Public policy to support young farmers in Thailand

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Abstract
In newly industrialised countries in Asia, programmes to support the establishment of young farmers are still emerging. This is particularly true in Thailand, despite the declared importance of supporting young farmers in national development strategies. The aim of the present study was to analyse policy tools to help young people start farming in Thailand. First, we reviewed existing policy tools in Thailand and in other countries. Based on this review, a series of workshops were held with young rural people and young farmers in Thailand to assess the most promising policy tools. During the workshops, participants discussed a set of 22 policy tools designed to support access to land, capital and markets, capacity-building and making farming a more attractive profession. The workshop participants thought almost all the proposed policy tools would be useful but gave priority to subsidies to start farming and to secure land leases. Reversing the current, very rapid decrease in the number of young farmers in Thailand will require ambitious programmes, which could not only focus on helping young people who are already interested in farming but also appeal to a broader public by making farming more attractive.

Keywords
Policy assessment, public programmes, setting up a farm, Thailand, young farmers

Introduction
The farming population in newly industrialised countries in Asia is ageing, reflecting not only ageing of the whole population (Bhandari and Mishra, 2018) but also the decline in the number of young people getting involved in farming (Ji et al., 2017; Moya et al., 2015; Susilowati, 2014). In Thailand, the explanation most often put forward for the declining number of young farmers is that young people do not find farming attractive (Office of the National Economic and Social Development Board, 2011). However, Ruiz Salvago et al. (2019) and Filloux et al. (2019) showed that this explanation is not always applicable. Both studies identified young rural people and agricultural students in Thailand who would be interested in farming if the conditions are right. However, the young people believed it would be difficult for them to start farming because of constraints such as lack of access to capital, lack of access to land, lack of skills and limited bargaining power in the marketing of their products.

Targeted support for young farmers who want to start farming is still in its infancy in newly industrialised countries in Asia (FFTC-RDA, 2014). In Thailand, national policy documents underline the importance of supporting young farmers. For instance, the 12th National Economic and Social Development Plan (2017–2021) and the 2017–2036 Agricultural Strategy for Thailand affirm that the ageing of farmers will reduce agricultural productivity. The stated objective of the plans is to support new farmers in accessing land, capital and training (Office of the National Economic and Social Development Board, 2016; Office of Agricultural Economics, 2017). Since the mid-2000s, two public programmes¹ have been launched specifically to support young farmers but are hampered by limited resources (Phiboon et al., 2019; Tapanapunnitikul and Prasunpangski, 2014). More ambitious and better funded programmes will be needed if the objective is to support a significant number of young farmers. A few authors have reported on comparative, ex-post analyses of policy tools to support young farmers (Wang, 2014; Zagata et al., 2017), but such comparative studies are rare in Asia, where the focus has been more on the experience gained by a single initiative in one country (e.g. FFTC-RDA, 2014).

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The present study conducted an *ex ante* analysis of policy tools designed to support young farmers in Thailand. The analysis aimed to answer three questions: (i) How can these policy tools support young people who recently started farming? (ii) How can policy tools support young people who would like to farm but who cannot find ways to do so? and (iii) How can policy tools make farming more attractive to young people who are currently not interested? In addition, designing programmes to support young farmers may also benefit from young people’s and young farmers’ inputs. In several countries, young farmers have their own trade unions: in France, for instance, in the 1960s, these unions were actively involved in the design of programmes to support young farmers (Goure, 2008). In Thailand, associations of young farmers mainly exist at local level and have little say in policy processes or programme design. Consequently, the present *ex ante* analysis of policy tools to support young farmers also included workshops for young people and young farmers in Thailand.

