

YOUTH PARTICIPATION TO AGRICULTURAL POLICIES IN EUROPE

CASE STUDY - ARMENIA



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Author: Manon ROUSSELOT-PAILLEY – published in March, 2020

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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.”

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. 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.

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 farming 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 **three principles**: a **unified market** 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 guaranteed 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?

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.

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**. Mixed farms compose the remaining percentage. The vast majority (96% in 2016) of the farms in EU are family farms.

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 does farming in Armenia look like?

Agriculture accounts for **19% of Armenia's GDP**, which is a significant share. Furthermore, between 2005 and 2014, agriculture even accounted for 22% of Armenia's GDP according to World Bank figures.

The diversity of the Armenian landscape and ecosystems offers a rich diversity of crops. 0.69% of Armenian land is agricultural land. Arable land accounts for 22% of this agricultural land,

15% of which is concentrated in the Ararat Valley. Pastures and fields account for 57% of agricultural land.

Cattle and small ruminants make up the bulk of livestock farming, which is generally very traditional: few animals per herd and a mixture of different animal species, making it extremely difficult to control animal diseases.

The country's main productions (potatoes, fruits, grapes, vegetables and lambs) give it a food self-sufficiency of about 64%. However, for other types of meat, especially wheat and cereals, Armenia has to rely on imports. The **wine sector is a growing priority** for Armenian agriculture. Cognac and sun-drenched Armenian wines are increasingly popular.

Who are the Armenian farmers?

Nearly 37% of the working population works in agriculture according to 2017 figures. The **share of women farmers is 56%**, which is a huge proportion, unique in Europe (at least among our research on our partner countries). However, we should not get too excited: agricultural jobs for women are **generally seasonal or very precarious**, and 82% of women working in agriculture do so informally.

If Armenia is following the European trend of decreasing number of farms with increasing size, this is not yet visible. Indeed, 99% of active farms, producing **97% of the country's total agricultural production, are family farms with a small structure**. The farm abandonment rate is however approximately 35% according to a 2014 census survey. In 2013, 88% of farms in Armenia were smaller than 2 hectares, and the average size of a farm was about 1.37 hectare.

Unfortunately, we could not find any recent figures on the proportion of young farmers in Armenia. Perhaps it was the language barrier that was a problem.

What about organic farming in Europe?

The EU legislation governing organic farming, namely “Council Regulation No 834/2007/EC of 28 June 2007 on organic production and labelling of organic products” lays down the precise

production and manufacturing requirements for agricultural produce and foods labelled as organic products. These are **very precise and high standards to be met by farmers wishing to be labelled organic**. The legislation ties in with the basic guidelines of the International Federation of Organic Agriculture Movements (**IFOAM**), encompassing about 750 associations from over 100 countries.

Between 2002 and 2015, the area of organic farmland in Europe increased from 5 million hectares to 11 million hectares, an increase of 6% per year. It means that **organic farming has increased by 70% in the last 10 years**. In 2017, organic farming accounted for **7% of the EU's agricultural land**. There were 250,000 organic farms in the EU in 2016. In 2016, the largest share of EU organic area was **permanent grassland (44 %)**, representing 5.6 million ha. This area is used for organic cattle farming, both meat and dairy. On the other hand, despite a fast growth, EU **organic animal production remains small** in comparison to total EU animal production, at about 3 %.

What about organic farming in Armenia?

Armenia has drawn inspiration from the EU organic regulations to put in place its own organic legislation in 2009. Since 2002, the "ECOGLOBE" certification allows an organic certification for products at the national level but also at the European level for export. In 2013, the agricultural area under organic farming or organic conversion was 10,000 hectares, a **six-fold increase compared to 2006**. Where the mountainous landscape is often an obstacle to Armenian agriculture, it would in fact represent a favourable condition for organic farming.

One organic sector that is worth highlighting is **beekeeping**. In 2015, the number of organic hives was 500, and this number is constantly increasing. Beekeeping has become one of the main sectors of organic agriculture in Armenia, after the production of fruits, berries and vegetables.

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.

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.

The issue of **farming incomes** is also an important one. In November 2009, the European Commission made the following statement: "After ten years of mere stagnation, farm income fell significantly in 2009, aggravating an already fragile situation: farm income is significantly lower (by an estimated 40% per labour unit) than in other economic sectors and per capita income in rural areas is considerably lower (by around 50%) than in urban areas." These observations correspond to the period of the milk crisis, and even if today farmers' income has stabilised, some farmers, depending on the age and size of the farm, have to give up paying themselves a salary.

What difficulties do Armenian farmers face?

According to a 2017 article by Repeat Armenia, the main obstacles to a more developed agricultural sector in Armenia are:

- lack of experts and specialists on agriculture and food
- lack of relationship between sellers and exporters (and vice versa)
- too low wages, too fragile and unclear system of rules and regulations
- lack of investment
- lack of organic fertilizers (too little variety and too expensive).

What about youth and farming in Europe?

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.**

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. This is a situation that echoes the general situation in rural areas. Indeed, the share of young people (aged 18 to 24) living in rural areas of the EU who were neither in employment nor in further education or training was **3.7 percentage points higher than in cities**, according to Eurostat figures from 2017.

The interest of young European people for agriculture is 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?

What about youth participation to policies in Armenia?

According to a study published by the Council of Europe in 2009, the Armenian government has set up training programmes on subjects as varied as the labour market, vocations, etc. to help young people to succeed, especially those from low-income backgrounds who do not

have easy access to higher education. But the surveys conducted for this study show that 90% of the young people surveyed were not aware of the existence of these programmes.

The study states: “The State Youth Policy Strategy suggests that there have been slow improvements in the development of youth participation and civil society, but this is “not sufficiently developed”. There is passivity around political engagement and inadequate engagement of youth NGOs in the formulation of youth policy. In addition, there are funding problems around building volunteering and youth organisations, and poor provision of culture and sports institutions (particularly in rural areas) inhibiting possibilities for self-development.”.

One third of Armenia population live in rural areas. In addition to the lack of work, it is above all the lack of sociability and participation in community life that weighs down on young people, pushing them to migrate to the cities. It can therefore be considered that, as everywhere in Europe, young people from rural areas are more prone to exclusion.

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