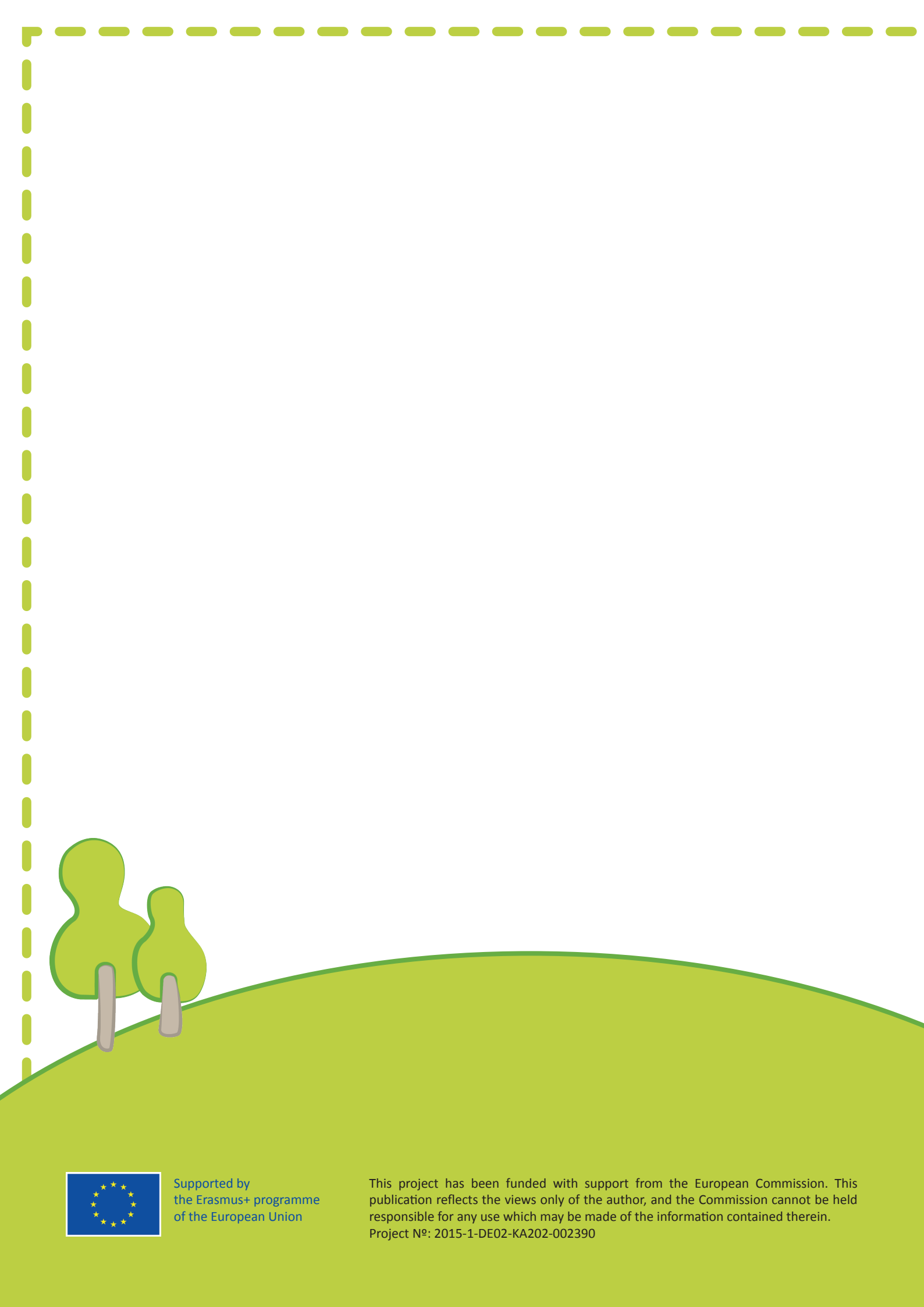


Farm-Success

training farmers for sustainable succession processes



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1. Background

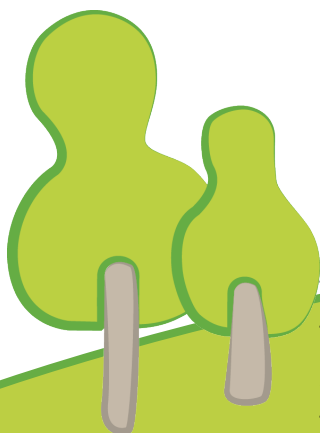
1.1. Introduction to succession process in family farms

Family farms represent an important resource throughout Europe that help reduce unemployment rates, tackle demographic challenges of European farming and maintain and improve the social, economic and cultural sustainability of rural areas.

A family farm in this project is one that is owned by members of the same family to shape and/or pursue the formal or implicit vision of the farm (Venter, Boshoff & Maas, 2005). A key factor in family farming is the succession process. The intention of family members to hand the farm over to the next generation is essential for the continuation of the farm. Succession should not be seen as an event but as a carefully planned process that takes place over time (Kirby & Lee, 1996).