**Methods**

The approach was based on four steps (Figure 1). First, we reviewed programmes to support young farmers in Japan and South Korea, in the European Union and in the United States. The countries reviewed were selected because their programmes had been in place for several decades, and in some cases, significant resources are dedicated to the implementation of the programmes. In the European Union, 6.4 billion Euros were earmarked for such programmes in the 2014–2020 period (European Court of Auditors, 2017). A set of 11 policy tools was selected as representative of the diversity of approaches. We also analysed the two main programmes to support young farmers in Thailand based on a review of existing documentation and on interviews with 10 national and provincial staff responsible for programme implementation.

We then organised a series of workshops to identify and discuss possible policy tools to support young farmers. In the second step, an initial workshop was held with 20 young farmers (average age 30) originating from the four regions of Thailand. During the workshop, the 11 policy tools implemented in other countries were presented to the participants, after which they identified another 11 possible policy tools to help young farmers who are setting up. The 22 selected policy tools were classified under five topics: access to land, access to capital, capacity-building, access to markets and making farming more attractive.

In the third step, four additional workshops were organised. Two involved 37 young rural people (average age 22) living in Prachinburi Province, some of whom already had farming experience while others had none. The other two workshops included 48 students studying for technical diplomas in agriculture in colleges located in Roi Et, Chachoengsao and Prachinburi Provinces. During these four workshops, participants were presented with the previously identified set of 22 policy tools, that is, the 11 tools selected during our review of the literature and the 11 additional tools the young farmers proposed during the initial workshop. They discussed them and individually allocated points to the policy tools they found particularly useful. Participants could allocate between 0 and 4 points to each proposed policy. For each of the five topics under which the policies had been classified, the total number of points they could allocate was twice the number of proposed policies listed under one topic. For instance, each participant could allocate six points among the three policy tools to facilitate access to capital. Participants’ preferences were analysed by identifying the policies that received significantly more or fewer points than the other policies listed under the same topic. This analysis was conducted using Wilcoxon tests because normality assumptions were not met.

In the fourth step, we organised a multi-stakeholder workshop in Bangkok involving 83 participants. The participants included (1) 32 young farmers (among whom 12 had participated in the initial workshop) from all regions of Thailand; (2) five staff members of public organisations in charge of implementing the two national programmes aimed at supporting young farmers; (3) 11 staff members of other public organisations in charge of implementing rural development or research; (4) 24 staff members of non-governmental organisations (NGOs) or academics who were involved in programmes to support young farmers; (5) five representatives of political parties and (6) six journalists. During the first part of the workshop, the results of research on young farmers were presented (see Filloux et al., 2019; Phiboon et al., 2019; Ruiz Salvago et al., 2019). Then, participants discussed ongoing public programmes to support young farmers and possible
new policy tools for the purpose. Finally, the representatives of five political parties presented proposals to support young farmers. The interviews and workshops all took place between September 2018 and January 2019.

**Results**

**Review of programmes to support young farmers**

**South Korea and Japan.** In South Korea, as part of the Farm Successor Fostering programme, young farmers can obtain 10-year loans (Ma, 2014). However, policy tools to support farmers failed to significantly increase the number of young people starting farming (Kang, 2010). In Japan, a scheme provides pensions to farmers who retire when they are aged between 60 years and 65 years, and they get an additional amount if they transfer their farms to a successor (Uchiyama, 2014). The level of payment increases if the land is transferred to a successor who is less than 35 years old (Uchiyama and Whitehead, 2012). Another programme supports connections between people from non-farming families who are interested in farming, and farmers willing to retire and who do not have a successor in the family (Nagatani and Sakamoto, 2017).

**European Union.** In the European Union, a young farmer is officially defined as someone who is less than 40 years and who has been farming for less than 5 years (Adamowicz and Szepeluk, 2016). Since the 1990s, three measures have been used at the level of the European Economic Community (and subsequently by the European Union) to directly or indirectly support young farmers (Duric and Njegovan, 2015; European Commission, 2015; Wang, 2014). These measures have been implemented in almost all member states but the criteria for eligibility, the support provided and the budget allocations differ among the states (Zagata et al., 2017).

