

Executive Summary

As the UK develops a new British agricultural policy post-Brexit, achieving resilience of the agricultural sector will be an important goal. Under the current European Common Agricultural Policy (CAP), the focus is on making the farming community more robust against shocks in the short run. However, a broader view of resilience is needed to ensure a sustainable agricultural sector in the longer term. This new vision should pay sufficient attention to developing the capacities of both individual farms and farming systems to adapt to changing circumstances and to transform their business models to maintain the long-term delivery of food, fibre, energy and public goods.



Resilience and agricultural policy

The vision of a post-Brexit British Agricultural Policy that supports producers, protects the environment and provides healthy and affordable food for all (Defra, 2018) should involve efforts to ensure the resilience of the farming sector. Crucially, food security requires a resilient agricultural sector that provides viable incomes for those working in the sector or sustaining their livelihood on it, withstands shocks and stresses, such as volatile markets and erratic weather events, and adapts to changing circumstances, such as novel technologies, changing societal requirements and general demographic trends.

Both in the current CAP and the legislative proposals for a CAP post 2020, the Commission relies on four groups of instrument to increase the resilience of European agriculture: direct payments, rural development programmes, risk transfer instruments (e.g. crop insurance, mutual funds and an income stabilization tool) and market management measures. Until now, in the UK, the main CAP instruments for risk management and resilience have been direct payments and rural development programmes, as well as support to producer organisations and market management measures, such as support packages agreed by the European Commission for specific market conditions. While these instruments may help to stabilize farm income in the short run, their effect on resilience in the long run is less clear. This policy brief shows why a broader view on resilience is needed to safeguard the indispensable societal functionalities of the agricultural sector in the long run.

Three capacities for resilience

SURE-Farm defines resilience as maintaining the essential functions of a farming system – the provision of food, feed, fibre and public goods, such as ecosystem services – in the face of increasingly complex and volatile economic, social, environmental and institutional challenges. The resilience of farming systems depends on their capacity to deal with shocks and stresses. SURE-Farm emphasizes that three capacities for resilience should be distinguished:

**CURRENT CAP
INSTRUMENTS
FOCUS ON
STABILIZATION OF
FARM INCOME**



RESILIENCE ALSO BENEFITS FROM CAPACITIES TO ADAPT AND TRANSFORM

- **Robustness** is the ability to withstand shocks, such as sudden price oscillations or adverse weather events, and stresses such as a changing climate and societal demands. It can build on individual or collective resources (e.g. savings) and capacities (e.g. recovery know-how).
- **Adaptability** is the ability to change production, marketing and finance strategies without changing the operational logic of the farm or the farming system, for instance by using new technologies or marketing channels. While adaptation can occur very quickly, building up adaptive capacities requires a medium-term strategy, e.g. investments in training, research and technology along with a well-functioning innovation system.
- **Transformability** is the ability to change the operational logic of a farm or farming system in response to either severe shocks or enduring stress that make business as usual impossible, or to capture novel opportunities. Transformations imply new business models and a fundamental change in the way goods and services are produced, financed or marketed. Building the capacity for transformations requires long-term strategies and includes securing the acceptance of substantial structural changes.

A difficult task for farmers as well as for policy-makers is to strike the right balance between robustness, adaptability and transformability. Devoting too much attention and resources to robustness may reduce possibilities for adaptation and change, while exclusive attention to long-term transformation may neglect functionalities of already well-performing systems.

Individual versus collective approaches for resilience

Farmers do not operate in a vacuum. Capacities for resilience cannot be developed by farmers alone, but depend on the collective activities of those collaborating with farmers, such as suppliers, customers, service providers, financial institutions, public administrations, etc. We call this network the **farming system**. Each farming system provides unique opportunities to enhance resilience, depending on the interdependence between the actors in the farming system. Therefore, policy-makers should ensure that public policies support the development of collective capacities for resilience.

Towards a resilient British agriculture policy for resilient agriculture

The Commission proposes a CAP post 2020 that reaches common goals through a new delivery scheme in which Member States are given enhanced discretion to draw up CAP support plans and choose a bespoke set of instruments. At the same time, however, the basic set of instruments remains largely unchanged, with the largest budgets allocated to area-based direct payments (albeit they will be partially allocated to eco-schemes). This means that most resources are devoted to short-term robustness of farms at individual level, but it is unlikely that farmers and farming systems invest these resources to increase their capacities to adapt or transform in the long run.





How the new British agricultural policy will look is yet to be decided, however the government's recent 'Health and Harmony' consultation paper set out proposals for phasing out direct payments in England and introducing a scheme to ensure that public money is spent on public goods (Defra 2018¹). It also recognises the need for risk management tools and improved data accessibility to help farmers deal with price volatility and other risks. It will, however, be important that these focus on enhancing the wider resilience of farming systems, and not just their ability to persist in the short-term. Flexibility, experimentation and learning will be important to broaden the focus of measures from mere adaptation to strengthening the capacity of farmers and farming systems to transform in the face of persistently changing circumstances.

¹ Defra, 2018. Health and Harmony: the future for food, farming and the environment in a Green Brexit, Command Paper Cm 9577, London.

First SURE-Farm publications

Meuwissen et al., 2018. [Report on resilience framework for EU agriculture. Deliverable 1.1, SURE-Farm.](#)

Mathijs et al., 2018. [Scenarios for EU farming. Deliverable 1.2, SURE-Farm](#)

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