

The main results of the mapping of family farming

In the framework of the

“Mapping and document case studies on family farming in the region of Europe and Central Asia to enhance knowledge exchange through good practices”

Introduction: definition of family farming

At European level, the Eurostat¹ defines the family farming according to the share of family labor that the farm employs, thus identifying two types of family farms: *i*) farms with exclusively family labor; *ii*) farms that have predominately family labor (at least 50 % of the regular labor force up to 99%).

The approach to the definition of family farming in relation to the countries analyzed (Italy, Portugal, Croatia, Bulgaria and Hungary) is quite different. In fact, in Croatia and Hungary in recent years there has been a legislative evolution regarding family farming. Also, in Portugal there has been a strengthening of actions in support of family farming in the last years. Italy and Bulgaria do not report a precise legislative definition of family farming.

In particular, family farming in **Croatia** is based on two legislative pillars: Law on Family Farms (Official Gazette 29/2019) and Law on Agriculture (Official Gazette 18/18).

The Law on Family Farm contains the following definition of family farm: “*Family farm is an organizational form of economic entity of a natural person farmer who independently and permanently performs an agricultural activity and related ancillary activities in order to generate income and is based on the use of own and/or leased production resources and work, knowledge and skills of family members*” (Article 5.). In addition, Law on Family farms puts family farms in the position of strategically important organizational form of farming (Art. 3.) and defines the goals of sustainable development of family farms (Art.4.).

¹ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Agriculture_statistics_-_family_farming_in_the_EU#Structural_profile_of_farms_-_analysis_of_EU_Member_States

The purpose and goals of the law are based on the need to regulate the status of family farms as business entities, that is, as a party in legal and business proceedings. In essence, until the passing of the law, family farms were natural persons registered as owners or users of resources for agricultural production and supplementary activities on the farm. The law seeks to achieve several goals, among which the following can be distinguished:

- Detailed definition of family farms, which includes defining the methods and conditions for registration in official registers, rights and obligations of the family farm and its holder, employment on the family farm, etc.,
- Simplifying the operation of family farms by reducing the number of regulations governing their activity,
- Improving the traceability of agricultural products and processing products on the farm
- Digitization of the system of records and the system of agricultural support and subsidy schemes,
- Improving the negotiating position of family farms in relation to financial and investment institutions,
- Clear division of family farms into subsistence (SFF) and commercial family farms (CFF).

In the process of drafting the law, the proponent also justified the passing of the law by improving the conditions for starting an agricultural business for young people, which should encourage them to engage in agriculture and stay in the countryside.

The Law on agriculture is an umbrella law and deals with the objectives of agricultural policy, food, environment, and rural area issues. The general definition is as follows: *“Farmer is a natural or legal person or group of natural or legal persons engaged in agricultural activity in the Republic of Croatia and includes the following organizational forms: family farm, self-sufficient agricultural holding, trade registered to perform an agricultural activity, company or cooperative registered to perform agricultural activities and other legal entity”* (Art. 3.).

In **Hungary**, before 2021 there was not any comprehensive approach on family farms or family farming. There was a general concept of family farms but only as a taxation/statistical category. A new legislative approach was introduced in Hungary regarding family farming in 2021 by the Act CXXIII. of 2020 on Family Farms.

The primary goal of the law is to give farming families the opportunity to choose the form of operation that best suits their own capacity. In addition to the concept of family farm, the law also introduces the concept of family farm company. A family farm requires the cooperation of at least two (and there isn't maximum number) close family members who are involved in agricultural activity, and the member of the family farm must contribute to the farm's activity in a coordinated form. Family farms allow a looser organization, which do not qualify as a separate legal entity, are not a form of economic company and do not have independent assets but can be considered a civil law company. Definition of a family farm company has been developed to increase the competitiveness of family farms. A family farm company is not a stand-alone, new form of operation but a qualification that can be obtained by existing companies if the owners are related and the company's main activity is agriculture.

Both family farms and family farm companies are registered by the National Chamber of Agriculture. It is not mandatory for farmers but for gaining the family farm title it is necessary. Family farm status involves a lot of benefits primary tax benefits until 20 million HUF or in the case of family farm companies up to 80 million HUF. Family farmers are also prioritized when applying for rural development subsidies. As the result of the new family farm law, the number of registered family farms almost tripled: the National Chamber of Agriculture registered 66,000 family farms in 2021.

In **Portugal**, DGADR (Direção-Geral de Agricultura e Desenvolvimento Rural)² defines family farming as “a way of organizing production activities, managing the environment, and supporting social life in rural territories based on a family farm holding” (AFAVEL(b), 2021). A family farm holding is considered in the Statute of Family Farming as a holding where family labor, measured in annual work units (AWU) – aka full-time equivalent employment, or 1920h work/year (“Orientação Técnica” 2021) – accounts for more than 50 percent of the total farm labor force (Decree-Law no.64/2018). This concept resembles the FAO definition of ‘family farm’: any farm under family management where 50% or more of the regular agricultural labor force is provided by family workers (Eurostat, 2020).

² *Estatuto da Agricultura Familiar - Orientação Técnica (PDF) -17/06/2022*. (2022) Direção-Geral de Agricultura e Desenvolvimento Rural. Revised version 10/11/2021. Accessed on 28 June 2022 from <https://www.dgadr.gov.pt/agriculturafamiliar>.

In Portugal, family farms play an important role in the economy of families and are a significant element in the well-being of rural communities. Besides their contribution to food security, they generate income and employment and have a positive effect in the social vitality of the countryside, the sustenance of rural landscapes and the preservation of biodiversity (Dinis, 2019). Nevertheless, the profile of the agricultural sector has experienced the continuing decrease in number of small holdings and a higher concentration of land. In 2016, small-sized farms (< 5 hectares) represented 73% of the total number of holdings in Portugal but occupied less than 10% of the Utilized Agricultural Area (UAA), much higher than the EU mean percentage (66%). Farms over 50 hectares – representing only 4% of the total number of farms – occupied over two-thirds of the national UAA (68%), a slightly lower mean value than in the EU: 69% (INE 2021:150)³.

With the UN Declaration of the International Year of Family Farming in 2014, Family Farming was situated in the Portuguese policy arena for its relevance in rural development and territorial cohesion, especially for promoting sustainable food systems, to mitigate climate change effects, and to revitalize rural regions. The Directorate-General for Agriculture and Rural Development (DGADR), within the Ministry of Agriculture, was assigned as the governmental body to accompany in the last decade an array of public and civil society efforts to strengthen FF in Portugal, with the support of the National Rural Network (*Rede Rural Nacional*), various local development associations (e.g., ANIMAR, Minha Terra, etc.), producers' groups, non-for-profit organizations, and research units. Efforts emerged from the widely recognized need to adapt the EU Common Agricultural Policy (CAP) to positively discriminate family farms and heighten their relevance for smart, sustainable, and inclusive growth, in line with the European project. Moreover, following the momentum towards the strengthening of the position of family farming worldwide, there was an urgency to address the increased decimation of numbers in the population of family farms in the country⁴ (INE 2021:140).