The members of the family farm begin the succession process with the preparation followed by the succession planning which leads to a succession concept. The last step is the formal handing over of the farm. The following graph illustrates the succession process:

In 2010, 97% of all the farms in the EU-27 were family farms. Only 16% of total agricultural labor is done by non-family workers. At the same time agriculture in Europe faces a demographic challenge. In 2007, 55.5% of farmers were over 55 years old. Only 6.3% were younger than 35 years old (EC, Directorate-General for Agriculture and Rural development, 12/2013).



According to the “consultation on the role of family farming, key challenges and priorities for the future” carried out by the Directorate-General for Agriculture and Rural development in 2013, 85% of respondents considered “ageing” and “succession” the main societal challenge of family farming. Succession within family farms is a challenge and a chance at the same time. There is high potential for conflict and risk to lose important time for development of the enterprise. The risk to lose time correlates with the risk to lose impulsion of people involved in the succession process. It is important to encourage long term entrepreneurial thinking. Economic goals should be combined with the personal plans for the future.

The *Farm-Success* Project develops strategies to train farmers for a sustainable succession process, to enable and to motivate young farmers to continue the family business of their parents.

1.2. Aim of the project

The project aims to provide young farmers with the tools and knowledge needed for succession processes in family farms. Through the presentation and exchange of successful experiences of skilled and motivated young farmers in continuing their family business, Farm-Success aims at:

-  Develop innovative concepts and patterns for succession.
-  Provide support in the succession decision making process.
-  Improve the economic and personal situation of young farmers.
-  Improve the demographic situation in agriculture and rural areas.
-  Promoting access to and learning through OER (Open Educational Resources).
-  Promoting OER in different languages (English, German, Spanish, Italian, Slovenian, Czech and French).
-  Supporting digital integration in learning to reach audiences of disadvantaged backgrounds.
-  Promoting the flexibility of educational formats and pathways.
-  Fostering learning opportunities for people in disadvantaged situations.
-  Using educational methodologies that may be adapted to the learners' heterogeneous conditions.



1.3. Partners

The following countries are included. They are represented by these partners:

Germany

Technische
Universität
München



The Technical University of Munich (TUM) is a research university with campuses in Munich, Garching and Freising-Weihenstephan. The part of the TUM involved in this project is the TUM School of Life Sciences Weihenstephan and especially the chair Economics of Horticulture and Landscaping. The chair analyzes questions of management tasks and economic choices within horticulture, landscaping, and the broader frame of agriculture and societal institutions.

**HOF UND
LEBEN**

Hof und Leben GmbH: The idea of Hof und Leben is long term professional consulting and exchange for family run enterprises in agriculture linking economic and social aspects. Hof und Leben GmbH (HuL) was established in 2009. HuL is an independent private consultancy.

Spain



COAG-Jaén: The Union of Farmers and Ranchers of JAEN (COAG-Jaén), was established as an agrarian, democratic, independent, professional and non-profit organization. COAG Jaén has legal personality, whose main objective is the protection and promotion of economic, social and professional interests of its farmers and ranchers.



OnProjects: OnProjects offers a comprehensive consultancy service in project management. OnProjects was born as an idea of Iacopo Benedetti. He is also the representative of OnProjects for the farm success project.

Czech Republic



Asociace
soukromého
zemědělství ČR

Asociace soukromého zemědělství České republiky: APF CR is a voluntary professional organization of private farmers in the Czech Republic. It was founded in 1998 and represents and supports mainly the interests of family farmers. APF CR has 41 regional organizations with a total of 6500 members.

Italy



Agricoltura é vita: Agricoltura è Vita is an association promoted by Confederazione Italiana Agricoltori (CIA) for training, advice and research in agriculture. It was established in May 2007. Agricoltura è Vita is based in Rome on national level and has several training centers in all regions of Italy.

Slovenia



Biotehniški center Naklo: The Biotechnical Centre Nalko was founded in 1907 as a dairy school. After 1926 it was specialized as an agricultural school and in 2007 it became Biotechnical Centre Nalko. The Biotechnical Centre Nalko has different units: a Biotechnical Grammar School, a VET Secondary School, a Vocational College, a Research Unit and an Inter-Enterprise educational centre.

Belgium



CEJA is a European not-for-profit non-governmental organization dedicated to the field of young and activities that support the implementation of the fields of action of the EU Youth Strategy. CEJA operates through a formally-recognized structure composed of 31 national organizations from 24 EU Member States. The CEJA secretariat is located in Brussels and oversees all administration activities, organization of events and management of membership. CEJA empowers young people in agriculture and fosters their participation in EU-level decision-making processes by providing them with a platform to discuss, debate and influence policy issues affecting rural youth at European, national, and local levels.

2. National data of countries involved

2.1. EU

There are more than 12 million farms (holdings) across the EU (full-time farms) (2010) covering 172 million hectares of agricultural land. Most sources suggest that around 10 million people are employed in agriculture, which represents 5% of total employment. The average size of a European farm is 14.6 hectares. Corporate farms are generally bigger accounting for 26% of agricultural area. Family farms cover around 69% and group holdings 5%. On

average, corporate farms (152ha / holding) are about 15 times bigger than family farms (10ha / holding).

