The role of market and policy incentives in supporting agro-ecological transition: successful approaches and barriers to adoption

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AGROECOLOGICAL TRANSITIONS IN A TRANSATLANTIC CONTEXT (1)
Concepts, typologies, barriers, drivers and sustainability performance
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• UNISECO project

  • To strengthen the sustainability of European farming systems, through co-constructing improved strategies and incentives for agro-ecological approaches.

  • To improve the knowledge base of agro-ecological farming in the EU to inform future policies at European, national and regional levels

• Governance and policy assessment

  • Analyse market and policy incentives, with governance mechanisms, supporting Agro-Ecological Farming Systems (AEFS). Starting point -> Inventory of key examples of market and policy incentives

• Transition

  • Continuum from conventional to agro-ecological (food) systems
Transition

Source: Adapted from Tittonell (2014)
Overview

• Objective

  • Identifying and classifying the different types of incentives that have the greater potential to support the transition processes towards Agro-Ecological Farming Systems (AEFS)

• Approach

  • Literature review: scientific and non-scientific publications and EU and international databases (FAO, WFC, ENRD, etc.)

  • Inventory: collection of examples of market and policy incentives in UNISECO partner countries, in other EU countries and in 5 non-EU countries (Bolivia, Brazil, Cuba, Tunisia, USA)

  • Interviews: 52 semi-structured interviews with stakeholders in UNISECO partner countries and at EU level
Inventory of M&P incentives

• Literature review
  • To date very few scientific contributions focus on the scope and scale of market and policy (M&P) incentives supporting AEFS
  • General recommendations on the types of incentives needed to support transition at different scales but not specific analysis
  • In many contexts (including within the EU) policy support fails to facilitate comprehensive, long-term and integrated approaches such as agro-ecology (FAO, 2018)

• Scope and criteria for the inventory
  • The “innovativeness” of M&P incentives in stimulating the adoption of (more) sustainable practices at farm level
  • The potential of M&P incentives for enabling a transformation of the entire food system
## Classification of M&P incentives

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<td>3. Sustainable food standards</td>
<td>4</td>
<td>-</td>
<td>-</td>
<td>4</td>
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<tr>
<td>4. Organic food promotion and certif.</td>
<td>7</td>
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<td>5. Local food promotion</td>
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<td>6. Alternative food chains</td>
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<td>7. Territorial-based farming practices</td>
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<td>7</td>
<td>15</td>
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<td>8. Research and capacity-building</td>
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<td>Regional</td>
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<td>8</td>
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<tr>
<td>Local</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>11</td>
</tr>
</tbody>
</table>
1. NATIONAL FOOD AND FARMING PLANS
   **The Agroecological Project (France)**
   CATEGORY: Policy
   GEOGRAPHIC SCOPE: National

2. AGRI-ENVIRONMENTAL PRACTICES
   **Pasture Bank (Finland)**
   CATEGORY: Mixed
   GEOGRAPHIC SCOPE: National

3. SUSTAINABLE FOOD STANDARDS
   **Farming Models for High-Quality Vegetables and Fruits (Spain)**
   CATEGORY: Market
   GEOGRAPHIC SCOPE: National

4. ORGANIC FOOD PROMOTION AND CERTIFICATION
   **The KRAV Organisation (Sweden)**
   CATEGORY: Market
   GEOGRAPHIC SCOPE: National

5. LOCAL FOOD PROMOTION
   **National Park Product Brand (Hungary)**
   CATEGORY: Market
   GEOGRAPHIC SCOPE: National

6. ALTERNATIVE FOOD CHAINS
   **Mobile Farmers Markets (Lithuania)**
   CATEGORY: Market
   GEOGRAPHIC SCOPE: National

7. TERRITORIAL-BASED FARMING PRACTICES
   **The Experience of Bio-districts (Italy)**
   CATEGORY: Mixed
   GEOGRAPHIC SCOPE: Local

8. RESEARCH AND CAPACITY-BUILDING
   **Organic Cattle Husbandry - PROVIEH (Switzerland)**
   CATEGORY: Market
   GEOGRAPHIC SCOPE: National
Semi-structured interviews

• Open-ended questions with the objectives of:
  
  • Verifying the relevance of M&P instruments identified in the inventory, as well as identifying the most innovative and effective incentives
  
  • Analyzing the points of view of national and EU stakeholders with specific knowledge and experience on M&P incentives
  