The creation of the Statute of Family Farming in 2018 (Decree-Law no. 64/2018) marked a milestone in this direction, which derived from the collective action of a consultative Working Group for the Statute of Family Farming with the task to propose a series of recommendations and draft the Statute (Order no. 8078/2017) plus the input by other

³ It is worth noting that historically, family farming has been identified with subsistence-oriented smallholdings (*minifundio*) in opposition to large-scale farming relying on wage labour (*latifundio*). Although this discrepancy is less clear-cut nowadays, as different types of farming exist in praxis, family farming is associated with small area and small economic size, and the terms 'family farm' and 'small farm' were used interchangeably within the Portuguese Rural Development Programme (PDR) 2020 that corresponded to the period 2014-2020 (Dinis, 2019:4,8). According to this author, family farming in the Portuguese political discourse lacks a rigorous definition.

⁴ According to Dinis (2019), farm households with no 'other gainful activities' or pensions decreased from 11.5 percent of the total number of family farms in 1989 to 5.8 percent in 2016, pg.5.

governmental elements. Once created, the DGADR and the newly formed National Committee on Family Farming (CNAF) were designed as the legal bodies responsible for overseeing the Statute's recognition process. In addition, negotiations with the European Commission over the "Strategic Plan for the Portuguese Agriculture" (PEPAC) in 2021, by the GPP (Planning and Policy Department of the Ministry of Agriculture), highlighted the importance of "family farming" and "vulnerable territories", including the preservation of nature, landscape qualification, the economy, and territorial cohesion (AFAVEL(a) 2021:18). Nevertheless, no significant changes in policy instruments have been introduced yet.

In Italy and Bulgaria, there are no legally accepted definitions of family farms.

In Italy, agriculture and fishing legislations in Italy are subject to a multi-level legislative framework as they are not exclusively related to the State laws but also to the residual legislative power of the Italian Regions. Neither the national nor the regional legislation have provided a clear definition of family farming (FF). The Civil Code (Art. 230-bis)⁵ defines "family businesses" as the ones in which family members collaborate⁶. However, family businesses do not necessarily coincide with small businesses and refer also to non-agricultural businesses. On the other hand, the definition of "*direct farmer*" (i.e., *coltivatore diretto*) (Art. 2083)⁷ closely overlaps with the United Nations definition of FF (FAO-IFAD, 2019). The "*direct farmer*" is in fact a small agricultural entrepreneur who carries out his/her professional activity mainly relying on his/her own work and on that of the family members⁸. National and regional legislation provides support measures specifically targeted to single *direct farmers* or *direct farmers'* associations.

In Bulgaria, family farming plays a crucial role in the country, especially in rural areas.⁹ The Agricultural Census in Bulgaria is based on the European Union methodology.¹⁰ Based on the Agricultural Census, Eurostat presents statistics for family farming using data from the latest Survey on the structure of agricultural holdings (Farm Structure Survey

⁵ Civil Code, Regio Decreto 16 marzo 1942, Art. 230-bis. Accessible at: <https://www.altalex.com/documents/codici-altalex/2015/01/02/codice-civilehttps://www.altalex.com/documents/codici-altalex/2015/01/02/codice-civile> (last accessed 05.05.2022).

⁶ Family businesses are defined as the ones "in which the spouse, relatives within the third degree, relatives within the second collaborate" (Civil code, Art. 230-bis).

⁷ Civil Code, Regio Decreto 16 marzo 1942, Art. 2083.

⁸ According to Art. 6 of the Legislative Decree 203/82 "direct farmers" are those who cultivate the land with their own work and that of their family, provided that this workforce constitutes at least one third of that necessary for the normal needs of cultivation of the land.

⁹ Nikolova, M. "Opportunities and challenges in the sale of agricultural products from small and family farms in Bulgaria." *Trakia Journal of Sciences* 18. Suppl 1 (2020): 549-559.

¹⁰ [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Farm_structure_survey_\(FSS\)](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Farm_structure_survey_(FSS))

– FSS)¹¹. This survey applies the FAO's definition of family farming as "... an agricultural holding which is managed and operated by a household and where farm labor is largely supplied by that household".¹² Although in Bulgaria there is no official definition of family farming, the country has developed and is implementing a special "Thematic subprogram for the development of small farms" where the small farm holding is clearly defined. According to that program, small farms are family businesses. The employment in such holdings is more than 99% provided by members of the owner's family. The thematic subprogram for the development of small farms in Bulgaria, targets holdings with economic size between €2,000 and €7,999 standard output (SO) and size of the utilized agricultural area (UAA) below 10 ha.¹³

1- Characteristics of family farming

Family farming has historically been the main type of farming in some countries in Europe (especially in southern European countries), over time, its role in the economy and society has deeply changed because of the profound transformations that have affected the economy and agriculture as well as the role of the family, albeit in different ways, also in relation to the different types and locations of rural areas.

Following the European definition (see above), in **Italy** 96% of the 1,146,000 farms in 2016 could be classified as family farms, with 93% under the definition *i*) (farms with exclusively family labor) and the 3% under the definition *ii*) farms that have predominately family labor (at least 50 % of the regular labor force up to 99%) (Farm Structure Survey, 2016)¹⁴. This farm structure is largely due to geographical reasons, more than half of the Italian municipalities are in inner areas, with 30% of them located in "inner mountains" and 32% in "inner hills". Only 26.6% of the municipalities are in plain regions. In these contexts, lands are highly fragmented and almost exclusively managed at the family level.

Italian family farms manage 83% of the total Utilized Agricultural Area (UAA) with 75% of it entirely managed by farms with only family labor. Although family farming represents the large majority of farms in Italy, they produce only 74% of the standard output of the country with 62% of that percentage belonging to family farming with only family labor. This is

¹¹ [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Farm_structure_survey_\(FSS\)](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Farm_structure_survey_(FSS))

¹² https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Agriculture_statistics_-_family_farming_in_the_EU

¹³ <https://www.dfz.bg/en/Rural-development-areas-program/measures/>

¹⁴ Since 1990, Eurostat has been collecting data on the structure of agricultural holdings in the EU, mainly relying on agricultural census (every 10 years) and sample surveys. In the 2016 Farm Structure survey, over 250 variables were collected from 1.7 million farms across the EU.

because family farms are relatively smaller than other farms and are often guided by older farmers. Particularly this latter aspect of the aging of farm holders is deemed to be relevant as it implies that those farms have a lower propensity to the adoption of innovation and a less dynamic farm management. The average size of family farming is only 10 ha, with 9 ha for family farming type *i*) and 33 ha for family farming type *ii*); while the average size of non-family farming is 47 ha, with 39 ha for farms where family workers are less than 50% and 62 ha for farms with no family labor force. Further, farm managers younger than 40 are only 7.5% of the total managers in family farming (while they are 11% in farms with no family workers) and those older than 65 are 40% (23% in other farms).