Family farms (where the holding is held by a single natural person) account for almost 97% of the farms in the EU. Since 2005, the proportion of family farms has declined very slightly by 0.73%. This has corresponded to increases in group holdings and corporate farms.

In general, the agricultural labor force is older than the rest of the economy. In 2010, 33% of the agricultural labor force was younger than 40 years (compared

to 44% of total employment), 57% was between 40 and 65 years (compared to 54% of total employment) and 10% was aged 65 years and more (compared to 2% of total employment). 6.5% of farmers in the EU are under 35 years of age. In general, older farmers tend to manage smaller farms, while the biggest farms are managed by middle-aged farmers.

Many older farmers work on their holdings beyond the normal retirement age, either out of economic necessity or choice, before the land is transferred to the next generation or sold. This makes it increasingly difficult for young new entrants. In European family farms, it is rare that a farmer is prepared to relinquish the ownership of his farm to the next generation before

his/her 50s. However, the retirement and succession decisions of family farmers can depend on many factors including: Personal preferences for retirement for example according to age, the availability of a suitable and willing successor and optimal timing from the point of view of the successor.

2.2. GERMANY



In Germany, in over 580 000 small and medium sized enterprises (SMEs) the succession is generally pending until 2017. That means 16% of all SMEs and about 4 million employees are affected. Up to 2017 the succession planning in German SMEs shows that 9% of the SMEs have already planned their family succession, 7% of the SMEs planned the succession with a non-family successor, 35% of the SMEs have plans for a later point in time and 49% have no plans at all. The succession in SMEs in the agricultural sector shows that from 2015 to 2017 over 3.400 SMEs in the agricultural sector are affected. 57% of the farmers favor succession within the family and 1.800 successions in the agricultural sector are planned within this period.

2.3. SPAIN



Jaén is a province of southern Spain, in the eastern part of Andalusia with a population of 656.093. Agriculture plays a huge role in the economy of Jaén, olive growing and oil production are the main parts of the agricultural industry. Jaén is one of the largest producers of olive oil in the world. About 20 % of the population is related to the agricultural sector that means about 110.000 people. The average age of the farmers in Jaén is 55 years. One of the main problems of the agriculture in Jaén is the lack of training and professionalization. According to the agricultural census, more than 2.7 million persons are located on about 3.500 farms. The agriculture represents an opportunity for young people but it is one of the most disadvantaged sectors. The low proportion of young people in front of farms supposes a serious threat to viability of the farms in the future. The farms have structural and social lacks which should be faced by younger generations, for example innovation, diversification, technology, management techniques and product promotion. The high rate of youth unemployment (57%) and the lack of alternative employment in rural areas and growth potential of the Spanish food industry have meant an increase of 79% of applications for inclusion of youth in the agricultural sector. The agricultural sector needs regulation, stabilization and direct payments. The production should be increased and the exporting sector should be improved. The entry barriers for new farmers or successors, the production and the profitability are factors of uncertainty, which should be clarified.

2.4. ოსტრია



In Italy 1.620.884 farms are located with an average size of 7.9 hectares. The total agricultural area contains of 12.856.048 ha of which 54.5% are arable crop, 26.7% meadows and pastures, 18.5% permanent crops and 0.2% horticulture. About 262.000 farms (16.2% of the total farms) have at least one active person and more than 200 work days per year. There are also 18.000 farms with corporate management. 95.4% of all Italian farms are family farms. In total there are 3.964.191 family members, but only 49.7% of them work at their own farm. The average age of Italian farmers is relatively high. 161.716 farmers are under 40 years (9.9% of the total), 461.922 farmers are between 40 and 54 (28.49% of the total), 997.246 farmers are over 54 years old (61.52% of the total). 271.000 farmers are over 75 years old (16.7% of the total).

From 2000 to 2010 the number of farms in Italy decreased from 2.396.274 to 1.620.884, which results in a decrease of 34.2%. The highest decrease of 38.3% was in the group with an age between 30 and 39 years. Considering all farmers, 375 of 1.000 farmers left the sector, replaced by just 77 entries. The data clearly indicates the issue of generational change. A survey about “Potential family succession in agriculture in Italy” from 2011 states that 30% of the children of farmers intent to take over the family business. If the manager of the farm is at least 55 years old and has at least one child between 18 and 39 years, 59 out of 100 show interest in taking over the farm. There are no further studies about succession. The data has to be investigated.

2.5. ცუხეთი რეპუბლიკი



There are 26.246 farms with an average size of 133 hectares in the Czech Republic. The size of the agricultural land is about 3.491.818 hectares. From which 2.488.966 hectares are arable land, 960.076 hectares are permanent Greenland, 21.011 hectares are orchards, 14.852 hectares are vineyards, 5.155 hectares are hops and 195 hectares are vegetable gardens. Today, in the Czech Republic 181.756 people are working in agriculture, which is 18% less than 2010. The number of full time workers is 105.916, which equates to 1% of the Czech population. Since the 90s the number of working people in the agriculture is decreasing.

