • New data management & farming digitalization • Growing but still not enough attention on social conditionality • Rural areas: the demand of a clearer frame

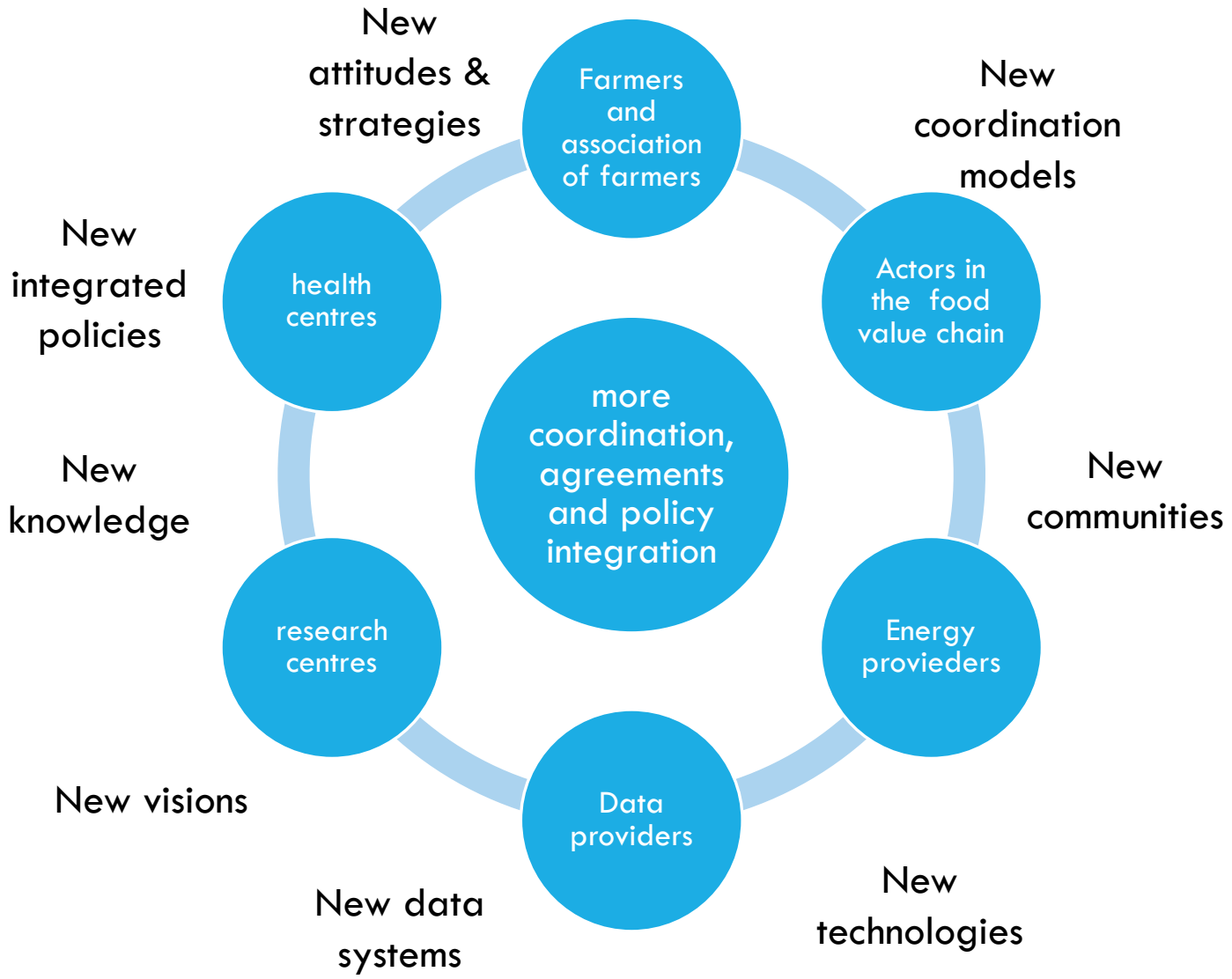
MORE COORDINATION: NATIONAL LEVEL

Along the food value chains

Integrating data management: climate, food processes, hygiene: national plan & task

