

Description for the general public

Sustainable development of agriculture, which undoubtedly helps ensuring food and nutrition security (FNS), consists in including smallholder farms into market processes. These challenges are becoming global. The problem is to enable small holdings and micro-sized businesses to increasingly satisfy the evolving domestic and global demand and to compete for local markets with global corporations which are incessantly developing supranational commercial chains (supermarket revolution). With such competitors, smallholder farms are very often doomed to fail, becoming a source of growing social problems and poverty enclaves, which will be subject to economic vegetation. Proposed project intends to find solutions to this problem.

The main objective of the project is to identify market determinants – local and regional, and agricultural policy tools which increase the level of FNS and sustainability (economic, social, environmental) in smallholder and family farms. Seeking advantages of traditional food production enable small farms to actively participate in FNS and is a premise for building a model of sustainable agriculture and multifunctional development of rural areas.

2014 was designated the International Year of Family Farming at the 66th session of the United Nations General Assembly. Led by the Food and Agriculture Organization (FAO), it has the objective of raising the profile of family farming by focusing world attention on its role in alleviating hunger and poverty, providing food security and improving livelihoods, while protecting the environment and biodiversity. There is no universally accepted or consistently used definition of either small farms. If one considers small farm as a holding which sells less than 50% of the agricultural output and consumes the remainder within the farm household, then there are over 6 million of such units in the EU-28. Almost 90% of these small farms is located in the new Member States - over 60% in Romania, about 10% in each of Hungary and Poland, and over 100,000 in each of Bulgaria and Lithuania, but 9% in Italy. Rural areas in mentioned countries are hardly comparable to Western Europe farming. For that reason a sine qua non condition for the research is to be of primary nature. Obtained results are then to be aggregated to regional and national level, tailoring solutions for different regions of Europe. As a matter of fact, it is the smallholder farms and micro-sized businesses which have greater potential for sustainable development not only in economic, but also in social and environmental aspect. These farms are able to achieve balance between three aspects of sustainability – the so called “right balance”. The problem of including small structures in achieving sustainable FNS and facing market competition is global, but it has its roots in the countries of Eastern Europe, whose agricultural traditions date many centuries back, but which have undergone a historical test of political transformation from socialist to market economy. In one decade (years 1989-2000), millions of small holdings (over 2 million in Poland only) had to find their feet in a new market reality, where international corporations were starting to aggressively take control over food supply chains. Many of them have not managed to do it and the project tends to find systemic solutions of above mentioned problems. East-Central Europe and Poland especially can be therefore dubbed an experimental site for agricultural economics.