• Stakeholders interviewed
  
  • 52 stakeholders: 49 in 13 EU countries + 3 EU level
    
    • 3 Agricultural Consultants
    • 2 Consumer Non-Governmental Organizations
    • 2 Farmers
    • 9 Farmers’ Associations
    • 14 Ministry of Agriculture
    • 2 Ministry of Environment
    • 9 Environmental Non-Governmental Organizations
    • 11 Researchers
The coding process (1)

Transition towards AEFS

Agroecology
- The concept of agroecology
- Links with organic farming
- Farming systems
- Barriers to adoptions

Drivers
- Perceptions of transition
- Country differentiation
- Territorial differentiation

Environmental drivers
- Economic drivers
- Social drivers

Transition process
- Country differentiation
- Territorial differentiation

Drivers
- Environmental drivers
- Economic drivers
- Social drivers
The coding process (2)

M&P incentives

Policies

- CAP measures
- Other policies
- Policy barriers
- Policy recommendations

Markets

- Value chains
- New market dynamics
- Consumer choices
- Market barriers
The role of policies (1)

- **CAP measures**
  - Agri-environmental and organic support schemes, were recognized as **key tools** in the promotion of agro-ecological thinking and practices in many EU countries.

- **Other policies**
  - CAP intervention should be **better integrated with additional policies** targeted to local farming systems, specific food chains and new consumers demands.

- **Policies barriers**
  - CAP measures are **too prescriptive**, they lack **flexibility** and above all fail in promoting the systemic perspective of agro-ecological thinking.

- **Policy recommendations**
  - Policies should ensure stronger support for the development of local **farmer networks**, as well as a better integration between **economic** and environmental objectives.
The role of policies (2)

- In Hungary the high degree of dependence on the RDP for support is in itself a barrier to a transition to agro-ecology [HU-MA].

- The rules on the calculation of compensation payments are important barriers, since they are based on pure conventional economics, not on environmental accounting [EU-AC].

- Transition to agro-ecology is embedded in the wider context of rural renaissance or revitalization of rural areas […] public funding should be made available to build rural networks and ownership of regional development [DE-ME].

- Incentives should motivate farmers to innovate and improve their performance through agro-ecological practices in a non-prescriptive fashion and in the long-term [RO-F].
The role of market incentives (1)

- **Value chains**
  - Private schemes and value chain initiatives have a great potential in facilitating *interactions between different actors of the food supply chain* and foster agro-ecological transition

- **Consumer choices**
  - Increasing consumer demand for safer, healthier and environmentally friendly products is stimulating *sustainability certification processes*

- **New market dynamics**
  - In some contexts *short supply chains* could be a good solution to valorize environmentally friendly practices

- **Market barriers**
  - Key challenge: better *incorporating the negative externalities* and the *value of public goods* produced by farmers into market prices
The role of market incentives (2)

• When big corporations such as Barilla implement projects on sustainable farming practices such initiatives are usually more effective than those driven by public support [IT-NGO].

• Facilitating interaction between different actors of the food supply chain could be a means to foster the agro-ecological transition […] instead of focusing only on technical practices at the farm level [FR-FA].

• In France […] it is not easy to get added value for this effort on the final products as there are no distinct agro-ecological labels … the strategy employed is rather to create their own rules or to use existing private labels [FR-FA].

• If externalities not taken into consideration, the market is flooded with cheap products that disadvantage those producers who practice agro-ecology [FI-MA].
The governance challenge

- **Public goods**
  - 1. National food and farming plans
  - 2. Agri-environmental practices
  - 3. Sustainable food standards
  - 4. Organic food promotion and certification
  - 5. Local food promotion
  - 6. Alternative food chains
  - 7. Territorial-based farming practices
  - 8. Research and capacity building

- **Private goods**
  - Individual interests

- **Collective strategies**

**Source:** Triboulet et al., 2019
Next steps

• Analysis of cultural and economic barriers that may hinder the adoption of agro-ecological practices promoted by M&P incentives at farm level

• Analysis of the role played by:
  
  • the private sector in promoting agro-ecological initiatives and the opportunity for greater cooperation with public sector
  
  • research, local training and advisory systems in the uptake of agro-ecological approaches

• Co-construction of M&P incentives:
  
  • better targeted to local farming systems, local food chains and new consumer demands
  
  • that stimulate greater cooperation and collective action
  
  • based on a better integration of agricultural measures with other (national, local and environmental) policies and sectors
Thanks for the attention!

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