One health approaches: integrating knowledge and resources policies

Energy management but land saving



MORE COORDINATION: LOCAL LEVEL

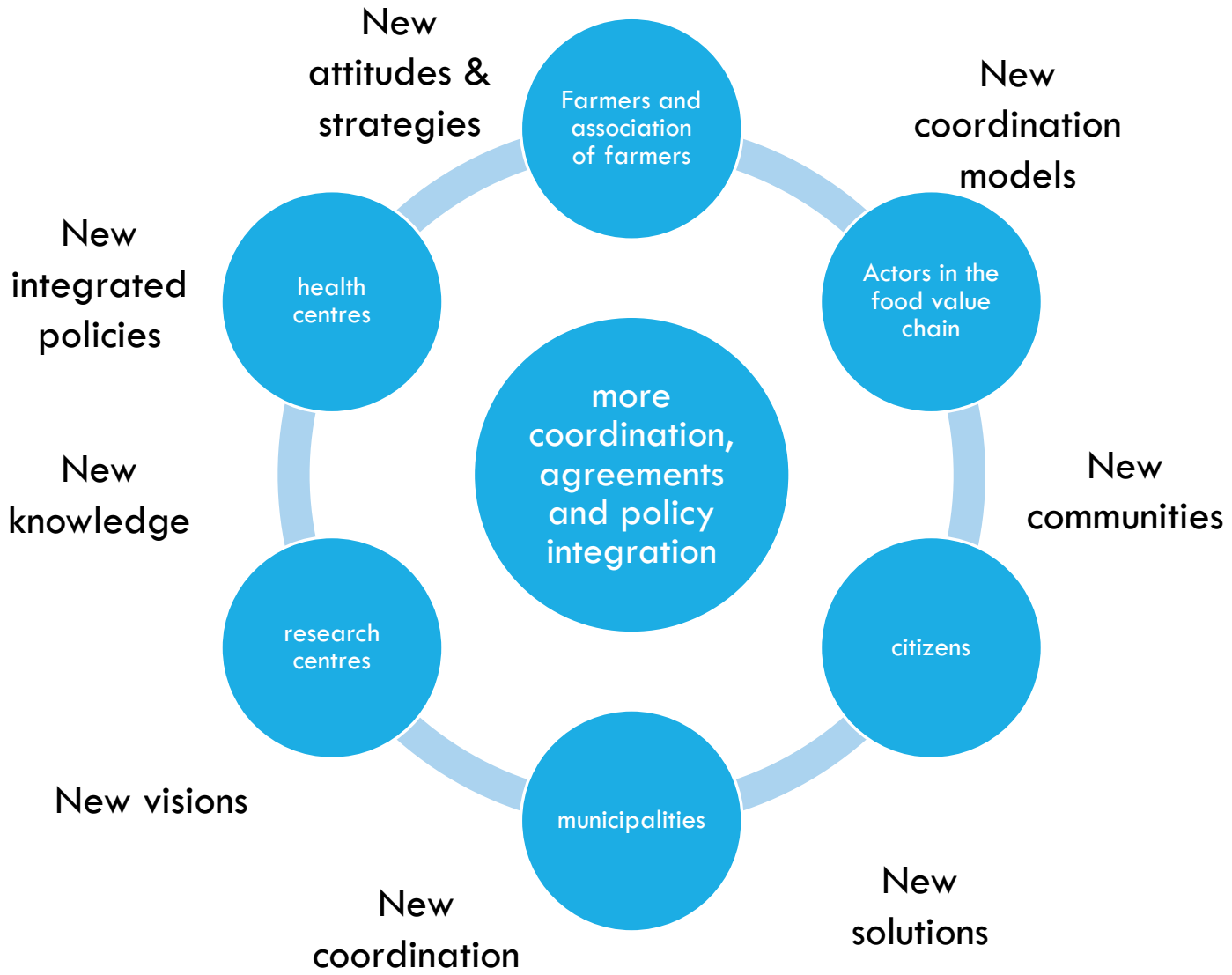
Landscape and territorial management

Eco goals & sustainability

Innovative food policies and food networks and markets

Innovative use of multifunctional agriculture

New territorial ecoservices



NEW DEMANDS VS NEW INSTITUTIONS AND POLICIES

During farming modernization:

- From peasant to entrepreneur,
- From community to market driven strategies
- Institutions were able to accompany the process (TATE)

Along the nineties: Environmental impact and mitigations

- OECD: multifunctional agriculture
- Market failure and the role of public policies (green box)

Looking to the future

- How to give answer to the emerging demands?
- Is market and public intervention enough?
- How the farming system should be redesigned internally and in the society?
- What's the role for future policies

Are we missing a new pro-prosperity TATE ?

