

# an association of cheese eaters and producers

Lithuania

Audrius Jokubauskas, Viva Sol July 2011

# Case Study Series on Access to Land for Community Connected Farming

In 2010-11, an informal group of civic organisations from across Europe conducted a project on Access to Land for Community Connected Agriculture. A key part of the project lies in a series of seven case studies, documenting experiences from various European countries and different levels of activity (local, regional, national). These case studies seek to explore both the functioning and the benefits of community

connected farming. From this they seek to identify the constraints that limit access to land of sufficient quality and size, and the potential solutions that have been found to reduce the impacts of these constraints. The case studies are illustrative of a variety of issues and situations and, taken together, present some interesting and innovative approaches to the development of local, civic agriculture.

#### • Viva sol, Lithuania:

A National Association of cheese eaters and producers established to support the development of solidarity between urban and rural people, and to encourage the settlement of small farmers and artisans in rural Lithuania. Viva sol has started a farmers' market in Vilnius, a box scheme, environmental training and activities to support small-scale breeders. Faced with the issue of several farmers being unable to find affordable land, it is currently envisaging creating a Land Fund to raise investments or donations in order to buy agricultural land.

# • Tablehurst and Plaw Hatch Community Farms, UK:

Two Biodynamic Community Farms located in East Sussex, UK, wholly owned by a cooperative (an Industrial and Provident Society) with approximately 600 shareholders, most of them local to the farms. The farms occupy approximately 300 hectares of land, the majority of which is owned by St Anthony's Trust, a local land trust. The farmers employ about 20 staff, process and sell their products directly and have established strong community connections.

# • Hamburg City Estates, Germany:

decades. Hamburg For municipality has purchased agricultural land to be able to influence city development. In 1989/1994, the city opted for the conversion of three large estates in its ownership to organic farming. These farms all play a major role in providing local organic food, and two of them have developed direct marketing and a large array of social and cultural activities involving the community.

#### • Terre de liens, France:

A civic organisation established to assist organic and peasant farmers in gaining access to land. The organisation also promotes new ways to own and manage land as a common good. Terre de liens has created financial tools (a solidarity investment company and an endowment trust) to collect investment funds and donations, and educational tools to inform the public and raise awareness about land access and agriculture. It now has a network of 2000 members and 8000 shareholders, and owns 2400 hectares of farmland, supporting about 200 farmers.

# • Jaglea Farm, Romania:

An organic farm located near Sibiu, in the Carpatians, which illustrates a new kind of farm in Romania, where tradition and innovation meet to form an emerging "new peasantry.' The Jaglea family practice a low-input, largely manual agriculture, which is certified organic and which seeks new ways to be economically, socially and environmentally sustainable. They process and market all their products directly, and took part in the creation of the first organic producers' cooperative shop in Romania. One obstacle that they face in seeking to expand their activity is gaining access to more land in the vicinity of the farm.

# • Cooperativa Agricoltura nuova, Italy:

A cooperative farm on the periphery of Rome, formed in 1977 following occupation of the land by a group of young people opposing urban development. It is now a 250 ha mixed organic farm, geared towards on-farm processing and direct marketing and hosting a range of environmental and social activities (an information centre on renewable energies, community gardens, social integration of vulnerable adults, etc.). In 1996 it obtained a tenancy contract from the municipality of Rome, which has established a regional park in the area surrounding the farm.

These case studies have been brought together and edited by Véronique Rioufol (Terre de liens) and Neil Ravenscroft (University of Brighton and Tablehurst and Plaw Hatch Community Farms).

# • Regionalwert AG, Germany (RWAG):

A citizen shareholder corporation, located in the area of Freiburg em Brisgau, that supports the development of organic agriculture and local food production, marketing and distribution. It has collected €1.7 million from about 500 mostly local shareholders. The capital is invested in 6 farms and associated land, processing businesses (caterer, processor), and marketing businesses (retail and wholesale shops, box delivery). As part of its operation, RWAG has developed a detailed methodology to report on the social, economic and environmental impact of its investments in the region.

# Viva Sol: an association of cheese eaters and producers

by Audrius Jokubauskas, Viva Sol<sup>1</sup>

# 1- Lithuania Overview

# 1.1 Background

With a territory of 65,300m<sup>2</sup> and 3,05 million inhabitants, Lithuania is the biggest – and most southerly - of the three Baltic countries. It is characterised by its natural landscapes and outstanding biodiversity, with lakes and forests occupying one third of the land. In 2010, agriculture represented 3,4% of Gross Value Added and 7,1% of total employment<sup>2</sup>. About 1,1m people live in rural areas, and 200,000 people are farmers<sup>3</sup>.