The age of the farmers in the Czech Republic: 6% are under 24 years, 13% are between 25 and 35 years, 21% are between 35 and 44 years, 25% are between 45 and 54 years, 26% are between 55 and 64 years and 9% are 65 or older.

The main challenges of the succession process in family farms are: firstly the high administrative and legal burden, secondly the lack of support of young farmers from the state and thirdly the interest of young people. There are projects to foster succession, for example the APF CR published a brochure about succession and they pushed the repeal of tax

for a succession . Today, most of the family farms already have their successors. The interest in continuation of the family farm business is slowly growing in the young generation. That is because of a better image of this type of rural business.

2.5. SLOVENIJA

Slovenia's utilized agricultural area represents less than a quarter of the total area (total area 20.273 km²). It has less than 0.1 hectare of arable land per capita. Cattle breeding and milk production are the most important agricultural activities, which both together represent 58% of the agricultural production value in Slovenia. There are 72.377 agricultural farms with an average size of 6.6 hectares in Slovenia. Only 2% of all agricultural farms in Slovenia have more than 30 hectares. Less than 20% of the Slovenian farmers are full time farmers. 94% of the agricultural area is farmed by family farms. 44% of the total labor input in a farm is the work of the farm manager and the other 46% is the work of other family members. Only 9% of the managers of farms in Slovenia have two or more years of education in agriculture.

The age of the farmers in Slovenia (2013): 4.8% are under 35 years, 14.4% are between 35 and 44 years, 26.4% are between 45 and 54 years, 29.1% are between 55 and 64 years, 25.3% are 65 years or older.

In the succession process in Slovenia 18.1% of the farmers already found a successor, 38.6% have a potential successor who has not yet agreed to the succession and 43.3% have not yet identified a successor for their farm. There are several factors affecting the succession. Firstly, socio-geographic factors: that means e.g. the location of the farm and the perception about the remoteness of the farm. Secondly, the demographical structure of the farm: these are e.g. the number of persons living on the farm, the farmer's and successor's age, gender and education, the number of male children, etcetera. Thirdly, the factors of the farm estate structure: e.g. farm size and leasing of the agricultural land. And last, the factors of the production structure of the farm: marketing of the stockbreeding production, the intensity of stockbreeding, annual gross income derived from farm sources, etcetera.

3. Data Collection

The data is based on an interview, open questions and a questionnaire. The questionnaire contains 18 questions. 16 of these questions should have been ranked in a Likert-Scale.

Experts were asked to describe the succession process and situation within family farms in their country according to their point of view.

The information gathered through the interviews and questionnaires are used for the further process of the project. They will be used as a basis for the creation of the training tools for the successors. Possible problems in the succession process could be identified and included in the further examination of the succession process.

4. Results of interviews with experts

The evaluation contains 34 participants (Germany: 7 Spain: 6, Italy: 5, Czech Republic: 5, Slovenia: 11).

Most of the interviewees are consultants who attended many succession processes at different family farms. The others are farmers themselves and are currently undergoing the succession process or have already completed the process.

4.1. Analysis of Germany

4.1.1. Questionnaire

		strongly agree ++	agree +	neutral 0	disagree -	strongly disagree --
	<i>Please mark the degree of your agreement:</i>					
1	Overall the succession processes I'm involved in are successfully completed.	1	3	2		
2	After the completed succession process, in the majority of the cases the predecessors are largely satisfied.	1	6			
3	After the completed succession process, in the majority of the cases the successors are largely satisfied.	1	3	3		
4	After the completed succession process, in the majority of the cases the rest of the family is largely satisfied.	2	2	3		

		very important ++	important +	neutral 0	less important -	totally unimportant --	
<i>Please rate the importance of the following factors:</i>							
5	Communication among the stakeholders	6	1				
6	Setting a binding time schedule		6	1			
7	Description of the steps to be taken according to the schedule	1	6				
8	Existence of a clear picture of the farms future strategy	3	4				
9	Existence of a solution to compensate siblings for giving up inheritance	3	4				
<i>Give your assessment of the importance of possible obstacles:</i>							
10	Financial issues		7				
11	Administration		3	4			
12	Personal reasons	5	2				
<i>Other possible obstacles in your experience:</i>							
	Working time / missing free time		1				
	Missing confidence	1					
	Missing qualification		1				
	Overestimation of the own potential		1				
<i>Please rate the importance of different skills/ qualifications:</i>							
13	Communication	7					
14	Entrepreneurial exchange		7				
15	Understanding of sustainable entrepreneurship	2	4	1			
16	Technical skills		4	3			
<i>Other possible obstacles in your experience:</i>							
	Social competence	1					
		Owner	Owner and spouse	Predecessor and Successor	All parties involved	Other	
17	According to your experience, who is/are the decision-maker/s?	1	4	4	1		
		2-3 years	3 years	4 years	5 years	5 – 10 years	10 years
18	From first talks to the final realization, how long does the succession process take in your experience?	1	2	1	1	1	1

4.1.2. Summary

The participants of the survey state the opinion that most of the time all family members are happy with the succession at first but after a while some problems can arise (e.g. because of illness, death, etc.).

