

REPS

Enhancing its Scope and Integration with other Rural Objectives

Dr. Liam Dunne
*Rural Economy Research Centre,
Teagasc*



REPS Conference 2006
Tullamore

RERC

Presentation outline

- Changes in rural society and values

- Changes in CAP structures
 - ▶ Pillar I – market supports and SFP
 - ▶ Pillar II – Development Rural Support

- Enhancing the Scope of REPS



REPS Conference 2006
Tullamore

RERC

Rural Society

- Farming is changing:
 - ▶ Farm numbers are declining
 - ▶ Part-time farming is increasing
 - ▶ Productionist model is being challenged
 - ▶ Resource consumption is being challenged
 - ▶ Value of positive externalities is being recognised
- Rural society is changing
 - ▶ Migration and rural housing values - in flux
 - ▶ Direct linkages with farming are weakening
 - ▶ Indirect linkages are increasing
 - ▶ Use of rural space – is being increasingly contested



REPS Conference 2006
Tullamore

RERC

Pillar I - Decoupling

- SFP unprecedented and impact uncertain
- SFP whole farm concept compatible with REPS
- SFP provides added scope for farm flexibility in:
 - ▶ Enterprise mix
 - ▶ Methods of farming
 - ▶ Intensity of farming
- Possible response by farmers – might opt for
 - ▶ simple production systems
 - ▶ single enterprise
 - ▶ component of an enterprise



REPS Conference 2006
Tullamore

RERC

Decoupling Implications

- Farm income dependency on:
 - ▶ production *per se* is declining
 - ▶ SFP is an increasing portion of farm income
 - ▶ X compliance necessary to secure SFP income

- Increasing dis-connect between:
 - ▶ land and con-acre prices and
 - ▶ farm enterprise margins



REPS Conference 2006
Tullamore

RERC

Decoupling Implications

- Farm income opportunities are constrained
- Off-farm income opportunities are expanding
- Consequences – an accelerated shift to:
 - ▶ Part-time farming
 - ▶ Almost monoculture grassland ? landscape and biodiversity
 - ▶ Simplified production systems that are:
 - Low cost
 - Labour efficient
 - More market oriented
- REPS option – attractive economically



REPS Conference 2006
Tullamore

RERC

Pillar II Rural Development Support

Objectives are to improve:

- Axis 1 – competitiveness of agriculture and forestry
- Axis 2 – environment and countryside (REPS)
- Axis 3 – quality of life in rural areas and diversify the rural economy
- Axis 4 - LEADER



REPS Conference 2006
Tullamore

RERC

REPS

- REPS already compatible with axis 2
- REPS links with:
 - ▶ Competitiveness (axis 1) ?
 - ▶ Quality of life and diversify rural economy (axis 3)
? tenuous and underdeveloped



REPS Conference 2006
Tullamore

RERC

Enhancing REPS

- REPS could be re-focussed to include additional measures on :
 - ▶ Land use and crop mix
 - ▶ Livestock enterprise mix
 - ▶ Built environment (Farm and other Rural)
 - ▶ Support linkages with:
 - Underdeveloped food and product markets
 - Public good “markets”



REPS Conference 2006
Tullamore

RERC

Land use and crop mix

- **Minimum mix per farm** could:
 - Arrest the drift towards monoculture farming
 - Support landscape and bio diversity
 - Support and maintain a mix of:
 - ▶ food and fodder crops
 - ▶ energy crops
 - ▶ Forestry
 - ▶ Eco systems –wetlands, bogs etc
 - Support the integration of crop and livestock farming
 - ▶ crop rotations
 - ▶ Bedding materials – integrating crop and livestock
 - ▶ Straw for mushroom production – competitiveness and diversification
 - ▶ organic nutrient recycling - efficiency
 - Support traditional practices and related farm equipment



REPS Conference 2006
Tullamore

RERC

Livestock enterprise mix

- **Minimum mix per farm** could:
- Arrest the drift towards single enterprises or segment of an enterprise
- Exploit inter-enterprise complementarities (grazing and feeding)
- Enhance the opportunities for nutrient recycling:
 - ▶ Straw
 - ▶ Crop wastes
 - ▶ Organic manures, (especially for pigs and poultry – a competitiveness issue)
- Support and maintain ecosystems associated with mixed farms
- Support traditional practices and related farm equipment



REPS Conference 2006
Tullamore

RERC

Built Rural Environment

- On-farm vernacular structures already in REPS
- Future financial support for:
 - ▶ Non-farm vernacular structures (rural houses and villages)
 - ▶ the integration of farm and other rural structures
 - ▶ the preservation of ecosystems associated with vernacular structures
 - ▶ the re-integration of farmers in evolving rural communities
 - ▶ Planned development of rural (REPS) recreational facilities through formal linkages – new business



REPS Conference 2006
Tullamore

RERC

Linkages

Additional support measures for the development and strengthening of linkages

- Within farming to achieve economies of scale for REPS (food and Non-food) outputs
- Between farming and other sectors to achieve economies of scope (exploitation of REPS as a marketing brand)



REPS Conference 2006
Tullamore

RERC

Farm Linkages

A REPS measure to develop and support farm groups participating in activities on:

- ▶ Resource use and conservation (scale exploitation)
- ▶ Trade-offs between farming and environment
- ▶ Raise environmental awareness
- ▶ “Greening” of inputs – mixed farming & inter-farm trade (scale and efficiency)
- ▶ “Greener” technology transfer
- ▶ Markets for food outputs (scale exploitation)
- ▶ Markets for Non-food outputs (scale exploitation)



REPS Conference 2006
Tullamore

RERC

Linkages –REPS branding

A REPS measure to develop and support linkages and participation by farm groups with non-farm entities for:

- Marketing REPS food
 - ▶ Farmers markets
 - ▶ Local restaurants
 - ▶ SMEs
- Marketing REPS environmental outputs
 - ▶ Local non-farm residents
 - ▶ Recreational groups
 - ▶ Tourists
- Educational institutions – schools and adult
- REPS based integrated community development of rural areas



REPS Conference 2006
Tullamore

RERC

Conclusions

The proposed new REPS measures should:

- Raise the public and community profile of REPS
- Ameliorate some undesirable outcomes of decoupling
- Improve the marketing efficiency of REPS food outputs
- Link REPS with the other axes of Pillar II
- Improve the supply of REPS “public goods”
- Develop REPS as a brand for environmental products and related “public goods”
- Improve the quality of life in rural areas
- Diversify the rural economy and farm based businesses
- Re-integrate “new” farming into the local community



REPS Conference 2006
Tullamore

RERC