The first measure was an early retirement scheme for farmers that could be interpreted as indirectly supporting young farmers. This scheme was introduced in France in the 1960s. At that time, farmers over 65 years obtained a supplement to their old age pension if their farm holdings were transferred to a farmer under 45 years (Davis et al., 2013). Similar measures were adopted at European scale from 1992 onwards. Farmers aged between 55 years and 64 years could transfer their holdings to young farmers and in return received a fixed pension. The schemes were not continued in the 2007–2013 Common Agricultural Policy, because they were judged to be largely ineffective: several studies found that many beneficiaries would have retired anyway only few years later (e.g. Bika, 2007; Fellmann and Möllers, 2009). In France, this measure was replaced by a one-off early-retirement subsidy.

The two other measures are implemented as part of the Common Agricultural Policy for the period 2014–2020. The second measure provides direct subsidies. This measure (which already existed in a slightly different form in the 2007–2013 Common Agricultural Policy) is referred to as Measure 6.1 (‘farm and business development for young farmers’) in the 2014–2020 Common Agricultural Policy. This measure schedules the delivery of a lump sum subsidy to young farmers based on reception and validation of a business plan. The maximum value of this subsidy is defined by each EU member country, the maximum being 70,000 Euros (Network for Agricultural Development, 2017). During the 2007–2013 period, 193,828 young farmers benefitted from this measure and received an average subsidy of 20,000 Euros (European Court of Auditors, 2017).

The third measure is an increase in the direct subsidies paid to farmers by the European Union. This measure was introduced in the 2014–2020 Common Agricultural Policy and includes an additional payment to young farmers of 25% of the payments calculated based on their farming system. These farmers receive this additional payment for a maximum period of 5 years. In 2015, 279,071 farmers benefitted from this support and received an average of 1135 Euros per year (European Court of Auditors, 2017).

Since the early 1960s, other policy tools have been implemented in France to support young farmers setting up economically sustainable farms. One condition for receiving subsidies is that the size of the farm must be above a certain threshold, which varies with the region. These policy tools also aim to discourage the development of very big farms. Two main programmes were set up to make medium-sized farms more accessible to young farmers. First, the Land Development and Rural Establishment Societies (French acronym SAFER) are private companies whose shareholders are public organisations and farmers’ unions (Sencébé, 2012). The SAFERs are automatically informed of upcoming sales of land in agricultural or natural areas and may exercise a right to buy the land at a price calculated based on predefined formulae. The SAFERs then sell back the land to farmers, often after a process of land consolidation. The priority is to sell the land to farmers whose farm has decreased in size for some reason and to young farmers (Hennessy, 2014). Since the 2000s, other NGOs have also started buying land to make it available to young farmers (Ravenscroft, 2014). In 2012, SAFERS helped 1200 young farmers set up on a total of 88,000 ha (French Court of Auditors, 2014). In France, steps have also been taken to guarantee the security of land leases (Barral and Pinaud, 2017). Lessees can choose the crops they want to grow, and lease agreements can be renewed automatically as long as the lessee pays the rent and the owner does not want to farm the land himself/herself. Moreover, if the owner decides to sell the land, the lessee has the right of first refusal to purchase it. Lease prices evolve annually according to indexes calculated at regional level. This increased security enables young farmers to feel secure if they start their farm on leased land. Other countries in the European Union have introduced similar policy tools (Courleux, 2011).

Finally, support is provided not only for the purchase of material resources but also to train and accompany young people before and after they set up their farms. For instance, in France, each young person who sets up a farm in the framework of the official process can benefit from a 6-month training period. This training is specific to each young person based on his or her skills and farm project.
During this period, the future farmer also writes a business plan with the support of accompanying staff (Giorgis and Pech, 2017). Again in France, some young people can test their farming project for 2 years, following a ‘business incubator’ model. During this period, young farmers have access to land and to advice from experienced farmers, and they receive support in marketing their products (Bonneau, 2013). In some European Union countries, support is provided to young people to help them set up a rural business (European Network for Rural Development, 2019).