It often takes too long for the successor to get „in power“. The tendency is to wait for a happy end. But this waiting goes along with demotivation. According to the participants this is a big issue in the succession process.

Also communication is a big issue during the succession process. An open discussion and the clarification of wishes and capacities of the stakeholders would accelerate and improve the process. Furthermore the participants state that farmers should speak early about the topic, but this does not really happen. Succession processes with conflicts are 90% due to communication problems: missing transparency, missing openness, highly differing unspoken wishes, questions and fears.

According to the interviewees it is also important to set milestones: Opinion forming, gathering of information, preparation of contracts, succession charta, phase of real implementation that is following the documents and contracts

Financial problems tend to hide the real problems or conflicts that are avoiding the succession. Before the succession process it is important to pay out the siblings and to take care for this financial effort in advance.

4.2. Analysis of Spain

4.2.1. Questionnaire

		strongly agree ++	agree +	neutral 0	disagree -	strongly disagree --
	<i>Please mark the degree of your agreement:</i>					
1	Overall the succession processes I'm involved in are successfully completed.		4	2		
2	After the completed succession process, in the majority of the cases the predecessors are largely satisfied.		2	2	2	
3	After the completed succession process, in the majority of the cases the successors are largely satisfied.		1	1	4	
4	After the completed succession process, in the majority of the cases the rest of the family is largely satisfied.		2	3	1	
		very important ++	important +	neutral 0	less important -	totally unimportant --
	<i>Please rate the importance of the following factors:</i>					
5	Communication among the stakeholders	4	2			
6	Setting a binding time schedule	1	1	3	1	
7	Description of the steps to be taken according to the schedule	2	1	3		

		very important ++	important +	neutral 0	less important -	totally unimportant --
	<i>Please rate the importance of the following factors:</i>					
8	Existence of a clear picture of the farms future strategy	3	3			
9	Existence of a solution to compensate siblings for giving up inheritance	1	5			
	<i>Give your assessment of the importance of possible obstacles:</i>					
10	Financial issues	6				
11	Administration	3	3			
12	Personal reasons		4	1	1	
	<i>Other possible obstacles in your experience:</i>					
	<i>Please rate the importance of different skills/ qualifications:</i>					
13	Communication	1	5			
14	Entrepreneurial exchange	2	4			
15	Understanding of sustainable entrepreneurship		3	2	1	
16	Technical skills	5	1			
	<i>Other possible obstacles in your experience:</i>					
		Owner	Owner and spouse	Predecessor and Successor	All parties involved	Other
17	According to your experience, who is/are the decision-maker/s?		1	4	1	
18	From first talks to the final realization, how long does the succession process take in your experience?	Average of 2,6 years.				

4.2.2. Summary

The participants of the survey made the experience that communication amongst the family members is a very important topic. All family members should be included in the process and there should be a family agreement, otherwise problems could arise.

The persons involved should be aware of the bureaucratic work, the documentation and the search for information they have to do. The financial factors of the farm should be kept in mind during the whole succession process. There could be special costs of the process e.g. the notary, taxes etc.

The participants think that EU guidelines could be helpful for the succession process.

The duration of the succession process depends on the agreement of the family members. If all persons involved agree, the succession process usually doesn't take long, typically a few months. If there are some issues however, it can take up to a few years.

4.3. Analysis of Italy

4.3.1. Questionnaire

		strongly agree ++	agree +	neutral 0	disagree -	strongly disagree --
<i>Please mark the degree of your agreement:</i>						
1	Overall the succession processes I'm involved in are successfully completed.	5				
2	After the completed succession process, in the majority of the cases the predecessors are largely satisfied.	4				
3	After the completed succession process, in the majority of the cases the successors are largely satisfied.	4				
4	After the completed succession process, in the majority of the cases the rest of the family is largely satisfied.	3	1			
<i>Please rate the importance of the following factors:</i>						
		very important ++	important +	neutral 0	less important -	totally unimportant --
5	Communication among the stakeholders	5				
6	Setting a binding time schedule		5			
7	Description of the steps to be taken according to the schedule	1	4			
8	Existence of a clear picture of the farms future strategy	1	4			
9	Existence of a solution to compensate siblings for giving up inheritance	1	4			
<i>Give your assessment of the importance of possible obstacles:</i>						
10	Financial issues	5				
11	Administration	5				
12	Personal reasons		5			
<i>Other possible obstacles in your experience:</i>						
	Italian legislation leaves too much room for interpretation		1			
<i>Please rate the importance of different skills/ qualifications:</i>						
13	Communication	5				
14	Entrepreneurial exchange	1	4			
15	Understanding of sustainable entrepreneurship		5			
16	Technical skills	2	3			
<i>Other possible obstacles in your experience:</i>						
		Owner	Owner and spouse	Predecessor and Successor	All parties involved	Other
17	According to your experience, who is/are the decision-maker/s?		1	4		

18. From first talks to the final realization, how long does the succession process take in your experience?

All the respondents have indicated a short period between 2-3 and 6 months but all of them say also, in case of conflicts, due to compensation of heirs or other issues, the succession process can take even 4-5 years.