In relation to female labor - according to 2020 Agricultural Census - the share of female entrepreneurs is only 31.5%.¹⁵

Considering **Portugal**, academic debates distinguish two types of Family Farms in Portugal: a) “small family farms producing goods for consumption by the family and its proximity networks, based on the care of the land” (often known as “subsistence agriculture”, despite generally representing families with different sources of income); and b) “small and medium family farming inserted in the markets” (AFAVEL(a) 2021:21, Cordovil 2021:6). As an economic unit, family farming can be conceptually defined in Portugal by means of a) family labor; b) family as a management unit; c) size of farm holding (aka. “small-scale agriculture”) (AFAVEL(a) 2021:10). Family farm labor, made up of the producer and her/his household, contributes to more than 2/3 of agricultural work in Portugal, as argued by the same report. However, according to the agricultural census, regular and seasonal salaried agricultural labor increased 30.7% in the last 10 years to account for 28.7% of the total labor (18.8% in 2009), while agricultural services contracting (aka. hired farming services from an agricultural business, such as mechanical harvest or pruning, etc.), although representing 3.3%, increased by 159.9% compared to 2009 (INE 2021:136).

In 2016, the population of family farms in the 28 member states of the European Union totaled 18.4 million individuals, of which 575,000 resided in Portugal, corresponding to 5.6% of the national population (INE 2021:161)¹⁶. The family farm population is understood

¹⁵ www.istat.it

¹⁶ According to Dinis (2019:4), the term ‘family farming’ has also not been specified within the European context: “The European Union [...] has never defined the concept precisely, frequently using the legal status of the farm as the sole criteria to identify family farmers. In the Eurostat Farm Structure Survey, normally, the family farmer is the sole holder,

by the Portuguese agricultural statistics as “[a]ll persons who are part of the holder's household, whether or not they work on the holding, and other members of the household who do not belong to the household but take part regularly in the farm work on the holding” (“População Agrícola Familiar”, 2005). Data collected from the Annual Farm Surveys confirms that the population of Family Farms dropped from 20% of the resident population in 1989 to only 6% in 2019 and the reduction of the population of family farms had similar expression between men and women (AFAVEL(a) 2021:21). The weighting of this evolution by the resident population is argued to only accentuate the combined effect of three factors: i) the relative demographic reduction, ii) the continued link to the land by an increasing aging population, and iii) the limited economic opportunities of the active residents in the inland territories of mainland Portugal (*ibid.*).

In the EU, additionally, young farmers / young agricultural entrepreneurs (under 40 years old) represent only 10% of family farm holdings – in Portugal this age group did not exceed 3.3%. In 2016, Portugal was the EU country with the highest aging rate: 50.1% of family farm holders were 65 years of age or older (Eurostat, 2020), a value significantly much higher than the EU average (31.9%). Regarding the education level of family farms managers in Portugal, 46% only completed the first level of basic education and 53% have exclusively practical agricultural training (INE 2020:16).

In **Bulgaria** there is no official register of all agricultural holdings or family farms. According to the 2016 Farm Structure Survey (FSS), there are 190 000 family farms in the country (94% of all holdings).¹⁷ The average size of Bulgarian family holdings is approximately 5.25 hectares. For comparison, the EU-27 average size is 10.84 hectares per holding. Family farms in the country occupy 22.2 % of utilized agricultural area and produce 31.3% of the standard output. In Bulgaria 75.4% of all agricultural labor is concentrated in family farms. Both the share of young farmers and the share of older managers are higher than in the EU average. In the 27 member states of EU the farmers below 40 years of age are 9.9% and 32.3% are those above 65 years of age. In Bulgarian family farms, young farmers under 40 years of age are 12.66%, and those over 65 years of age are 35.61% of all farmers.

often (but not always) registered for statistical and policy purposes as a farmer but not constituting a legal business entity (Davidova and Thomson 2014)”.

¹⁷https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Agriculture_statistics_-_family_farming_in_the_EU

From the analysis of social, cultural and economic characteristics of family farming in Bulgaria, different models of farm family holdings can be recognized.¹⁸ They are based mainly on the research presented by Hristov, K. (2018)¹⁹ which includes theoretical foundation and statistics. Official analysis or data on family farm models is still missing.

Beluhova-Uzunova et al (2021)⁸ outlined four models of family farm holdings. In the first model of family farms, agriculture is the only source of employment and income. The second model is related to farms where agriculture is the main activity. However, on these farms, family income is supplemented by permanent or temporary additional employment. These two models are predominant in Bulgaria.

In the other two models, agriculture is a source of additional income rather than main activity. The third model covers farms operated by retired people, who receive income from pension funds and supplement it additionally by farming. The number of retirees in Bulgaria is 1.8 million (35% of population). Based on the data from National social security institute for 2022, more than half of them (53%) receive the lowest possible in the country pension of 370 leva per month (around 185 EUR).²⁰ Therefore, for those of them who are farming, agriculture is a vital activity. The fourth model is represented by so-called “hobby farmers”, who have various motives to farm – free time, desire to consume environmentally friendly and quality products, enjoyment of rural life etc. Agriculture is a source of income, quality food, and personal fulfilment for these farmers.

Family farms were established in **Hungary** in the 1990s, as before the change of regime, Hungarian agriculture was mainly characterized by large state-owned farms or collective farms. In addition, backyard farms were present, as one of the very few examples for private ownership but they did not produce for the market but met the food needs of the families. Families worked on these farms on their free time and not as their main business activity. During the compensation, family farms were established on the land returned to the family members.

Presently most farmers in Hungary are small and medium-sized agricultural producers and family farmers. In 2020, farmers submitted 169,000 single area payment applications, of which 23,000 were categorized as family farmers. This number can be considered as too low and that’s why it was useful to formulate a new, comprehensive approach on family farms.

¹⁸ Beluhova-Uzunova, R., Hristov, K. and Shishkova, M., 2021. Family farming in the context of global challenges. Scientific Papers-Series Management Economic Engineering in Agriculture and Rural Development, pp.71-80.

¹⁹ Hristov, K., 2018, Opportunities for development of family farms, PhD thesis, Agricultural University, Plovdiv, Bulgaria

²⁰ <https://www.nssi.bg/en/>

According to the data of the Hungarian Statistical Office 83,272 family members participated in family farms in 2020. Ageing is a serious problem in Hungary just like in any other EU member states. The average age of all farm managers was 57.9 years. The number of farms managed by farmers aged 65+ is increasing year by year. In 2010 it increased from 28% to 35%. In the case of individual farmers (who can be members of family farms well) this proportion increased even faster.

The number of the family labor force in the agricultural sector in Hungary was 389,700 in 2020. 60.2% of the agricultural work was done by men and 39.8% by women. Almost 80% of this labor is done by family members who are over 40 years.

In 2021, agricultural labor consumption was 325,578 labor units²¹, 64.8% of which was unpaid. This includes not only the managers but the labor force of all family members. The largest share of total agricultural work is still in the family labor on individual farms: both its share and volume have decreased significantly (by an absolute 13% and 43% respectively) over the last 10 years

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Croatia's agriculture is heavily stricken by the economic transition and homeland war in the nineties. Membership in the EU (2013) opened a huge market potential for farms'

²¹ according to EU recommendations a yearly labour unit is 1800 working hours which is equivalent with 225 8-hours long working days.

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products and access to affluent support from Common Agricultural Policy Funds. On the other hand, it exposes Croatian agriculture to competition from the EU.

