Information Society and Agriculture & Rural Development: Linking European Policies











Challenges for Agriculture and Rural Development

Agriculture and forestry, as major land users, play a key role in determining the health of rural economies as well as the rural landscape. Although less important to the economies of rural areas than it used to be, agriculture still has a valuable contribution to make to their economic growth and environmental sustainability. EU agriculture is not one-dimensional as some may imagine. As well as producing food, farmers perform many other important roles, from growing industrial crops to countryside management, nature conservation, and tourism. They play an important part in the new bio-economy, where the energy and raw materials for society are derived from plant-based materials. Modern farming is thus multi-faceted.

Agri-food and related industries are a mature sector, characterised by relatively modest economic growth rates and a background of consumer spending that has steadily decreased in the household budget. Nevertheless, they are still a major source of employment. In retailing alone, food and drink accounts for 43% of a European retail sector that comprises 4 million businesses and employs 15 million people (for the EU-15). The industry is changing rapidly. In many countries, the number of small and independent retailers is falling while supermarkets and hypermarkets become large and account for an increasing market share.

One of the key issues facing agriculture is food quality and safety. Quality has many aspects. Beyond the public health angle - whether food is safe to eat - aspects such as food's nutritional value are more relative, being linked to eating habits. Other aspects of quality are more subjective, depending on consumer preferences for flavour, smell and appearance. Some products also have an added value because they are produced in a particular region or by a traditional method, or because their production methods pay special attention to the environment and animal welfare (e.g. organic farming).

Rural areas cover 90% of the enlarged EU's territory and are home to approximately half of its population. But their viability needs more than agriculture alone. Rural development has to be seen in a broader context that also takes into account the protection of the rural environment, the quality of produced food, and the attractiveness of rural areas to young farmers and new residents. Information and communication technologies can play a key role in meeting these challenges, helping rural communities to connect with each other and with new, mainly urban, markets.

The Information Society brings important benefits for agriculture and rural communities. To help ensure this promise is fulfilled, the Information **Society Policy Link** initiative is linking **Information Society** projects with relevant European policy-makers in areas as diverse as food safety, tracking livestock movements, agri-industry business models and rural services.





Agriculture & Rural Development Policy

EU policies for agri-food are founded on the Common Agricultural Policy (CAP). The CAP has been transformed over the last decade and increasingly has strong environmental and rural development dimensions. It aims to head off the risks of environmental degradation, while encouraging farmers to continue to play a positive role in the maintenance of the countryside and the environment by targeted rural development measures and by contributing to securing farming profitability in the different EU regions.

Food safety issues come under the remit of the Commission's Health and Consumer Protection DG. EU policy here aims to ensure a high level of protection of human health and consumers' interests in relation to food, taking into account diversity, including traditional products, whilst ensuring the effective functioning of the internal market.

The Commission's guiding principle, primarily set out in its White Paper on Food Safety (COM(1999) 719 final), is to apply an integrated approach from "farm to table" covering all sectors of the food chain, including feed production, primary production, food processing, storage, transport and retail sale. Food quality – as opposed to safety - is covered by a comprehensive system of food labelling, which covers geographical and other designations.

In 2004 the Commission unveiled proposals to reinforce the EU's rural development policy and to greatly simplify its implementation. Reflecting citizens' demands to focus on the environment, food safety and quality, the Commission wants rural development to play an even more important role in the new, reformed CAP. The proposed reform is oriented around three major policy objectives: increasing the competitiveness of the agricultural and forestry sector, enhancing the environment and countryside, and enhancing the quality of life in rural areas. To meet these objectives EU funding is foreseen at around €13.7 billion per year for 2007-2013.

Leader+, the Community Initiative for Rural Development, has launched several activities to help embed ICTs in rural areas. The Leader+ programme will be further expanded under the EU's new approach to rural policy, with a minimum of 7% of national funding reserved for the implementation of local development strategies.

Where the Information Society meets Agriculture & Rural Development

Information and communication technologies (ICTs) will bring many benefits to agriculture and to rural communities. They present a means for the agri-industry to respond to its core challenge: to simultaneously meet customers' desire for diversity and choice, supermarkets' demands for high quality and reliability, and strict regulatory requirements on food health and safety.

Agri-food (and related industries such as fishing) are traditional industries that have considerable scope for adding ICT to their business models. By so doing, they may make considerable improvements in customer satisfaction, the quality of the customer experience and value chain efficiency. In adapting to digital business methods, farmers, fisheries, producers and small retailers may be able to achieve the efficiencies and offer the distinctively personalised marketing values that will enable them to survive and prosper.

