



European Rural Development Network

European Rural Development Network Policy Brief

Knowledge sharing and innovation in agriculture and rural areas: more attention should be paid to regional differences across the European Union

On behalf of the European Rural Development Network (ERDN, www.erdn.eu), and as part of the 2016 Budapest Innovation Week, AKI hosted a conference on 3-5 October 2016 with the title 'Knowledge sharing and innovation in agriculture and rural areas'. This conference brought together 70 researchers, practitioners and policy makers from across the European Union, with a particular emphasis on participation from the Visegrad Group (Czech Republic, Hungary, Poland and Slovakia) and neighbouring countries. This policy brief was compiled from the debate that took place during the conference.

Introduction

The European Union (EU) has introduced new policy instruments such as the EIP-Agri and multi-actor partnerships in an attempt to stimulate innovation in agriculture. In addition, LEADER has been replaced by the multi-funded Community-Led Local Development approach. These initiatives are being implemented across the EU despite the great variety of agricultural and rural circumstances, and in particular the continuing differences between post-socialist Member States and other parts of the EU in terms of farm structure, social attitudes and so on. Can programmes that have primarily been developed from a western EU perspective ever be successfully implemented in the eastern EU or is a different approach needed? Although it is still rather early to assess the degree of success in the implementation of the new approaches, the debate on the possible shape of EU innovation policy post-2020 has already started. Thus it is not too soon for researchers and policy makers in eastern central Europe to share their experiences and ideas on how knowledge sharing and innovation can best be encouraged in agriculture and rural areas of the post-socialist Member States in order to influence the post-2020 agenda.

Conclusions from the conference

The conference pre-session reaffirmed that many farming systems in the region do not readily fit with the 'western' perception of a family farm as a commercially viable unit managed and run with family labour, producing entirely, or almost entirely, for the market. While in some post-socialist Member States, such as the Czech Republic and Slovakia, very large farming companies dominate, in others (such as Hungary) there is a dual farming structure, while in Poland and Romania, for example, the vast majority of farms are small and not economically viable. Indeed, many are subsistence or semi-subsistence farms. The conclusion from the conference was the EU's Common Agricultural Policy is intrinsically not able to address the needs of a substantial share of farms in the region. Reinforcing the role of small farms in

topics such as social cohesion and rural resilience may be better addressed through the EU's Structural Funds (European Social Fund and European Regional Development Fund).

The main geographical focus area of the conference, and of ERDN, namely of eastern central and south eastern Europe, belongs mainly to the Continental and Pannonian Bio-geographical Regions¹. These regions not only have distinctive farming systems but are likely to be very sensitive to the impacts of climate change. Specific and extreme changes in the weather resulting from the very nature of these Regions (hot summers and cold winters) will lead to agriculture, forestry and freshwater aquaculture being particularly severely affected. The distribution of agricultural pests and diseases is likely to spread westwards and northwards across these territories. Research programming, including at EU level, must take into account the special needs of these regions with targeted topics, just as they do for the Alpine and Mediterranean Bio-geographical Regions, for example.

Much of the region covered by the conference is composed of post-socialist economies that are still undergoing transition, and these economies continue to face unique challenges. These include the low uptake of innovation and modern technologies, the low level of cooperation, the consequences of the ageing population, the difference between the employment rate in predominantly rural regions and predominantly urban regions, and the extremely low level of consumer awareness. There is also a research and innovation divide in the EU that hinders both the unlocking of excellence in eastern central and south eastern Europe (not only the so-called 'New Member States' but also the countries of the Western Balkans, Belarus, Moldova and Ukraine), and the appearance of specific research topics in research programmes, including at EU level.

ERDN has now been established for over 15 years and represents a 'critical mass' of high-quality research expertise covering a broad range of disciplines including (but not only) agricultural production and competitiveness, environmental resource management, agri-food supply chain management, markets and marketing, international trade, econometrics, rural economic geography, rural economy and sociology. The annual ERDN conference is an opportunity for researchers in the region to 'showcase' their competences, not only to researchers in other parts of the EU but also to other organisations such as the Food and Agriculture Organization of the United Nations (FAO). Thus, ERDN has a major role to play in the integration of researchers from the region into the European Research Area.

In partnership with ERDN, the BioEast strategic research agenda, with its two themes of, firstly, *climate change challenges in the Continental and Pannonian Bio-geographical Regions*, and secondly, *policy and governance challenges in the economically less developed EU regions*, can ensure the integration of the specific needs of eastern central and south eastern Europe into the EU agricultural and policy agendas. Scientific expertise is not on its own sufficient. Skills and competencies in methods, organisation, presentation must be improved so that the region not only 'is good' but also 'looks good'. It is necessary to be more

¹ A biogeographical region can be defined as an area of animal and plant distribution having similar or shared characteristics throughout.

innovative in science management and communication – how messages are sent to other scientists, farm advisors, farmers and politicians is very important indeed.

Agricultural and rural development in the region will, as elsewhere, be driven by innovation, which in turn depends on knowledge sharing between actors. Through the Agricultural (Knowledge and) Innovation Systems concept, the EU and FAO (and others) have adopted broadly similar understandings of how innovation takes place. Historically, knowledge flows were thought to be mainly linear, from researchers via advisors to farmers. It is now recognised that knowledge flows can be complex and take multiple forms. ‘Co-production’ of knowledge and innovation, for example between farmers, advisors and researchers is an important activity. The EU’s European Innovation Partnership ‘Agricultural Productivity and Sustainability’ is one approach to fostering co-production.

However, innovation also depends on a number of ‘soft’ factors that can be region-specific, including policies, informal institutions, practices, behaviours, mindsets and attitudes, the so-called ‘enabling environment’. Some evidence was presented at the conference that the success of the LEADER approach in the region has been limited. The importance of these ‘soft’ factors plus the existence different farming systems in the region suggest that both the ‘problems’ of agricultural and rural development, and the ‘solutions’ are to some extent specific to the region and that tailored policy interventions are required.

Future direction of ERDN

ERDN has adopted a format for research cooperation that, over a 15-year period, has proved to have been outstandingly successful. No comparable organisation exists in the region. Any development of the network to further enhance its effectiveness must be evolutionary rather than revolutionary. In a similar way to AERIAS (<http://www.aerionline.org/>), a mechanism for formal affiliation of organisations to ERDN could be introduced. This will lead to stronger commitment from institute Directors that would ensure that ERDN has the freedom and resources it needs to increase its contribution to the European Research Area.

The 14th ERDN conference in Budapest was the most intensive effort to date by the network to engage fully with researchers across the EU (and beyond). Contact with the conference participants should be maintained with a view to future cooperation. In addition to further, similar events, ERDN should explore other ways to strengthen the position of researchers from eastern central and south eastern Europe in international projects by any available means, including sharing information on open calls and cooperating in forming consortia.

A purely reactive approach to the agricultural, bioeconomy and rural policy and governance challenges of eastern central and south eastern Europe will no longer suffice. ERDN can help to influence the various policy agendas to ensure that the needs of farming, the agri-food supply chain, rural areas and researchers in the region are recognised fully. But this can only

be achieved as part of a multi-actor partnership², and not by ERDN alone. Thus, ERDN should work with initiatives such as BioEast to ensure that future EU policy takes full account of the specific development needs of the region.

Through steps such as these, ERDN can enhance its role in highlighting the fact that regional differences, especially in agriculture and rural development, continue to exist across Europe and that the failure to recognise and address these differences is hindering the sustainable growth of the whole EU.

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² In other words, by bringing together all interested actors including researchers, policy makers, rural development practitioners, farmers' organisations and so on.