The share of agriculture in Croatia's gross domestic product is around 3% and 3.9% in total gross value added. About 40 thousand people worked in agriculture in 2020 (2.5% of the total labour force). Agricultural import exceeds agricultural exports. In 2021 agricultural imports reached about 3.7 billion Euros while agricultural export was 2.7 billion Euro. The total used agricultural area was 1,506,205 ha in 2020.

According to the Central Bureau of Statistics, Census of Agriculture 2020, 143.9 thousand agricultural holdings operate in Croatia most of which are family farms (97%) (139,472). The average area per family farm is 6.8 ha. Family farms utilize 954,667 ha of land (63% of the total). According to the Farm Structure Survey 69.5% of all farms use areas of less than 5 ha. Farm managers are mostly older people (32% over 64 years). The number of holders under the 41 years of age category recorded a slight increase and in 2020 reached 12.9%. The number of farms whose holders have higher education is growing although the group of farmers with secondary education still predominates (35.3%). Female farm holders were 28.1% (2020). These are data for all farms. Considering that 97% of all farms are family farms, we can conclude that the mentioned numbers are the same or less good for family farms.

According to the data from the Farm register, 170,837 farmers were registered in 2020. They used 1.15 million ha of agricultural land or 6.7 ha on average. There were 140,8745 family farms in Farm register or 83%. About 30% of holders are women. The majority of family farm holders have secondary education (37%). Only 7% have higher education. 2/3 of family farm holders are 60+ years old (38% of farm holders are in the category >65!) (Payment Agency in Agriculture, Fisheries and Rural Development <https://www.apprrr.hr/upisnik-poljoprivrednika/>).

2-The main goals of the national actions to Support and Strengthen Family Farming

Bulgaria

In Bulgaria, there is no specific legislation or action plans related to family farming. However, the government has implemented various laws and policies in different directions relevant to family farming.

During the 90s, Bulgaria developed a policy framework in the agricultural sector related to land use. The following laws and policies rule this area: Ownership and use of farmland Act (1991) and Regulation on applying the Law on ownership and use of agricultural land (1991).

Transition to the market economy after the collapse of the "Planned economy" led to the implementation of the Cooperatives Act (1991) and the revised version of the Cooperatives Act (1999), which regulates the cooperative associations.

The support of agricultural producers is regulated by the Agricultural Producer's Protection Act (1995) and the Law on support to farmers (1998). They aim to create favorable economic conditions for the sustainable development of competitive farms and ensure national food security through the regulation of production and trade. It does so through subsidies, market intervention, loans, taxes, customs duties, fees, standards, etc.

In a broader sense, relevant to family farming is the Small and medium-size enterprises Act (1999). It establishes the public policy promoting the creation and development of small and medium-sized enterprises.

In response to the COVID-19 crisis, the government amended Ordinance № 2 of 5 August 2020 on the implementation of measure 21 "Extraordinary temporary support for farmers and small and medium-sized enterprises that are particularly affected by the crisis caused by COVID-19" of the Rural Development Program for the period 2014-2020. In Bulgaria 99% of small holdings are family farms, therefore the measure is directed towards family business.²³

Small and medium-sized enterprises (SMEs) are the backbone of European and Bulgarian economy. They represent 99% of all businesses in the EU²⁴ and 99.8% in Bulgaria²⁵. Therefore, the National strategy for small and medium-sized enterprises of Bulgaria aims to support family farms in a broader sense. The program's strategic goals are: Increased competitiveness, specialization in high-tech productions and knowledge-intensive services, and regional equality. The National Strategy for Small and Medium-sized Enterprises 2021-2027 includes six areas: Entrepreneurship, Access to markets, Access to finance, Digitalization and skills, better regulation and business environment, Natural environment. Participation in the program is voluntary. The main measures supporting the enterprises are related to the six abovementioned thematic areas.

²³ <https://www.dfz.bg/en/Rural-development-areas-program/measures/>

²⁴ https://ec.europa.eu/growth/smes_en

²⁵ <https://www.nsi.bg/en/content/8212/number-enterprises>

Croatia

The main legislative framework for family farms in Croatia is defined by Laws on Family Farms, Agriculture and Law on Agricultural Land (Official Gazette 20/18).

Law on Agriculture recognizes agriculture as a strategic sector. It defines agricultural policy goals and measures as well as sources of funds for financing measures. The goals of agricultural policy in Croatia are increasing the level of competitiveness of the agri-food sector, improving market mechanisms, sustainable management of natural resources, environmentally friendly agriculture, balanced spatial development of rural areas with the improving of life in the local community and employment opportunities, and ensuring a stable income of farmers. Croatia accessed the EU in 2013 and, since then, implemented the rules and measures of the European Union Common Agricultural Policy (CAP). CAP covers the following dimensions: direct payments to farmers, Common market organisation (usually called First Pillar of CAP) and rural development (known as Second pillar). The payments from the first pillar of CAP in Croatia are defined within the Regulation of direct payment and IAKS measures²⁶ (330 million euros in direct payments and market measures in 2020 through the European agricultural guarantee fund). The second pillar of CAP or rural development payments (European Agricultural Fund for Rural Development) is based on the Rural Development programme of Croatia (2.2 billion euros in 2014-2021). The programme encompasses a wide array of measures directed toward knowledge transfer, quality standards, investments, natural disaster relief, small farms, young farmers and diversification, public infrastructure in rural areas, forestry, producers' organisations, agri-environmental measures, organic agriculture, areas with natural constraints, animal welfare, innovation, risk management and LEADER²⁷. About 40% of the funds are directed toward investments in farms, for small farmers, young farmers (generations' renewal) and diversification of activities on the farms. Novelties in CAP for the period 2021-2027 are strategic plans. EU countries will implement the new CAP with a CAP strategic plan at national level. Each plan will combine a wide range of targeted interventions addressing the specific needs of that EU country and deliver tangible results

²⁶ IAKS measures include support for agriculture, environment and climate change, organic production and payments to areas with natural constraints including mountain areas. Since the Integrated Administrative Control System (IAKS) is used for reporting, administrative control and monitoring, these measures are known as IAKS measures.

²⁷ Leader stands for 'Links between actions of rural development (In French, Liaison entre actions de développement rural)

concerning EU-level objectives while contributing to the ambitions of the European Green Deal²⁸.

Croatia's CAP strategic plan is still in draft, and it is based on the recently adopted Agricultural Strategy until 2030. The strategic goals are to increase productivity and competitiveness and recover the rural economy and living conditions in rural areas. The Strategy recognizes problems of Croatian agriculture and suggests actions for more efficient agri-food value chains, innovation, entrepreneurship and others, without particular actions for family farms.

The Law on Agricultural Land governs agricultural land's maintenance, use, and protection. The law stimulates changes in the agricultural system in Croatia, encompassing agronomic, economic and environmental components. Law and its ordinances recognize the importance of family farms.

The Croatian Chamber of Agriculture was established in 2009 according to the Law on Croatian Chamber of Agriculture (Official Gazette 30/09). It represents the interests of farmers in negotiations with the state and the EU as a member of Copa-Cogeca²⁹.

