

HANDOUT

MAKING COLLECTIVE LAND PURCHASE WORK FOR FARM SUCCESSION

INNOVATION
IN ACTION
SERIES

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De Landgenoten



CONTEXT

De Landgenoten (DLg), Dutch for 'fellow countrymen', is a foundation and cooperative that aims to provide access to agricultural land for professional agro-ecological farmers in Flanders through collective land purchasing. Access to land is indeed one of the main thresholds for farmers to start, secure, expand or transfer a farm. In Flanders prices have risen by 28.7% between 2015 and 2019 with a price per hectare averaging €63,000. Acquiring land becomes harder for young farmers because increasing amounts of capital are needed and many owners are reluctant to grant new leases.

WHAT'S AT STAKE?

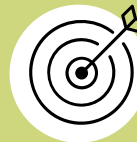
Flanders' farming population is aging—only 10% of farmers are under 40 years old, while 16% are older than 65. Pioneers who started farming organically in the 70s and 80s are reaching retirement age, with a risk that their life's work to steward and nurture the land cannot be transferred to a new generation. In this context, DLg can help bridge the succession gap through its core business of buying land and leasing it career-long to organic farmers. However, so far DLg has only been able to crowdfund capital to purchase about 3 hectares of land per year. This action research thus aimed at exploring ways to increase the cooperative's fundraising capacity to support more farm transfers, while also broadening its general performance and visibility as a farm succession actor.

"Innovation in Action". In 2020-21, six RURALIZATION partners conducted eight-month-long participatory action research projects to explore new solutions to leverage farmland in favour of agroecological transition, generational renewal, and rural regeneration. The results of their actions are presented in this series.



INNOVATIVE

- ✓ Make collective land purchase a key option to successful farm transfer from one generation to the next (preventing that each generation needs to finance the land over again)
- ✓ Compile fragmented knowledge on different aspects of farm succession, particularly psycho-emotional factors
- ✓ Combine financial and socio-cultural knowledge to facilitate successions through collective land purchase processes



IMPACTFUL

- ✓ DLg helps preserve the life's work of retiring organic farmers, including fertile and biodiverse soils, natural landscapes, as well as social, human and cultural capital
- ✓ Collective land purchase is a lever for generational renewal in agriculture
- ✓ Working to share knowledge with other organic farming actors and federate joint action on farm succession

OBJECTIVE

Develop a strategy to facilitate farm succession processes for organic farms through collective land purchase

ACTION PLAN

Task 1: develop financing strategies for bigger or more expensive plots

- Explore and refine possible financing strategies to make land purchases through crowdfunding more adapted to financing larger farms.

Task 2: explore social and emotional aspects in relation to succession processes

- Conduct interviews and a literature review to explore which sensitivities are at stake and how to take them into account when working on succession cases.

Task 3: assess and feed into an internal protocol on succession cases

- Deepen and adjust a recently developed internal procedure on how to deal with farm succession cases with the outcome of tasks 1 and 2.

Task 4: disseminate the role DLg can play within succession processes

- Share and make known among farmers the possible role and prerequisites of DLg in relation to supporting farm succession

Task 5: help facilitate and raise awareness on farm succession

- Explore in which ways DLg could support awareness-raising, for instance by creating encounters between transferors and successors, organising workshops on certain aspects, etc.

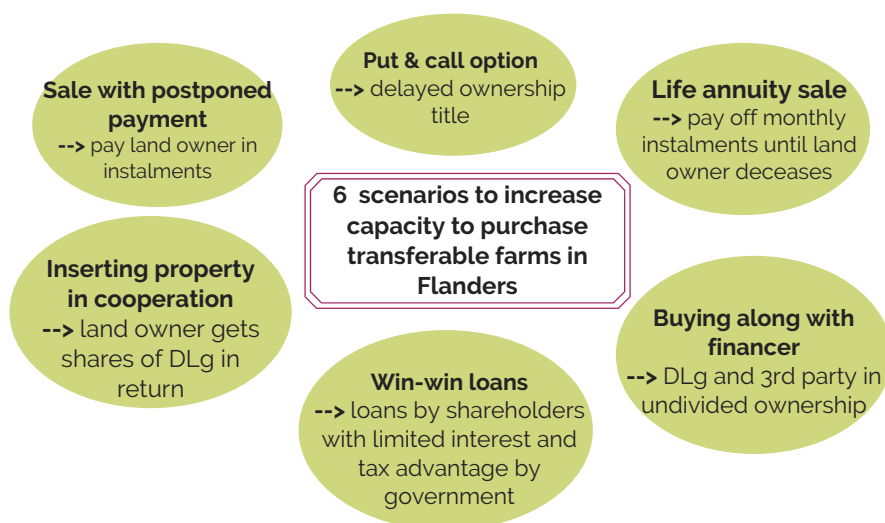


RESULTS

DLg's action addressed several needs to better cope with farm succession cases.