In distribution and retailing, suppliers are already using smart tags to track inventory throughout the food value chain. Similar technology may eventually be applied within the home to enable food items to "talk" to kitchen appliances, such as the refrigerator, and even reorder themselves from the supermarket when they run out.

Information Society Activities

IST Research

Within FP5, research for agri-food and related sectors was one of several industry-focused clusters within the IST Programme's Key Action II, New Methods of Work and Electronic Commerce. Projects here explored innovative business models for e-business for the food, agriculture and fisheries sectors that aid value creation. They also aimed to advance the delivery of highly customised products and services in response to globalisation and changing market demands.

Wider rural development issues were also addressed, primarily in the context of the eEurope Action Plan. Focus areas here included flexible and remote working methods ("tele-cottages"), e-business within craft and other rural sectors, rural access to eGovernment services, and technologies for improving rural broadband coverage.

In FP6, relevant work is being undertaken in the Strategic Objective on Collaborative Working Environments. This aims to develop next generation collaborative working environments that increase creativity and boost innovation and productivity. These environments should provide services to enable seamless and natural collaboration amongst a diversity of agents (humans, machines, etc) within distributed, knowledge-rich and virtualised working environments. Collaboration with and among knowledge and information workers in remote and rural settings is being considered as one of several application scenarios.

Other Activities

The eTEN Programme is concerned with the large-scale roll-out of public interest services, primarily in support of the eEurope Action Plan. In this context, eTEN projects address the deployment of applications and services in areas such as eGovernment, eHealth and eInclusion, some of which cover topics relevant to the agriculture and rural development portfolio.

eContent is a market-oriented programme supporting the production, use and distribution of European digital content, including its linguistic diversity. Access to and use of geographical information is a key theme, where agriculture and rural development are important end-user applications. Geographical and spatial data remains a key priority under the follow-on programme, eContentplus (2005-2008).







Next Steps

The research synopses and policy cases presented here represent only the first stage in linking Information Society activities to EU policies. Information Society & Media DG is now working with Agriculture & Rural Development DG to establish a policy interface to improve synergies. A virtuous circle should develop, with improved communication between researchers and policymakers ensuring that:

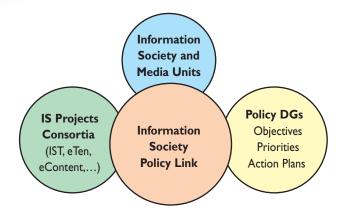
- Information Society & Media programmes better reflect relevant EU policies;
- EU policies better account for Information Society technologies;
- ICTs are better applied to meeting Europe's challenges.

At a later stage, specific actions will be launched addressing policy-makers in national and regional administrations in Member States, European institutions and national parliaments.

Getting Involved

The Information Society Policy Link initiative links policy-makers and researchers in a number of ways, so as to leverage the benefits of Information Society & Media projects for European policies. A variety of activities are planned, including a series of Policy Workshops and events targeted at the European policy community.

Project Consortia play a crucial role in the development of this joint effort, providing a valuable source of information for European policy-makers on relevant technological developments, as well as improving the quality, impact and awareness of their own projects for the benefit of EU policies. Organisations involved in past or present Information Society projects with relevant activities or results are invited to contact the Initiative at the address shown.



Information Society Policy Link at a Glance

Information Society related actions constitute a considerable effort of the European Union. For instance, Information Society Technologies (IST) research has been the largest thematic priority in the EU's Fifth (1998-2002) and Sixth (2002-2006) Framework Research Programmes. Together they represent an investment of over \in 7bn in IST research, and are complemented by programmes such as eContent (\in 100m) and eTEN (\in 315m), which focus on digital content and eServices deployment respectively.

The projects funded by these programmes offer benefits to all areas of Europe's economy and society. To fully realise these benefits the technologies need to be linked closely to European policy-making in the relevant areas.

Information Society Policy Link is an initiative of Information Society & Media DG to identify and reinforce links between its projects and relevant EU policies. More than 3000 projects from Information Society programmes are being analysed, identifying a wealth of concrete results that support EU policies across all of the principal policy domains.

By exchanging information and experiences, the Information Society Policy Link initiative aims to ensure that results from European ICT research provide greater leverage, both in implementing current policies and shaping priorities for the future.

Further Information

Information Society Policy Link initiative

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Europe's Information Society: Thematic Portal

http://europa.eu.int/information_society//