The means dedicated to support young farmers in the European Union thus address a wide range of issues. However, apart from a few studies of specific policy tools (May et al., 2019), there has been no comprehensive assessment of the programmes to support young farmers in the European Union (Davis et al., 2013; European Court of Auditors, 2017; Zagata et al., 2017).

**United States.** In the United States, public programmes generally use the term ‘beginning farmer’ rather than young farmer. A beginning farmer has been farming for less than 10 years, and there is no age criterion. The farm service agency of the US Department of Agriculture provides long-term loans to beginning farmers (Dodson and Koenig, 2007; Kauffman, 2013): if the applicant and the proposed project meet certain criteria, the agency can provide up to 100% of the loan required to purchase farm land. Several individual states have complementary policy tools. In Iowa, landowners can save on taxes if they lease land to beginning farmers (Freedgood and Dempsey, 2014). In Vermont and Massachusetts, public and private foundations buy land from farmers and then sell it on with the restriction that if the new buyer wants to sell it again later, it will be sold based on its agricultural value. The objective is to lower the price at which land is available to beginning farmers (Plotkin, 2015). This process resembles the one implemented by French SAFER, the main difference being that in the United States, farmers sell land to public or private foundations on a voluntary basis.

**Balance.** Table 1 compares the type of support provided in South Korea and Japan, the European Union and the United States. Member countries of the European Union have the widest range of policy tools to support young farmers. But even within the European Union, some countries including France have implemented a whole set of programmes to support young farmers, while the support available in other countries is much more limited (Zagata and Sutherland, 2015). Other policy tools to support farmers are widespread in economically advanced countries, such as crop insurance, pension schemes and healthcare (Wang et al., 2016). These policy tools are usually not specifically geared towards young farmers but help make farming more attractive.

**Public programmes to support young farmers in Thailand**

The New Farmer programme and the Young Smart Farmers programme are the two main public initiatives to support young farmers, officially defined as being less than 45 years old. A few other actors, including some universities, implement local initiatives (Phiboon et al., 2019). The New Farmer programme was launched in 2007 and has gone through various phases. In 2018, each beneficiary participated in a 6-month training course which included 2 months of classroom instruction followed by 4 months of practical training on farms managed by the Agricultural Land Reform Office (Winai, 2015). Some participants are then allocated plots of up to 0.8 ha by the Agricultural Land Reform Office, depending on the amount of land available in each province. The organisation also provides small loans and advice during the first 2 years. These young farmers can ask for a land title, but the title they obtain specifies that they cannot sell or rent out the land.

At national scale, 750 young farmers obtained land as part of this programme between 2010 and 2017. By 2018, there had been no official or academic evaluation of this programme. Staff of the Agricultural Land Reform Office we interviewed considered the outcomes to be at best lukewarm, as many participants faced difficulties in getting started and could not earn sufficient income farming the land they had received. One staff member mentioned that, in his opinion, only 10% of the 750 young farmers managed to go on to farm successfully.