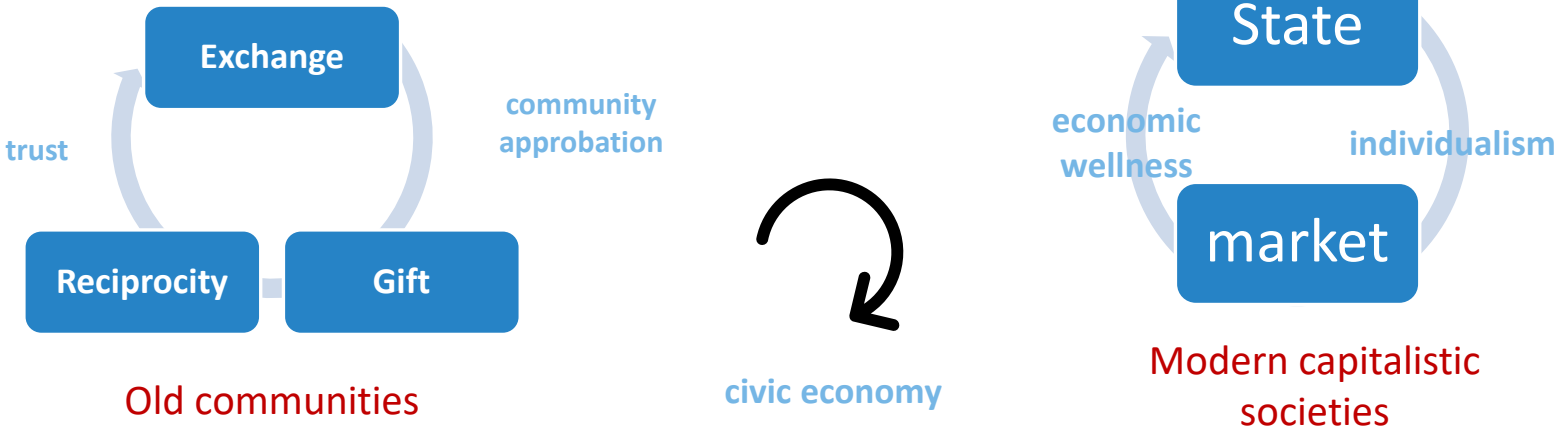
RE-DESIGNING FARMING SYSTEM: NEW EFFORTS

- From State/ market divide

To

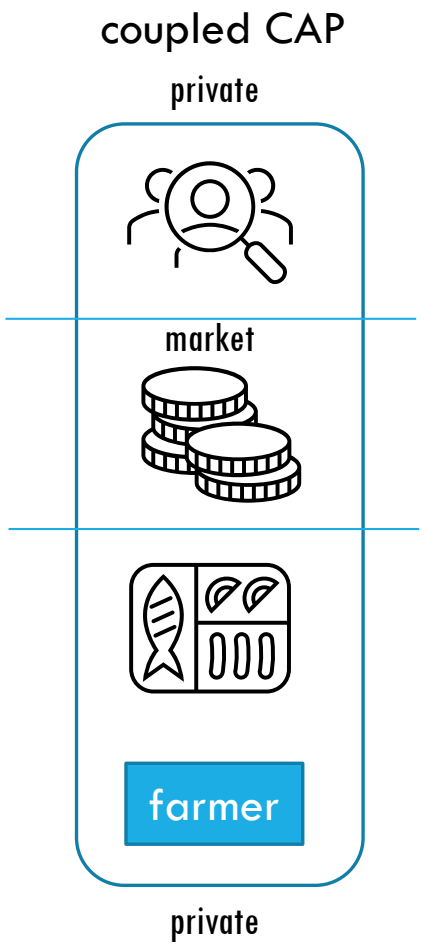
- Coordination & integration
- Social innovation as part of public management
- Resource mobilization and PPPPartnership
- Co-production of public and private goods