Hungary

According to the 2021/2115 EU regulation establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) a modern, competitive, resilient and diversified agricultural sector needs to be fostered which reaps the benefits of high-quality production and resource-efficiency and which ensures long-term food security as part of a competitive and productive agri-food sector while safeguarding the family farm model. Therefore, the main programs mention the strengthening of family farms and highlight the importance of regarding activities.

28 https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans_en#:~:text=CAP%20strategic%20plans%20recommendations,-The%20Commission%20provided&text=Based%20on%20an%20analysis%20of,objective%20on%20knowledge%20and%20innovation.

²⁹ COPA-COGECA (*Comité des organisations professionnelles agricoles-Comité général de la coopération agricole de l'Union européenne/* Committee of Professional Agricultural Organisations-General Confederation of [Agricultural Cooperatives](#)), is the union of the two big [agricultural umbrella organisations](#) COPA and COGECA and the strongest [interest group](#) for European farmers. Founded in 1962 and headquartered in [Brussels](#), its activity focus is on the [Common Agricultural Policy](#) and other policy areas relevant to farmers and agri-cooperatives, such as: [food safety](#), [animal health and welfare](#), [plant health](#), environment, research and innovation, trade etc..(Wikipedia)

At present, the majority of farmers in Hungarian agriculture are primary agricultural producers and family farmers belonging to small and medium-sized enterprises³⁰. Family farms also play an important role in creating and maintaining rural jobs and in preserving traditions and cultural heritage. The rules of the Family Farms Act (Act CXXIII of 2020) entered into force on 1st January 2021. The rules and changes related to the topic are intended to promote the competitiveness and efficiency of the operation of the sector. Basically, increasing the competitiveness of agriculture is the primary goal and the efficient use of available technologies.

The aim of the new regulatory environment was created to support and strengthen family farms to explore and eliminate the factors that hinder the competitiveness of the Hungarian agricultural and food industry. These aims are:

- review of the primary producer system since family farm members can only be primary producers
- the creation of a framework in which agricultural activity can be carried out within the family, also in the form of a legal entity
- the introduction of a tax system to support small and medium-sized farms.

The law creates an operating and tax environment that meets the expectations of the 21st century (modern, efficient, environmentally friendly, sustainable farming), facilitating the development of agri-food economies and generational change, while reducing administrative burdens. The mission of the regulatory environment to support family farms is therefore to promote the legal and institutional environment necessary for efficient and competitive farming in general but with the active involvement of family farms.

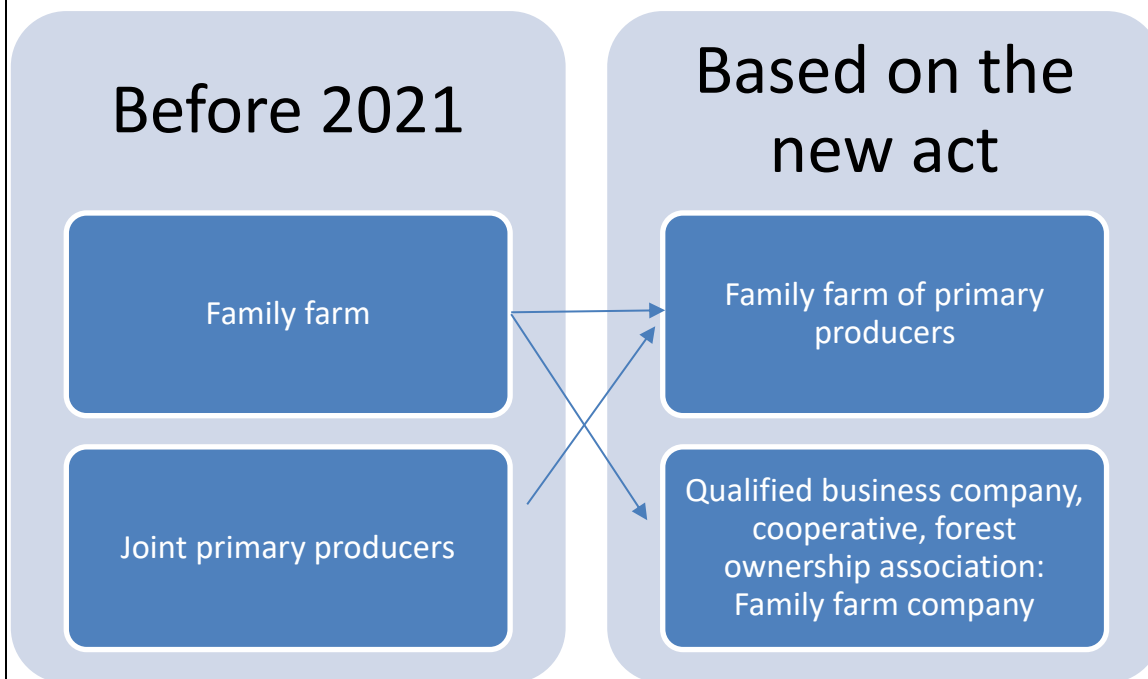
The details of the Family Farms Act (Act CXXIII of 2020) in Hungary

The act aims to strengthen and support families. The goal is that, as a result of the established rules, not only families in the legal sense, but also real families and family units can continue to strengthen and develop. Before these act (as earlier it was already mentioned) family farms existed only as taxation categories. The family members could be

³⁰ small: number of employees less than 50 persons, net income less than 10 000 EUR
medium: number of employees less than 250 persons, net income less than 50 000 EUR

individual primary producers, or they could establish a family farm. Now these primary producers can find a common family farm as well. The relationship between the old and new structure can be seen on Figure 1.

Figure 1.



Due to the significant overlap between the two forms of operation before 2021, the new act established a combined form of these, the family farm of primary producers. This is available to relatives operating jointly, which allows for a simpler and more transparent operational structure. This form makes it possible that if a family operates a farm where several family members participate in its operation, they can do so in a coordinated form, in one economic unit.

In the last years there were several farms that were already at a level of development for which the rules on primary producers and family farms represented a limitation to growth. That's why the family farming company definition was set up. It is not an independent new form of operation, but a qualification that can be obtained for already operating economic units.

Italy

Most of the Italian policies supporting farming characteristics are somehow related to FF. Some of these support young farmers by providing a farm setting up aid, aids for investing

in their own already existing farm, an additional direct payment from the first pillar of the Common Agricultural Policy (CAP). Generational renewal in FF is also encouraged through tax reliefs and additional subsidies for young farmers, especially in less developed areas (e.g., subsidies to young farmers in the Mezzogiorno Regions³¹). Other policies concern financial support for the development of agricultural activities in mountain areas, where the farm business is mainly family-based.

Among incentives related to mainly family-based businesses, there are financial aids for beekeepers and for artisanal fishing and small coastal fishing aimed also at encouraging the creation and activities of fishing farms consortia and of bee-keepers associations. A recent policy (2020)³² has supported women entrepreneurs in the agricultural sector by ensuring zero-interest mortgages.

Special attention is paid to the support of small producers³³, by helping them convert into organic production (Law 9 March 2022, n.23), supporting their association, simplifying the system to get the CAP direct payments, giving aid for investments related to the production, processing and marketing of agricultural products as well as renovating rural infrastructures, promoting direct sales, strengthening their role as promoters of traditions and rural heritage. Funding is recognized also for small forest farms and for the promotion of regional agricultural products. Other FF related policies concern the promotion of networking among farms, especially small farms. To this regard, there are policies targeted to producers' organizations, cooperatives, rural districts, collective brands for regional products.

