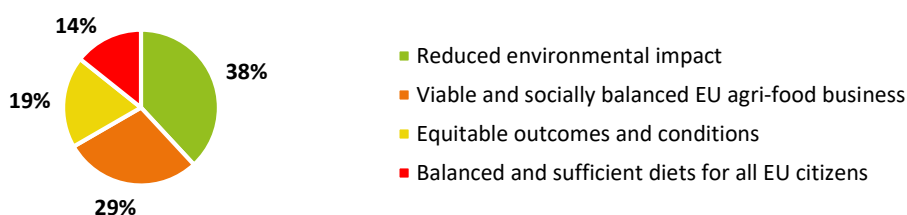


A4.6 Policy instrument: Income support

Since the turn of the century, new priorities other than agri-food business efficiency emerged as major concerns: food and farming systems are not only required to provide sufficient but also **high quality and nutritious food** to meet consumers' needs, while resisting to **increasing climate and economic shocks** at the same time. In order to face these demanding challenges, EU agriculture is undergoing significant **structural changes** (e.g. declining number of farms, growing farm size, increasing product specialisation, 'exit from agriculture'), part of which has been determined by agricultural subsidies that have led to a more capital-intensive and homogenised production. In response to this, new income support policies have been established to improve the **purchasing power** and **access to food products and/or agricultural inputs** for lower-income consumers and producers and to 'green' their farming techniques, thus helping tackle disparities and environmental pressure as well.

Proportion of mapped policies using income support by GOAL

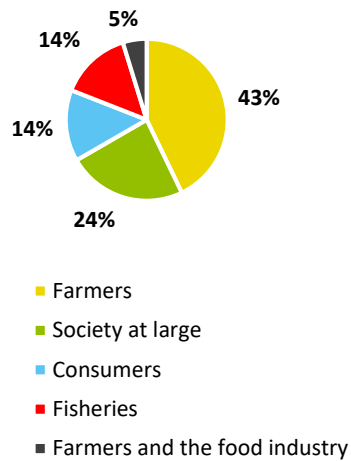


In the context of food policies, income support is instrumental to all four policy goals and, broadly speaking, the smooth functioning of the EU food system in several ways, for example:

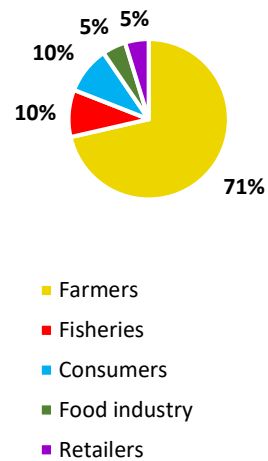
- through direct payments to farmers for incentivising organic and environment-friendly farming techniques to reduce the **environmental impact** (38%);
- through funds to boost sustainable investments into farming restructuring, modernization, diversification and uptake of new technologies (e.g. precision agriculture, big data) to improve farms' **competitiveness** and resilience (29%);
- through national direct payments to farm and aquaculture operators to facilitate their access to credit and reach the **equity** goal (19%);
- through food aid and assistance (e.g. vouchers or cash transfers), provision of fresh food to 'food desert' areas, and supplementation programmes to address the **nutrition** goal (14%).

Proportion of mapped policies using income support by ACTOR

by **ULTIMATE BENEFICIARY**



by **PRIMARY TARGET**



In the context of agri-food incentives, **farmers** play a multi-purpose role (71%). They are targeted by policies to **facilitate their access to finance** and allow them to **sustainably improve their farming structure** for the benefit of the whole agri-food sector and, at the same time, the support they receive for **greening their production techniques** is beneficial not only to farming outputs but also to the present and future societies' overall wellbeing.

*How is it possible to integrate the **education sector** into the design of income support policies? Are skills development, knowledge, innovation, business development and investment support addressed enough when offering income support?*

*Do all recipients have proper **information** on how to best exploit the support received?*

*Which role does the **research sector** play? Could it prove useful for national policy makers to develop tailor-made schemes that reflect farmers' specific needs?*