CHANGING SOCIETAL DRIVERS AND FARMING SYSTEMS

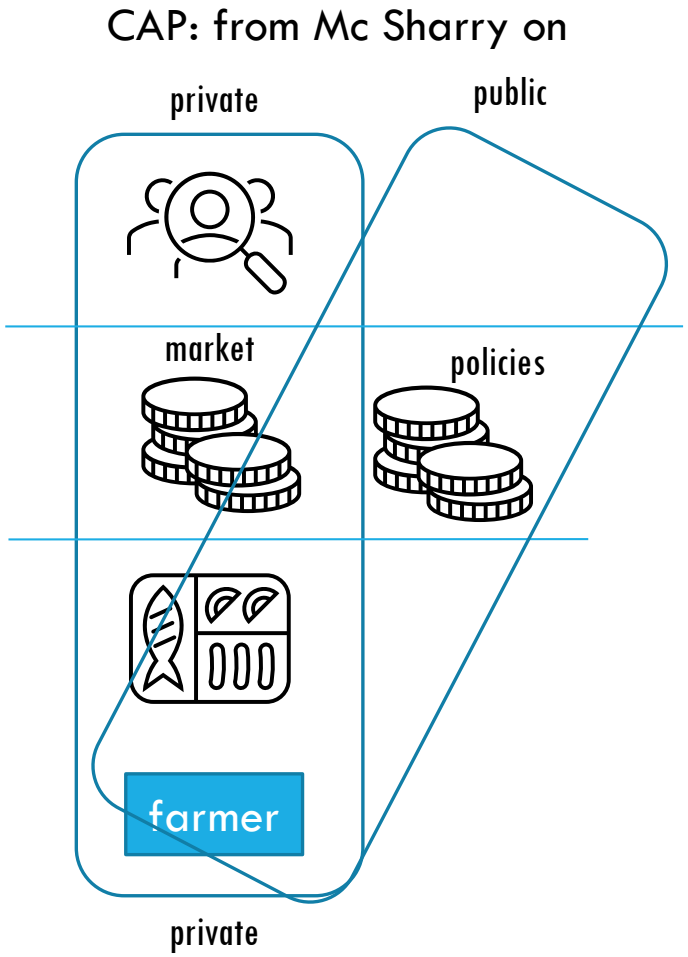


What' the impact on farming systems?

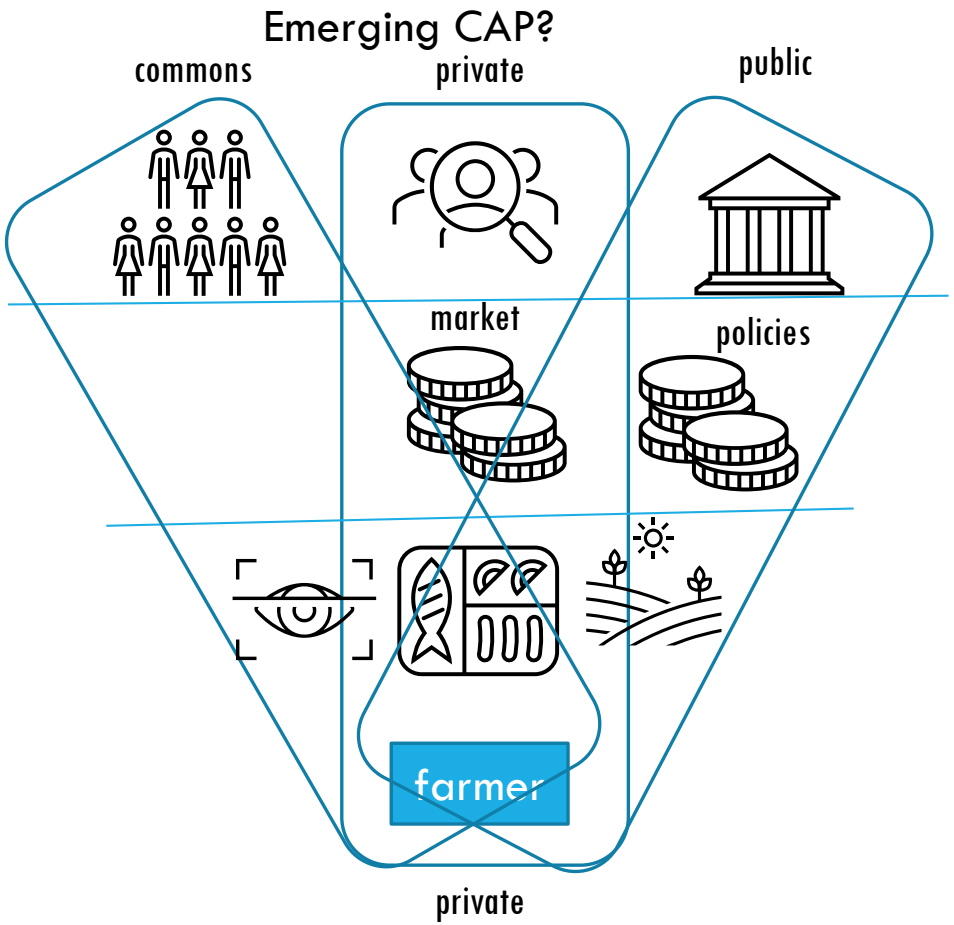
SOCIETAL DRIVERS, POLICIES AND FARMING SYSTEM



Commercial farms



Commercial mixed farms



Civic embedded farms & Systems

FARMING SYSTEM: CO-DESIGNING CIVIC FARMS

Farming system links physical, human and cultural resources, main socio-economic trends, household organization into organizational solutions and management at farm level.

- To incorporate the emerging tensions the farming system should be supported with innovative institutions able to represent, besides market, social & environmental issues

“REDESIGNING THE FARMING SYSTEM SUPPORTING LOCAL PROSPERITY, THE ITALIAN EXPERIENCE”: FINAL MESSAGES

1. **Agriculture & rural areas** are in the front of a possible **revolution**
2. They might support **a project of prosperity**
3. **Farming system** should be reformulated accordingly
4. In order to capture opportunities new principles and institution should be designed also to make **more effective use of existing policies**
5. New CAP should move forward **re-generating (community, nature, people) policies**
6. **All** people, farmers, experts, politicians are involved in such a process

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