Policies referring specifically to keywords such as "*direct farmer*" or "*family labor*" have been considered as targeted to FF. Among these, some regional policies have given priority to "*direct farmers*" in allocating subsidies related, for example, to the development of agricultural activities, or aimed at buying abandoned land or land in mountain areas. In 1994, the Act. No. 97³⁴ has set a national regulation to support "*direct farmers*" in mountain areas to favor land consolidation. At national level "*direct farmers*" have also access to credit through loans at a subsidized rate and pre-emption rights on bordering funds (Act.

³¹ Decree-Law no. 91 from 20 June 2017 on urgent provisions for economic growth in the Mezzogiorno geographical area.

³² Ministerial Decree on measures favoring women entrepreneurship in agriculture, 9th July 2020.

³³ For the purpose of this Law, small producers are defined as those with a turnover lower than 7,000 euros a year (Art. 34, comma 6, Presidential Decree n.633, 26 October 1972).

³⁴ Regional Act No. 13 laying down new provisions on mountain areas, in implementation of Act No. 97 of 31 January 1994. s

No. 6458, 1971)³⁵; moreover, land return and agricultural income are not accounted for in the individuals' income taxation.

Other subsidies targeted to FF favor generational renewal. For example, the Italian Institute for the agri-food market services (ISMEA) provides financial aid to young farmers who take over the agricultural activity from an old farm (Law 185/2000)³⁶. Originally targeted to intra-family succession, nowadays this requirement is no longer in place.

Trentino Alto-Adige Region recognizes specific compensatory allowances to agricultural entrepreneurs who mainly rely on their work and on family work to carry out their activities. Some Regions recognize the role of the “*farmer guardian*” as a small farmer who takes care of the environment, the territory and the local production and traditions, including local varieties, with particular attention to those at risk of extinction. Finally, most of the regional Rural Development Programmes³⁷ contain measures to financially support family members for setting up and developing non-agricultural activities in rural areas (agro-tourisms, recreational activities, etc.).

In several regions, legislations have set provisions aimed at facilitating the processing and packaging of small quantities of products for direct sales. Along this line, on the 1st April 2022 the Italian government defined national legislation with the goal of promoting the small local productions³⁸ by defining ad-hoc rules for the production and processing of small agricultural output quantity of local origin sold through direct sale or short supply chain³⁹.

Portugal

Three main policies are nowadays targeting support for Family Farming in Portugal, two of them act at the regional level, while one competes the whole country. They stand on the

³⁵ Act. No. 6458, Provisions for the refinancing of provisions for the development of agricultural property, 14th October 1971.

³⁶ Subsidies for the succession in agriculture. Legislative Decree 185/2000.

³⁷ Regulation (EU) No 1305/2013 on support for rural development by the European agricultural fund for rural development, 2014-2020, 17th December 2013.

³⁸ For the purpose of this law, small agricultural productions are defined as agricultural products obtained by an agricultural or fishing company, destined in limited quantities for immediate consumption and direct sale to the final consumer in the province in which the production site is located or in the neighboring provinces.

³⁹ Law 1 April 2022, n. 30. Norms for the valorization of the small agro-alimentary productions of local origin, 1st April 2022.

rationale that FF encourages sustainable farming practices, environment protection and social cohesion in rural areas. They are hereby presented in chronological order.

- i. (Regional; Autonomous Region of the Azores, Autonomous Region of Madeira). Law no. 29/2016 creating the Regime to support FF in the two archipelagos. This law establishes a contributory scheme for FF producers, spouses, workers and direct heirs of family farms in the Autonomous Regions of the Azores and Madeira, applicable to taxpayers covered by the simplified taxation regime provided in the Income Tax Code. It aims to improve the livelihoods of Family Farms.
- ii. (National) Decree-Law No.64/2018 establishing the Statute of Family Farming. The Statute intends to recognize the specificity of this type of agriculture, adopting support measures that create positive discrimination in its favor. Eligibility criteria for recognition of the Family Farming Statute requires the head of the family farm to:
 - a. be over 18 years old;
 - b. hold a taxable household income, per taxpayer, less than or equal to the amount that falls into the 4th income tax bracket, i.e. €25,075 (in 2021);
 - c. have an income from agricultural activity equal to or greater than 20% of the total taxable income;
 - d. receive an amount of support relating to the Basic Payment Scheme and the Small Farming Scheme, resulting from CAP aid, not exceeding 5,000€;
 - e. consist of family labor equal to or greater than 50% of the total labor estimated for the farm;
 - f. be the holder of a family farm, located on rural or mixed properties, identified in the IFAP, IP (Agriculture and Fisheries Financing Institute) parcel identification system.

Foreseen benefits include prioritizing financial support from the Rural Developmental Fund for farmers holding the Statute while applying for funding, although clear implementation mechanisms and total amount available for these recipients are yet to be specified. Applicable actions include benefits for young farmers, multifunctional farms – aka. farms that combine their agricultural production activities with other services to society, such are care farming, farm shops, nature management and agrotourism, etc. (Multifunctional Agriculture,

2022)⁴⁰, upgrading of infrastructures, access to markets, production costs reduction, farm insurance, among others. This Decree-Law has been revised and amended twice since its formulation: Order no. 73/2019, and Decree-Law no. 81/2021. Revisions clarify application conditions and recognition procedures and create a short-term credit line for statute holders.

- iii. (Regional; Autonomous Region of the Azores, ARA) Regional Legislative Decree No. 18/2020/A approving the legal regime of the Statute of Family Farming in the ARA. This decree was granted for two years by the Regional Government. The Statute sought to distinguish the specificities of small family farming in the Region in its various dimensions, economic, territorial, social and environmental. The Statute allows holders to access differentiated (a) ceilings within the scope of the diesel supply system for agriculture; (b) conditions in agricultural insurance; c) support measures for farming, which is the responsibility of the department of the Regional Government and financed exclusively by the regional budget. This decree was created to alleviate the difficulties faced by family farms during the public health pandemic caused by COVID-19.

3 - Relevant Programs for Family Farming

Financing Family Farmers

Besides some national actions, the financial support of rural areas in Italy is mainly provided to farmers through the CAP, either by the first or the second pillar. The first CAP pillar includes EU subsidies in the form of direct payment to farmers. The second one is co-financed by each Member State and is based on a Rural Development Program (RDP) which in Italy is implemented at regional level. Each Italian administrative Region has to implement an RDP by selecting support measures from a list which is defined at the national level.⁴¹ The RDPs are devoted to the development of rural areas by supporting

⁴⁰ *Multifunctional Agriculture – Dossier* (2022). Wageningen University and Research. Accessed on 22 June 2022 from <https://www.wur.nl/en/Dossiers/file/Multifunctional-agriculture.htm>.

⁴¹ The Italian National Rural Development program, that presents the national strategy and the measures that should be implemented at regional level, is available at the following url: <https://www.reterurale.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/15003>

farm investments and modernization, local production and preservation of cultural heritage, agri-environmental practices, cooperation among farmers, the multifunctional role of farms (e.g., rural tourism, agrotourism, social farming), marginal and mountain areas.