The young smart farmers programme was launched in 2014, after a preliminary programme which started in 2008.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Policy tools</th>
<th>South Korea</th>
<th>Japan</th>
<th>European Union</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to land</td>
<td>L1. Farmers willing to retire receive public subsidies if they lease or sell land to young farmers or if they start a partnership with them</td>
<td>No</td>
<td>Yes</td>
<td>Yes*</td>
<td>Yes*</td>
</tr>
<tr>
<td></td>
<td>L2. Organisations make sure that land prices do not increase more than their agricultural value</td>
<td>No</td>
<td>No</td>
<td>Yes*</td>
<td>Yes*</td>
</tr>
<tr>
<td></td>
<td>L3. Lessees have some security concerning the conditions and duration of land leases</td>
<td>No</td>
<td>No</td>
<td>Yes*</td>
<td>Yes*</td>
</tr>
<tr>
<td>Access to capital</td>
<td>K1. Loans specifically available to young farmers</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Capacity building</td>
<td>K2. Initial grant to young farmers</td>
<td>No</td>
<td>No</td>
<td>Yes*</td>
<td>Yes*</td>
</tr>
<tr>
<td></td>
<td>Training, for example, in preparation for writing a business plan (C1) and training in accounting (C2)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*aIn some states only.*
The programme supports established young farmers, who receive training in how to prepare a business plan and visit model farms. Additionally, networks between young smart farmers are supported. The goal is to promote role models of ‘farming entrepreneurs’, who use modern farming practices, are actively involved in the marketing of their products, and make a good profit. For instance, a report presenting this programme showcased a list of young smart farmers including the annual profit made by each farmer (Department of Agricultural Extension, 2017). In 2017, 5477 beneficiaries were registered as ‘young smart farmers’.

The 11th National Economic and Social Development Plan includes three goals to support young farmers: (i) provide arable land ready for cultivation; (ii) make funds easily accessible and (iii) promote the profession of farming in a positive light (Office of the National Economic and Social Development Board, 2011). The support provided by the two national programmes appears at best incomplete with respect to these goals. The support they provide to each young person trying to start farming is usually limited (Phiboon et al., 2019), and the number of farmers that have benefitted is small (less than 7000) compared to the drop in the number of farm holders under 45 years old in the whole country (1.2 million between 1993 and 2013).

### Views of rural youth and students in agriculture

In the initial workshop, participants said they thought the definition of ‘young’ farmers in the two national programmes (being aged less than 45 years) was appropriate. The 11 policy tools the young farmers identified during this workshop mainly focused on support for capacity building (tools C3–C7 in Table 2) and access to markets (policy...
tools M3–M6 in Table 2). For support in accessing capital, the participants suggested a specific subsidy to partially cover the costs of adapting their parents’ farms to new forms of agriculture or to develop ecotourism. This suggestion corresponds to the interest expressed by the majority of people whose parents were farmers interviewed by Ruiz Salvago et al. (2019) and by Filloux et al. (2019). These interviewees said they would be interested in starting farming on family land if the conditions were right, in which case their aim was often to start farming differently from their parents.

Table 2 also shows how participants in the other four workshops evaluated the 22 policy tools. Participants considered that almost all proposed policy tools were of interest. Analyses based on a Wilcoxon test made it possible to identify some statistically significant differences in the participants’ assessments. First, increasing the security of land rental contracts (which were often for less than 2 years for rice farming) was ranked higher than other proposals to facilitate land access. The workshop participants believed this would enable them to invest in farmland and to avoid being limited to annual crops. Second, as far as access to capital is concerned, subsidies to cover part of the initial costs of getting into farming as well as part of initial farm operating costs were also ranked higher than other proposals regarding capital. Participants did not ignore loans as another possible way to obtain complementary capital, although some worried that young farmers can easily get into debt. Third, training in accounting was not considered favourably and ranked well below capacity building in farming practices, marketing and certification. Participants believed accounting is important but could be learned later. Apart from the 22 policies, participants also suggested the creation of a pension scheme would facilitate the recognition of farming as a fully fledged profession.

Views of other actors
During the multi-stakeholder workshop, many participants acknowledged the existence of public programmes at national level to support young farmers but pointed out that these programmes did not include a clear explanation of the types of farms they promoted. When discussing possible policy tools, participants paid particular attention to land access. Several participants pointed out that the young farmers who accessed land with the support of the New Farmer programme were not able to continue farming, because the procedure to get a land title was too long and too complex and because of the lack of material support. Participants proposed increasing the use of public land to help young farmers set up. In particular, the Agricultural Land Reform Office had distributed land to farmers during previous decades. Some of these farmers had retired and their children did not want to farm. Participants mentioned the possibility that the Agricultural Land Reform Office take back that land (paying some compensation to retired farmers) so as to be able to distribute it to young people who would like to set up their own farm.