4.3.2. Summary

The five interviews highlight the importance of a professional and fair approach to the succession process, with specific competencies in the field of laws, bureaucratic procedures, skills in data comprehension and know-how of mechanisms regulating the farm succession, software skills and practical contacts with different bodies.

Also soft skills, such as, professional and friendly approach towards all the stakeholders, with specific care of the successor have been considered very important.

Customer satisfaction is estimated highly important, to have good feedback and evaluation from clients. This goal is even more necessary for a service involving a farmers' confederation, since information and communication are normal vehicles of good or bad evaluation of the services provided to a person or company.

4.4. Analysis of Czech Republic

4.4.1. Questionnaire

		strongly agree ++	agree +	neutral 0	disagree -	strongly disagree --
<i>Please mark the degree of your agreement:</i>						
1	Overall the succession processes I'm involved in are successfully completed.	1	2			
2	After the completed succession process, in the majority of the cases the predecessors are largely satisfied.	2	2	1		
3	After the completed succession process, in the majority of the cases the successors are largely satisfied.	2	2	1		
4	After the completed succession process, in the majority of the cases the rest of the family is largely satisfied.	1	2	2		
		very important ++	important +	neutral 0	less important -	totally unimportant --
<i>Please rate the importance of the following factors:</i>						
5	Communication among the stakeholders	4	1			
6	Setting a binding time schedule	3	1	1		
7	Description of the steps to be taken according to the schedule	2	2	1		
8	Existence of a clear picture of the farms future strategy	2	1		2	

		very important ++	important +	neutral 0	less important -	totally unimportant --
	<i>Please rate the importance of the following factors:</i>					
9	Existence of a solution to compensate siblings for giving up inheritance	4	1			
	<i>Give your assessment of the importance of possible obstacles:</i>					
10	Financial issues	1	2		1	
11	Administration	3	2			
12	Personal reasons					
	<i>Other possible obstacles in your experience:</i>					
	Explained in the report e.g. taxes	1				
	<i>Please rate the importance of different skills/ qualifications:</i>					
13	Communication	3	2			
14	Entrepreneurial exchange					
15	Understanding of sustainable entrepreneurship	3	2			
16	Technical skills	1	2		1	
	<i>Other possible obstacles in your experience:</i>					
	Management skills and other (in the report), IT skills	2				
		Owner	Owner and spouse	Predecessor and Successor	All parties involved	Other
17	According to your experience, who is/are the decision-maker/s?	3		1	2	
		2 years	2-3 years	3-10 years	up to 5 years	up to 5 years
18	From first talks to the final realization, how long does the succession process take in your experience?	1	1	1	1	1*

1 this more ideal time, how long it should take from their point of view*

4.4.2. Summary

The participants and all other parties involved in the succession process are satisfied with the process. All of them point out, that communication amongst family members is important. Furthermore, if there are siblings they should get a fair compensation. Some of them mention the time schedule for the succession process as a very helpful and necessary tool for support. There is however no necessity for a strict schedule, instead it should be used as a guideline.

During the succession there can be some issues. One possible problem could be taxes, which have to be payed and which are very high according to the information from the participants. Another problem could be highly increased bureaucracy at the beginning of the handover.

Some of the participants would appreciate better support from the EU or their own government during the succession process. This support could be in a financial way or by providing useful and detailed information for free.

4.5. Analysis of Slovenia

4.5.1. Questionnaire

		strongly agree ++	agree +	neutral 0	disagree -	strongly disagree --
<i>Please mark the degree of your agreement:</i>						
1	Overall the succession processes I'm involved in are successfully completed.	4	6	1		
2	After the completed succession process, in the majority of the cases the predecessors are largely satisfied.	3	7	1		
3	After the completed succession process, in the majority of the cases the successors are largely satisfied.	3	8			
4	After the completed succession process, in the majority of the cases the rest of the family is largely satisfied.	2	5	4		
		very important ++	important +	neutral 0	less important -	totally unimportant --
<i>Please rate the importance of the following factors:</i>						
5	Communication among the stakeholders	6	4	1		
6	Setting a binding time schedule		4	5	2	
7	Description of the steps to be taken according to the schedule		4	2		
8	Existence of a clear picture of the farms future strategy	4	4	3		
9	Existence of a solution to compensate siblings for giving up inheritance	6	5			
<i>Give your assessment of the importance of possible obstacles:</i>						
10	Financial issues	3	3	4	1	
11	Administration		2	6	3	
12	Personal reasons	3	4	1		3
<i>Other possible obstacles in your experience:</i>						
<i>Please rate the importance of different skills/ qualifications:</i>						
13	Communication	7	4			
14	Entrepreneurial exchange	1	2	5	1	2
15	Understanding of sustainable entrepreneurship	5	1	1	4	
16	Technical skills	1	5	4	1	
<i>Other possible obstacles in your experience:</i>						

		Owner	Owner and spouse	Predecessor and Successor	All parties involved	Other
17	According to your experience, who is/are the decision-maker/s?	6	1	1	3	
18	From first talks to the final realization, how long does the succession process take in your experience?	4 years.				