Artisanal and small coastal fishing is instead financed by the EU fishing fund.

Financial support is also supplied to family farming by tax reliefs and access to loans at a subsidized rate. In addition, there are other regional funds aimed at supporting family farming through the promotion of local productions, or the establishment of quality regional labels.

During the Covid-19 pandemic, the Italian Institute for the agro-food market services (ISMEA) supported farms by subsidized loans and by the suspension of all mortgage payments.

Similarly, in Portugal credit schemes and financial support of rural areas and small-scale farms are mainly provided to farmers through the EU Rural Developmental Fund and Pillar II of the EU Common Agriculture Policy, through the Rural Development Program adapted for Portugal (PDR2020). Measures specific for FF affect investments in farm holdings, investments in processing and commercialization of food products, pluriactivity, short-food supply chains and local markets, young farmer, among others.

The financial support of family farming in Bulgaria is also provided to farmers through the Common agricultural policy. Some of the subprograms and measures under the Second pillar are indirectly linked to family farmers' support in Bulgaria⁴² :

- **"Thematic subprogram for the development of small farms"** is supporting family farming in Bulgaria. According to national statistics, small farms are mainly family businesses. The strategic goal of the subprogram is to support the restructuring and to increase the viability and sustainability of small farms. In order to achieve the main goal, interventions in two priority areas are (1) restructuring and modernization of small farms; (2) encouraging cooperation and integration of small farms in the agricultural and food chain. Participation in the program is voluntary. The main requirement for the farmer to access the policy is the economic size of the farm, between €2000 and €8000 SO (standard output).
- **Measure "Start-up aid for young farmers"** is directed to facilitate the initial entry of young people into agriculture and the generation renewal in the sector. The goals of the measure are to: Support the process of setting up viable and sustainable

⁴² European Commission, Directorate-General for Agriculture and Rural Development, *CAP explained : direct payments for farmers 2015-2020*, Publications Office, 2018, <https://data.europa.eu/doi/10.2762/572019>

agricultural holdings or the uptake of existing holdings by young people; Increase the number and share of young farmers in order to ensure sustainable development, and facilitate structural changes in agriculture; Promote employment and job creation, as well as maintain existing jobs; Promote economic and social development in rural areas and sustainable and digital economic recovery in line with agro-environmental and climate objectives, and in particular: resource efficiency, including precision and smart agriculture, innovation, digitalization and modernization of production machinery and equipment, working safety conditions, renewable energy, circular and bio-economy. Participation in the program is voluntary. The main requirements for accessing the policy are: (1) farmers aged 18 to 40 years of age who have started farming for the first time in the last two years, and (2) economic size of the farm is between €8000 and €16000 SO (Standard output).

- ***Support for local development under LEADER (CLLD – Community-Led Local Development)*** is a measure that is relevant for family farms' support. The term "LEADER" originally came from the French acronym for "Liaison Entre Actions de Développement de l'Économie Rurale", meaning "Links between the rural economy and development actions". The main goal of the instrument is to stimulate local development in rural areas through the implementation of the bottom-up approach. The empowerment of the local community and access to resources are just some of the features that underpin the success of LEADER/ CLLD. These tools address important challenges in rural areas such as lack of services and infrastructure problems, low level of business initiatives, labor market issues, etc. In this regard, LEADER/CLLD is instrument that indirectly supports but is crucial for developing family farms. Participation in the program and applying a project to the LEADER/CLLD is voluntary. The financial instrument supports micro, small and medium-sized enterprises that have signed a grant agreement to a Local Development Strategy, including family farms.

In Bulgaria and Croatia, family farms do not receive specific direct financial support or benefits. Farmers' access to financial products (loans, insurance, guarantees, and venture capital funds) is difficult and the rural financing system is developing slowly.

In Croatia, some farmers use commercial banks as a source of finance. A limited number of banks provide agricultural loans. More often, farmers use short terms cash or personal

loans. In some sectors, farmers benefit from cooperative relations with agribusiness (dairy industry, sugar plants, tobacco, mills and fruits and vegetable processing). Croatian Bank for Reconstruction and Development (HBOR) provides long-term loans for investments in agriculture and working capital loans. Grants from the Rural Development Program, mainly investments in physical assets, contribute to farmers' economic efficiency. Financial Instruments have been developed under Rural Development Program. Financial Instruments include small and micro credits, guarantees, working capital loans and investments loans. Croatian Agency for SMEs, Innovations and Investments (HAMAG-BICRO) is a financial intermediary.

Social Protection Schemes

Until now, there is no clear family farming strategy in terms of access to social protection services in Italy and Portugal. Nevertheless, in Portugal the Regulation of Harvest Insurance and Claims Compensation (*Regulamento do Seguro de Colheitas e da Compensação de Sinistralidade*) foresees up to 60% of remuneration for FF Statute holders, and Measure 2.1.4. of the PDR2020 provides farming and forestry technical support specific for small farms. In the ARA and Madeira, a specific contribution scheme was created to support FF through Law no. 29/2016, as mentioned in point *i*) of the section above. This scheme collects annual contributions from family farmers residing in these two archipelagos (based on a grading scale system) in order to guarantee social protection in the event of disease, occupational illness, parental leave, disability, and old age.

Also in Bulgaria there are no specific social protection schemes related to family farming. However, elements and aspect of support for local development and social sustainability of small family farms exist in the LEADER/CLLD and the Land Source of Income Program. They are directed to social development and empowerment of local communities. The LEADER/CLLD approach enables the active participation of all stakeholders in the decision-making process at the local level⁴³. The approach contributes to capacity building and increasing the level of social capital in rural areas⁴⁴. Cooperation between local action groups, implementing the instrument, allows farmers to build connections and exchange experiences with agricultural producers from other regions of the country, as well as from other EU member states.

⁴³ European Commission, 2014, Community-Led Local Development, Cohesion Policy, March 2014. https://ec.europa.eu/regional_policy/sources/docgener/informat/2014/community_en.pdf

⁴⁴ European Network for Rural Development (n.d). https://enrd.ec.europa.eu/leader-clld_en

The Land Source of Income Program (developed and implemented by the NGO Land Source of Income Foundation), supports disadvantaged families (landless and/or low-income ones) to develop their own businesses in agriculture, providing them with access to assets. In this regard, the program contributes to overcoming poverty in rural areas. As a form of additional social support, the participants are provided with free consultations, including preparation of business plans for application under the Rural Development Program⁴⁵.

In Croatia, farmers registered in the Farm register and Register of Family Farms⁴⁶ whose only or main occupation is agriculture are liable for pension and health insurance following special regulations governing these two insurances.

Family farms with realized receipts up to HRK (Croatian kunas) 80,500 are not subject to income tax, while those with realized receipts from HRK 80,500 to HRK 300,000 are obliged to pay income tax. With realized receipts above 300,00 HRK, the farmer becomes an obligor of value-added tax. With a total inflow of 7,500,000 HRK, a farmer is legally obliged to pay profit tax.

