



Background

"The average age of farmers is very much at the older end of the age spectrum; one third (32%) of farm managers in the EU were 65 years of age or more in 2016. Only 11% of farm managers in the EU were young farmers under the age of 40 years." Volatile profitability, low prestige of rural jobs, demographic issues, and an increasing number of policy regulations make dairy farming less attractive to young people to remain in the sector.

How does the strategy work?

- Develop of a comprehensive estate plan that outlines how the assets will be transferred.
- Address financial matters, including taxes, debts, and potential costs associated with the transition. Consider how the farm's income will be shared among generations.
- Encourage mentorship between the retiring generation and the successor. This helps pass on tacit knowledge and wisdom.
- Additional financial support, resettlement allowance, low interest rate loan is given for young farmers in some EU countries. In some countries support for early retirement is practiced.
- Consider implementing a trial period where the successor takes on more significant responsibilities to assess their readiness and suitability. Flexibility can help accommodate unexpected events.
- Encourage the successor to gain experience outside the farm, such as internships, education, or work in related industries. Young farmers' organisations are good for networking.
- Prepare for the unexpected by having contingency plans in place. This includes addressing what happens if the chosen successor is unable or unwilling to take over.
- Acknowledge the emotional aspects of succession. Retirement can be challenging for the older generation, and the successor may feel pressure to meet expectations.

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Positive features that attract the younger generation

- Rural lifestyle
- Self-employment
- Work with family members
- Work with livestock

Be careful, especially on these points

- Harmonious intergenerational relationship
- Introducing the step-by-step farming process from an early age, depending on the heir's capacity.
- Sharing tasks and responsibilities among family members.
- Complete control should be handed over to the heir between the ages of 35-45; otherwise, they might lose interest.

Specific advises

- Identify the skills and knowledge required to successfully manage the farm.
- Provide training and development opportunities for the successor to acquire these skills.

Equipment involved? Investment?

Young farmers are more inclined to expand the farming operations and invest in new technologies.

Quote of the farmer:

*"I have showed the best and the worst part of dairy farming to my heir and I'm hoping that the economic circumstances will support his motivation"*

Assessment of method