Representatives of political parties proposed several policy tools, the main ones being (1) helping young farmers obtain loans and grants; (2) increase the number of Young Smart Farmers; (3) organise a welfare system for farmers and (4) develop unions for young farmers. However, they often focused on broad ideas and did not detail how their proposed policy tools could be implemented in practice. This shows that this topic was not yet the subject of active political discussion at national level.

Discussion
The policy tools listed in Table 2 would extend the opportunity space (Ruiz Salvago et al., 2019) of three categories of young people. They could provide resources to young people who recently started farming. The proposed policy tools would help reduce the time young people who would like to start farming spend obtaining the resources they need to start, which, in the absence of support, can take many years (Filloux et al., 2019). These policy tools can also render farming more attractive to those who are currently not interested in farming.

During the workshops, participants underlined the need for material support but also mentioned uncertainties concerning land rent, capital management, crop production and health. The importance paid to the risks related to farming was also mentioned by young Thai people in Ruiz Salvago et al. (2019) and Filloux et al. (2019). When discussing policy tools to support young farmers to start farming, workshop participants paid particular attention to those that help reduce uncertainties (e.g. insurance and healthcare schemes).

The policy tools discussed above can help young farmers face specific difficulties. However, public programmes should also take a broader view. Phiboon et al. (2019) showed that young farmers start farming in Thailand with different goals in mind. Some have an entrepreneurial mindset, others consider sustainable farming practices to be important. The types of farms supported by public programmes in Thailand cover the diversity of farms set up by young farmers to some extent. However, they should better accompany young people in thinking about the kind of the farm they would like by paying more attention to the goals described by young people (Phiboon et al., 2019).

Finally, the proposed policy tools may help young people access the resources they need to start farming, but they only marginally touch on the issue of farm structure. In the European Union, the proportion of young farmers in the farming population is relatively high in Germany, France and Poland (Zagata and Sutherland, 2015). The proportion of young farmers in the farming population is similar in France and Germany, even though the German government devotes far fewer resources to supporting young farmers than the French government (Zagata and Sutherland, 2015). The higher proportion of young people in the farming population in France and Germany compared to other European countries may not only be due to public programmes but also by the fact that the average farm is comparatively larger. Young people are motivated to take over a farm from
someone who is retiring if the farm can provide a good income (Zagata and Sutherland, 2015). Ruiz Salvago et al. (2019) and Filloux et al. (2019) also showed that children whose parents had profitable farms in Thailand were more interested in starting farming than children whose parents had less profitable farms.

Accordingly, young Thai people who are interested in being fulltime farmers should receive support to farm a farm whose size and production system will procure them an income they consider satisfactory compared to opportunities in non-agricultural sectors. A discussion on farm size and income from farming has not yet started in Thailand but may be an important aspect of the debate in the future.

Conclusion

Programmes set up to support young farmers in Thailand have been limited, both in terms of the aid provided to each farmer and in the number of farmers who receive support. The objective set by the Thai government to stop the very rapid decrease in the number of young farmers will require ‘packages’ of policy tools that may have different dimensions: (i) help young people who aim to start farming solve different constraints at the same time, for example, access to land, capital or acquiring farming skills and (ii) reach out not only to young people already interested in farming but also make farming more attractive. The chance for such support to succeed will increase if the young people can provide some resources themselves (e.g. access to land thanks to the family, previous farming experience, already belong to networks, etc.).

The design of the public programmes that will structure these policy tools should not only aim to address the needs of young farmers who differ in terms of their resources and goals. Public programmes should also be designed based on national priorities. Defining which types of young farmers to support and how to support them should therefore take place in the framework of a wider discussion about the future of the agricultural sector in Thailand: what roles it should play and which types of farm should be encouraged to enable the sector to play these roles.

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