- **Establishing possible financing scenarios** to increase cash flow, stretch payment over time or save on costs. Six strategies were devised (see figure), which can be of use in succession cases as well more broadly when DLg's capacity is stretched (due to several simultaneous crowdfundings for instance) or when land is particularly expensive.

- **Understanding the emotional aspects** that play a role with regard to the senior generation and their entourage. DLg's research highlighted for instance that transferors may fear delicate family discussions associated with succession, or resist renouncing farm duties and ownership which provide esteem and recognition.



- Both the knowledge on financing scenarios and emotional aspects of farm succession were used to assess and adjust **a DLg internal protocol on how to process farm succession cases**. This protocol includes two separate questionnaires: one for transferors still looking for a successor, one for transferors that already identified a possible successor. It now incorporates a question on the transferors' openness to alternative financing scenarios. Furthermore interviewers, are more aware of a number of sensitivities and difficulties to consider when assessing incoming farm succession cases.

- After researching and developing the possible role DLg can play, creating the tools to do so, and defining the prerequisites in order to engage in farm succession processes, a **communication plan** was developed to disseminate the added value of DLg among possible retiring farmers and experts working on this topic.

- Further ideas to **build coalition work on these issues** were developed, including finding partnerships and funding to unroll a training directed to organic transferors. In the future, this could take the shape of a series of gatherings with different experts shining light on relevant aspects of succession processes (land, finance, etc.)

TIPS FOR PRACTICE!

MAPPING THE FIELD OF ACTORS AND TOPICS

- Prior to this action DLg **mapped the topics and challenges** to be addressed when transferring a farm (e.g. fiscal, legal, organisational aspects) **as well as the Flemish stakeholders** currently working on these aspects.
- This mapping showed **DLg's work to address land thresholds met a gap in the current counseling ecosystem** and could be an important lever in succession processes. There was no need to develop 360° guidance on succession, but rather to focus on refining our tools, internal procedures, and communication.

LEVERS & OBSTACLES FOR ACTION

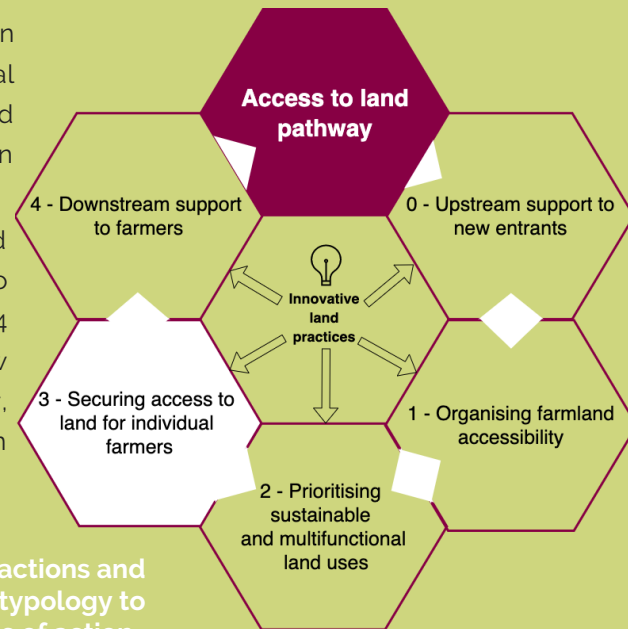
- **Data and contacts of farmers in a specific group or age category are not available.** For communication purposes, we thus plan to reach out to stakeholders in close contact with retiring farmers (e.g. suppliers, consultants).
- **DLg currently does not buy housing nor farm buildings** and needs to partner with successors who can invest in infrastructure. Yet this also means a farm becomes fragmented in ownership, which is not ideal in the long term.



AN ADAPTED RESPONSE TO LOCAL LAND CHALLENGES

In order to create and secure access to land, this action researched the financial levers to buy land for individual farmers. It also generated greater awareness of social and emotional aspects related to succession. This can increase successful farm transfers between generations.

Beyond securing access to land for farmers, the action also resulted in a better-defined role and internal DLg procedures with regard to succession cases, linking to downstream support to farmers (block 4 of the access to land pathway) and offering upstream support to new entrants looking into taking over existing farms (block 0). However, these dimensions only currently concern a few farmers. They can increase in the future as DLg's consolidates its capacity.



What is the "Access to Land pathway"? Innovations use a wide range of actions and strategies to provide effective access to land. The pathway provides a typology to categorise innovative practices' different modes of action.

WHO WE ARE

DE LANDGENOTEN

De Landgenoten is a civic organisation which promotes land preservation and facilitates access to farmland for organic farmers in Flanders. One of DLg's modes of action consists of collecting citizen's investment to purchase farms and make them accessible to farmers through long-term leases.

Learn more at: www.delandgenoten.be

ACCESS TO LAND NETWORK

The Access to land network brings together grassroots organisations from across Europe to share experiences and promote the significance of access to land for agroecological transition and generational renewal. Established in 2012, it functions as an informal network of about 15 organisations.

Learn more at: www.accesstoland.eu



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CONTACT

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Learn more at : ruralization.eu

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