

**From:** [...]

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**To:** COMP H6 &lt;COMP-H6@ec.europa.eu>

**Subject:** HT.5788\_Reply\_from\_an\_organisation (DAFA, Transparency register 808522422448-07)

German Agricultural Research Alliance (Transparency register 808522422448-07) welcomes the opportunity to provide feedback on the provision of state aid in the agricultural sector. Our input relates to plans for Realising the *European partnership on accelerating farming systems transition: agroecology living labs and research infrastructures* under Horizon Europe. In short, living labs and infrastructures in agriculture requiring multi-annual engagements with farmers in order to capture the variability of weather and economic conditions. Furthermore, living lab experiments and set-up of infrastructure may adversely affect the economic results of agricultural activity, since failure is an integral part of scientifically testing hypotheses. State aid must be compatible with the requirements of scientific experimentation and compensation of the risk of farmers. WE suggest changes in the following sections:

*1.1.10.1. Aid for knowledge exchange and information actions*

The definition of demonstration projects should be extended to Living Labs or Living Labs should be mentioned as an additional category. Living labs combine science and knowledge transfer, they test implementation questions and demonstrate it at the same time to peers and the general public. Nonetheless, failure and economic loss is possible. By their nature, living labs cannot be small-scaled. Farmers are unlikely to engage in living labs when their risk is not adequately considered. Therefore, clause 289v should be adjusted to be applicable, i.e. to living labs (at greater scale).

*1.1.11. Aid for cooperation in the agricultural sector*

WE are concerned that Living Labs may not be considered a form of cluster or network. WE suggest that Living Labs be explicitly mentioned in clause 311b. Collaboration among concerned actors is paramount in Living Labs. Collaboration comprises not only producers and the supply chain but includes environmental organisations, civil society, administration and research. Our concern is that collaboration in Living Labs may exclude partners outside the agricultural sector from funding. Furthermore, who are concerned that innovative products originating from agriculture (e.g. biochar, roof cover [Reed]) but are not defined as agricultural product could not be researched in the context of Living Labs to provide novel income for farmers. Cooperation among farm businesses and other stakeholders is at the core of Living Labs. Therefore cooperation should be allowed to receive aid for similar activities as described for knowledge exchange and information actions (1.1.10.1) as mentioned in clauses 289b- d(i-v) — without the restriction to “small-scale” projects.

The *European partnership on accelerating farming systems transition: Agroecology living labs and research infrastructures* will address research infrastructures. In the context of agroecology living labs these research infrastructures will be established by necessity on farms: stables, permanent plots, changes to the topography.

Their effects on e.g. productivity, ecological services, management efforts may outlast the funding of the

research component. It is necessary to compensate these effects reliably beyond the end of projects in a way similar to clause 318.

Apart from Living labs we suggest Reconsidering clause 311c to include situations where older farmers are not yet within retirement age but Nonetheless want to pass on their farm to a qualified younger person.

The actual rule is a discrimination of predecessors who engage early to train and find a successor. Rather, it may encourage farmers to delay the handover until retirement age in order to profit from the aid. Subsequently, the younger generation loses important years for the modernisation of the farm. The Commission may consider adding to alternative rule stipulating that aid may be granted when successors are younger than a certain age (e.g. 35 or 40 years).

**Dr Martin Köchy)**



DAFA is a Community Initiative of German Agricultural and Nutrition Research. [The network of more than 60 universities, universities, non-university research institutes and federal and regional research institutes brings together research competences and addresses issues relevant to agriculture and society.](#) We aim to improve the performance and international visibility of German agricultural research.