

# New entrants into farming: models to enter agriculture

New entrants - people entering farming for the first time, or returning to farming after a period of off-farm employment - into farming face a number of barriers - such as accessing land, labour and capital. Legal frameworks and opportunities vary per country or region. The following options might be helpful for newcomers to agriculture in your country.

### Legal frameworks for progressive entry into farming

Career-ladder farming | a stepwise entry into an established farm business.

🔻 A new farmer enters a dairy farm as an employee or manager, then becomes a contract milker, and subsequently takes on entrepreneurial responsibility as a sharemilker. In exchange he receives a share of the turnover or profit, depending on what he brings in terms of labour or other inputs. Following this career path, the new farmer can eventually become a farm owner.

Land partnerships | a generic term for forms of cooperation between landowners and people interested in land to run a rural business or a farm.

**Contract farming** | a farmer outsources a part or all operational farming activities to a contractor. This model may be opportune when farmers wish to gradually retire from active farming.

Share farming I a form of cooperation whereby parties, maintaining separate businesses, combine resources to farm together: machinery, labour, installations, land, livestock, specialised knowledge.

**Equity partnerships** | partners form a new joint venture business to pool their resources, typically capital from one side and labour / knowledge from the other side. Often the labour partner is employed or working as the farm manager.

Junior-senior-partnerships | a new / young farmer cooperates with an established experienced farmer who needs qualified labour support or who is looking for someone to continue the business in the long run. This approach may be attractive when land price and leasing rates are very high, and established farmers have a clear interest to continue their business. Different legal frameworks are possible.

Incubator-supported start-up | a business or an organisation which supports young entrepreneurs to set up their businesses. Typically incubators offer office space, planning, subsidies, financing and marketing advice, but also equity capital and in some cases land.

The French network RENETA provides land to new entrants to test their business idea in practice.

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#### New entrants as land entrepreneurs

**Social enterprises** | creating societal benefits rather than profit by applying commercial business methods.

The financing of these types of enterprises is typically a mix of commercial turnover from products and services, and donations or public support for services to society.

New entrants bring their previous experience to a new combination of commercial and social engagement.

**Workers' cooperative** a cooperative enterprise which is owned and managed by its workers. Several people combine their resources and knowledge to improve their chances for business success. Participants must have a joint vision and the ability to work in teams and make team decisions. This approach may work in urban or peri-urban agriculture, and may combine non-farm jobs with farming activities.

#### Getting support as a new farmer

Community-supported agriculture | a community-based financing and marketing system. Associations of consumers and farmers. Group of consumers pays a fixed amount per year to purchase all the produce needed to cover their personal food needs. Consumers may reduce prices by taking part in farm operations. It creates a strong producer-consumer relationship and it may help preserve small family farms in the long run.

**Crowd funding** | a way to finance new start-up businesses through donations, loans or shares. 

Web-based platforms to connect project managers with donors.

**Crowd sourcing** | outsourcing internal tasks of a business operation to volunteers, mainly organised via the internet, to limit labour costs or mobilise additional labour.

## Would you like further information?

The final report of the Focus Group "New entrants into farming" gives a broad overview of the subject as well as useful insights into the definition of new entrants, their access to land and markets, advisory support systems and more.

Download the final report

Get all the information at a glance in the new entrants factsheet

Talk to Focus Group members from 15 European countries through the Focus Group webpage

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