According to the current regulations in Hungary, primary agricultural producers are considered insured under very favorable conditions (e.g. the contribution is based on 15% of the previous year's revenue without subsidies) if they have no other employment and are under the retirement age. Most family farms are affected by this measure, as managers of family farms are predominantly primary producers and only the assisting family members have other employment.

Other policy/program areas

Bulgaria

Land Source of Income Program. The program is developed by the NGO "Land Source of Income Foundation" and is implemented at a regional level. The program assists the development of economic initiatives carried out by disadvantaged families through an "Integrated model for supporting small businesses". Access to financial resources of such

⁴⁵ Penov, I., Georgiev, G., Grigorova, D., Trendafilov V., 2012. An Integrated Model for Supporting Small Business or How to Help Disadvantaged Families to Generate Income from Own Business. Makros Printing House, Plovdiv, Bulgaria.

⁴⁶ Business entities involved in agriculture were obliged to register in the Farm Register in order to be able to commercially perform agricultural activities and supplementary activities on the farm. After the Law on Family Farms is adopted, family farms are obliged to register at the Register of Family Farms, while other business involved in agriculture are (still) register in Farm Register.

families is generally limited, as they do not meet the conditions for obtaining loans/credits from financial institutions. The model aims to make families independent economic units by turning accumulated assets into capital that generates income. This is achieved by providing opportunities to farmers to develop sustainable businesses, helping them become owners of tangible assets and gaining skills for their effective use. In the long run, this increases their chances of accessing the instruments offered by financial and credit institutions and EU programs to support and develop business. The model consists of two main components: (1) human resource development and (2) access to tangible assets. The first component develops resource efficiency skills, while the second component helps families accumulate assets. Both components are applied simultaneously. Participation in the program is voluntary. The Land Source of Income Program has operated on a regional level since 1997 in the district of Plovdiv by the Land Source of Income Foundation. Since 2010, partner organizations have disseminated the program in 5 more regions.⁴⁷

Croatia

In Croatia, fisheries are a crucial strategic industry, with a total production of 89,965 tons of marine fish in 2020 and 36,667 tons of freshwater fish. In total, there are 7,733 vessels. Sardines represent the most significant part of the catch and anchovy (more than 80%). Out of the total catch, fish represent 96%, cephalopods 2% and crustaceans and shellfish 2%.

The legal framework governing fisheries in the Republic of Croatia includes two laws – Law on marine fisheries (Official Gazette 62/17 and Law amending the Law on marine fisheries Official Gazette 14/19) and Law on freshwater fisheries (Official Gazette 63/19). Law on marine fisheries deals with effective implementation of the Common Fisheries Policy of the European Union and closely defines and determines the relations, tasks, and powers of various competent bodies; monitoring, additional control, and inspection matters; and rules governing the reporting of the European Commission. Law on freshwater fisheries deals with rational and sustainable management of inland fisheries, precisely the performance of freshwater or inland fisheries on the territory of the Republic of Croatia; monitoring of catches through the related traceability on the market, also by the Common Fisheries Policy of the European Union (*Croatian Bureau of Statistics and*

⁴⁷ <https://landsourceofincome.org/en/>

Ministry of Agriculture of the Republic of Croatia (<https://dzs.gov.hr/> and <https://ribarstvo.mps.hr/default.aspx?id=9>).

Hungary

Since the mid-90s during the acquisition of land, the Land Law gives preference to the exercise of the pre-emption right

- the family farmer or a member of the farmer's family,
- the young farmer as well
- the start-up farmer.

It means if there are two farmers who are willing to buy the offered land at the same time, the family farmer have the right by the law to purchase the land.

Italy

Italian civil society, including private farmers' associations and farmers' Unions, have been deeply committed to actions aimed at supporting family farming. Since 1990, the Slow Food Association and Foundation for Biodiversity have promoted local small businesses and sustainable foods, by focusing on food quality, rather than quantity. The projects of "Presidia" and "Earth Markets" are the most popular worldwide. The first is focused on protecting productions and cultivations at risk of extinction, the second one is proposing a new model of direct sale within the framework of farmers' markets.

Also, farmers' associations and unions, such as CIA (Italian Confederation of Agriculture), Coldiretti (Confederation of direct farmers) and AIAB (Italian Association of Organic Farming) have paid a lot of attention to the safeguard of local agriculture and small local farmers by favoring the maintenance of local traditions and supporting small scale agriculture through targeted means such as the farmers' markets and initiatives aimed at favoring the direct purchase on farms.

Nowadays, legislation that can be closely related to family farming is under discussion in the Italian Parliament. It is specifically targeted at supporting the "peasant agricultural activities", which is a peculiar kind of family farming that the law itself should give a legal recognition for the first time. According to this legislation proposal, a "Peasant farm" should have all the following requirements: *i*) to be conducted directly by the owner, and family members, either in the form of a simple agricultural company or a partnership; *ii*) to

practice agroecological production models by promoting animal and plant biodiversity; *iii*) to promote the protection and conservation of the land in its fundamental environmental and landscape aspects; *iv*) to process the raw materials produced on the farm, including the use of traditional tools, local products and methodologies; *v*) to produce limited quantities of agricultural and food goods, including forest products, for immediate consumption and direct sale to consumers; *vi*) to fall under the discipline related to direct farmers, or to the associations/cooperatives.⁴⁸ An important means of support is related to tax exemptions and to the simplification of rules related to the production, processing, and sale of products.

Portugal

Growing support for family farms in Portugal has gained track in the last decade through different local scale efforts promoting short-food supply chains and alternative food chains. For instance, research and advocacy has taken place to highlight the existing good practices promoting family farming, as well as to design political instruments that positively discriminate family farms in public procurement contracts in schools and public canteens (Law 34/2019, 22 May). This Law intends to priorities the purchase of local, seasonal and high-quality foods in schools and public canteens managed by any of the services and/or organisms of the central administration, whether regional or local, as well as by high education institutions and publicly-funded services. Specifically, family farming statute holders are given priority in the selection process among other environmental, and economic weighting factors.

In 2021, the Skills Centre for Family Farming and Agroecology (*Centro de Competências para a Agricultura Familiar e Agroecologia*, CeCAFA) emerged from an initiative led by the Portuguese Agricultural Confederation (CNA), to which other entities have joined (i.e., farmers' organizations, competing administration, education and research, local development, and civil society organizations). The CeCAFA aims to create a space for sharing knowledge and pooling existing resources and skills in the various entities that comprise it. It also seeks to reinforce research, the dissemination of knowledge, the promotion of innovation and the qualification of producers in the enhancement of Family Farming and Agroecology.

⁴⁸ <https://www.senato.it/leg/18/BGT/Schede/Ddliter/54101.htm>

Moreover, although family farming debates in Portugal have mainly focused on farming activities, Artisanal Fishing is promoted today through an agreement between Spain and Portugal (see Decree 8/2012) and the issuing of artisanal fishing licenses in the Azores (Regional Legislative Assembly 1/99/A), yet larger fleets and commercial fishing are becoming the norm in recent years. Beekeeping is also a wide-spread activity throughout the country that has gained cross-sectorial support through the National Apicultural Programme (NAP) in 2016 (Order 286-A/2016).

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