4.5.2. Summary

The interviewees highlight that communication amongst all stakeholders is very important. In line with that an agreement with all family members is also necessary to get a successful succession process done. Also a binding time schedule is considered as very important.

According to the participants the successors should bear in mind that social beneficiaries could be lost e.g. subsidies for the kindergarten. And furthermore there could be problems with the property rights which need to be solved.

4.6. Analysis of all countries

4.6.1. Questionnaire

		strongly agree ++	agree +	neutral 0	disagree -	strongly disagree --
<i>Please mark the degree of your agreement:</i>						
1	Overall the succession processes I'm involved in are successfully completed.	11	15	4		
2	After the completed succession process, in the majority of the cases the predecessors are largely satisfied.	10	17	4	2	
3	After the completed succession process, in the majority of the cases the successors are largely satisfied.	10	14	5	4	
4	After the completed succession process, in the majority of the cases the rest of the family is largely satisfied.	8	12	12	1	
		very important ++	important +	neutral 0	less important -	totally unimportant --
<i>Please rate the importance of the following factors:</i>						
5	Communication among the stakeholders	25	8	1		
6	Setting a binding time schedule	4	17	10	3	
7	Description of the steps to be taken according to the schedule	6	17	6		
8	Existence of a clear picture of the farms future strategy	13	16	3	2	
9	Existence of a solution to compensate siblings for giving up inheritance	15	19			

		very important ++	important +	neutral 0	less important -	totally unimportant --
<i>Give your assessment of the importance of possible obstacles:</i>						
10	Financial issues	15	11	4	1	
11	Administration	11	10	10	3	
12	Personal reasons	7	15	2	1	3
<i>Other possible obstacles in your experience:</i>						
	Explained in the report e.g. taxes	1				
	Italian legislation leaves too much room for interpretation		1			
	Working time / missing free time		1			
	Missing confidence	1				
	Missing qualification		1			
	Overestimation of the own potential		1			
<i>Please rate the importance of different skills/ qualifications:</i>						
13	Communication	23	11			
14	Entrepreneurial exchange	4	17	5	1	2
15	Understanding of sustainable entrepreneurship	10	15	4	5	
16	Technical skills	9	15	7	2	
<i>Other possible obstacles in your experience:</i>						
	Management skills and other (in the report), IT skills	2				
	Social competence	1				
		Owner	Owner and spouse	Predecessor and Successor	All parties involved	Other
17	According to your experience, who is/are the decision-maker/s?	10	7	14	7	

18. From first talks to the final realization, how long does the succession process take in your experience?

The duration of the succession process is from 2-3 months up to 10 years. There is no clear picture as duration of succession process may have been interpreted in diverse way from country to country in the interviews.

The duration of 2 to 3 months seems to cover only the final preparation of the succession concept and administrative steps. This would apply in cases where everything is already clear from the beginning and there are no further negotiations or conflicts between the stakeholders.

The duration of 10 years seems to be very long. It could result out of a deep involvement of all stakeholders and complexity of the enterprise, or can be the result of conflicting interests and positions in this process.

4.6.2. Summary

According to all questionnaires and the open interviews the satisfaction of the succession processes is rated differently in the participating countries. In Germany, the Czech Republic and Slovenia most interviewees rate the satisfaction of the successor, the predecessor and the rest of the family from strongly agree to neutral. In Italy the persons involved in the succession process seem to be highly satisfied. In Spain it turns out to be different. Many of the successors are not satisfied with the succession process. Furthermore, some of the predecessors and the rest of the family are also not satisfied with the succession process.

Communication, a future strategy for the farm and compensation for the siblings, are considered as very important for a successful succession in all countries. A binding time schedule and the description of the steps to be taken according to the schedule are rated as important.

The financial factors are rated as very important in all countries. For example in the Czech Republic the interviewees mention that taxes which have to be paid because of the succession should be kept in mind. Administration is also a very important topic in all analyzed countries and furthermore personal reasons are considered to be important.

The entrepreneurial exchange is ranked highly in Germany, Italy and Spain. Most of the participants from Slovenia consider entrepreneurial exchange as neutral. The understanding of sustainable entrepreneurship is important for the interviewees in Germany, Italy and the Czech Republic. There is no clear picture in Spain (important to less important) and in Slovenia half of the interviewees consider it as very important and the other half as less important. All participants consider technical skills as an important factor in the succession process.

Italy and Spain mention problems with the law or the government. They also miss guidelines for the succession process. They suggest that guidelines for the succession process should be provided by the government or by the EU. This is reasonable to avoid problems with the law because the guidelines would be in line with the law and there would not be any room for interpretation.

The decisions about the succession process are in most of the cases done by the owner of the farm or by the predecessor and the successor together. The average time for the succession process is about 3 years. But there is a wide range according to the experts of the different countries. The succession process can last only months up to over 10 years.

5. Appendix

5.1. Interview guidelines for the open ended questions

To explore the knowledge of the selected experts furthermore please talk about the listed topics in addition to filling in the questionnaire. The guideline may be adapted to the eloquence and experience and the previous theoretical knowledge of the interviewer.

Open ended questions give room to the experts for unrestricted and frank answers. By means of targeted questions the interviewer is able to gather additional important information and pursue new aspects. The guideline helps the interviewer to set the focus on the vast knowledge of the interviewees. It also supports to reduce straying from the topic, sometimes a small detour is still necessary to keep up the flow of words.

To not interrupt the natural flow of the conversation by taking notes, it is strongly advised to digitally record the talk for subsequent analyses.

Obtain permission for recording! If necessary collect written consent.

1) Opening the interview

„Making small talk“

Introduction of the Interviewer and the topic / project.

Possibly a repetition from talking while making the appointment:

„Why are we meeting“; purpose, expected duration.

Explain about the recording and the use of the data generated and data protection; obtain permission for recording.

2) Start of recording

To warm up ask about:

Professional training of the Interviewee

Present occupation/ position

Expertise regarding “Succession”

3) At what stage of the Succession Process are you contacted?

Information acquisition

Selection of alternatives

Decision-maker is at a „Dead end“

Pressure from environment; e.g. bank

Confirmation of a nearly completed decision process

With respect to the forthcoming succession process, what are the expectations of your clients concerning your expertise/counseling?

5.2. Questionnaire

		strongly agree ++	agree +	neutral 0	disagree -	strongly disagree --
	<i>Please mark the degree of your agreement:</i>					
1	Overall the succession processes I'm involved in are successfully completed.					
2	After the completed succession process, in the majority of the cases the predecessors are largely satisfied.					
3	After the completed succession process, in the majority of the cases the successors are largely satisfied.					
4	After the completed succession process, in the majority of the cases the rest of the family is largely satisfied.					
		very important ++	important +	neutral 0	less important -	totally unimportant --
	<i>Please rate the importance of the following factors:</i>					
5	Communication among the stakeholders					
6	Setting a binding time schedule					
7	Description of the steps to be taken according to the schedule					
8	Existence of a clear picture of the farms future strategy					
9	Existence of a solution to compensate siblings for giving up inheritance					
	<i>Give your assessment of the importance of possible obstacles:</i>					
10	Financial issues					
11	Administration					
12	Personal reasons					
	<i>Other possible obstacles in your experience:</i>					
	<i>Please rate the importance of different skills/ qualifications:</i>					
13	Communication					
14	Entrepreneurial exchange					
15	Understanding of sustainable entrepreneurship					
16	Technical skills					
	<i>Other possible obstacles in your experience:</i>					

17. According to your experience, who is/are the decision- maker/s?


- Owner
 Owner and spouse
 Predecessor and Successor
 All parties involved
 Other _____

18. From first talks to the final realization, how long does the succession process take in your experience?

5.3. Literature and other resources about the succession process

Literature:

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-  Factors affecting farm succession: the case of Slovenia; Boštjan KERBLER; Urban Planning Institute of the Republic of Slovenia, Ljubljana, Slovenia
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-  Sottomayor, M., Tranter, R., & Costa, L. (2011). Likelihood of Succession and Farmers Attitudes towards the Future Behavior: Evidence from a Survey in Germany, United Kingdom and Portugal: International Journal of Society of Agriculture. & Food, 18 (2), 121–133.
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Internet sources:

-  FAO Family Farming: Challenges and Prospects
<http://www.fao.org/family-farming/detail/en/c/274799/>
-  Promoting Family Farming in the EU
<http://ecdpm.org/great-insights/family-farming-and-food-security/promoting-family-farming-europeanunion/>
-  A European network of grassroots organisations securing land for agroecological farming
<http://www.accesstoland.eu/>
-  Farmers' Weekly (UK Farming Newspaper)
<http://www.fwi.co.uk/business/eight-steps-for-farm-succession.html>
-  Deloitte Programme
<http://www2.deloitte.com/au/en/pages/consumer-business/articles/succession-family-farm.html>
-  Rabobank
<https://www.rabobank.com/en/about-rabobank/food-agribusiness/future-offarming/introduction/succession.html>

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www.coagjaen.es



Agricoltura è Vita
(Italy)
www.agricolturavita.it



Biotehniški Center Naklo
(Slovenia)
www.bc-naklo.si



Asociace
soukromého
zemědělství ČR

Association of Private Farming of
the Czech Republic (Czech Republic)
www.asz.cz



European Council of Young Farmers
(Belgium)
www.ceja.eu

Social Media:



@FarmSuccess_PQJ



www.facebook.com/Farm-Success-1847102912209950

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