The last two decades have witnessed major changes in Lithuania, as has been the case for other post-Soviet Eastern European states. Since 1990, Lithuania has undergone a transition out of the Soviet Union and into the European Union, of which it has been a member state since 2004. For the agricultural sector, it has meant evolving from Soviet kolkhoz, through the embryonic stages of private farming in the 1990s, to EU subsidised agriculture<sup>4</sup>. One of the key sign of these changes is the very high level of net migration: for the period 2008-10, over 120,000 people (3,6% of the

population) left Lithuania, reaching a peak of 7000 people per month in 2010. Most migrants leave for work reasons, either because they are unemployed, or because their quality of life does not match up to their expectations. Internal migration is a relatively minor phenomenon, with just over 10,000 people (0,3% of the population) moving from rural to urban areas in 2010.

# 1.2 Main features of agriculture and rural areas

# The Common Agricultural Policy has led to the consolidation of market-oriented agriculture

The main impact of CAP payments has been to increase the utilised agricultural area. Lithuania's UAA is 2.73 million ha, up by 10% since 2003. Because the payments are mostly based on acreage, they have acted as a direct incentive to extend the agricultural area. However, some of the 'reclaimed' land supports no more than a minimum level of grazing or is even, in practice, left abandoned. As a corollary, there has been an intensification of agricultural land use<sup>5</sup>. The area of pasture land has decreased by 38% since 2003, with the number of milking cows declining by 22%. In contrast, the total area of arable land has increased by 41%, mostly due to more land being planted to colza, cereals and perennial herbs. The CAP has also boosted farmers' incomes relative to the average income of Lithuanian households (farmers' incomes rose by 2,6 times in the period 2004 to 2008, whereas general household incomes doubled in the same period<sup>6</sup>). Most of this additional income has been as a result of wholesaling agricultural produce, although a small number of farms (less than 2% of the total) earn additional income from contracting, rural tourism, crafts, processing of produce and wood-related businesses.

<sup>1 -</sup> Contact: asociacija@vivasol.lt

<sup>2 -</sup> Source: EC, Member States Factsheets, Lithuania, May 2011

<sup>3 - 2010</sup> agricultural census, holdings of 1 ha and above, or those who create agricultural produce for 1,450 Euros per year. All agricultural data taken from 2010 census and 2003 census.

<sup>4 -</sup> These major changes are strikingly reflected in all agricultural statistics, in particular the last two national agricultural surveys conducted in 2003 and 2010.

<sup>5 -</sup> European Environmental Agency, SOER, Land Use, 2010.

<sup>6 -</sup> The average income went up from 171 to 348 Euros for urban households, 118 to 235 Euros for rural households and 117 to 300 Euros for farmers.

# Increasing polarisation between small and large farms

Alongside the evolution of Lithuania towards a more urban society and market economy, the CAP has contributed to an increasing polarisation between family and subsistence farming, and large-scale corporate agriculture. Indeed, since 2003 the number of farms in Lithuania has declined by a guarter, to a total of just under 200,000 units. The decline in farm numbers has been concentrated on the smallest farms, where more than a third of farms of between 1 and 5 hectares have been lost in the period 2003 to 2010. There has also been an above-average decline in the number of farms between 5 and 30 hectares. Concurrently, the number of large farms (200 ha or more) has increased by nearly 90% during the same period (see Table 1), although they still account for less than 1% of the total number of farms. However, these few large farms now account for 30% of Lithuania's UAA. As Table 1 indicates, the average farm size has increased from 10.4ha to 15ha between 2003 and 2010.

 Table 1 Number and UAA of farms by farm size, 2003-2010

Farm Size (ha)	Number of farms			UAA (ha)				
	2003	2010	Evolution 2003-2020	% of total in 2010	2003	2010	Evolution 2003-2010	% of total in 2010
0-1	396	1154	+191%	0,6%	129	393	+204,7%	0,0%
1 - 5	168508	116429	-31%	58,2%	474496	312668	-34,1%	11,4%
5 - 30	93137	68057	-27%	34,0%	968598	733877	-24,2%	26,8%
30 - 100	8005	10652	+33%	5,3%	394505	553568	+40,3%	20,2%
100 - 200	1211	2188	+81%	1,1%	165467	300573	+81,7%	11,0%
>200	854	1600	+87%	0,8%	487763	835352	+71,3%	30,5%
Total	272111	200080	-26%	100%	2490958	2736431	100%	10%

Source: National Agricultural Surveys, 2003 and 2010

In addition to being area-related, structural support through the CAP is directed at increasing farm sizes. For example, small farms (i.e. from 1 to 3,99 ESU<sup>7</sup>) are eligible for payments under Pillar II, but in order to secure a payment the farmers must commit to increasing their ESU by 20% within 3 years. Similarly, young farmers must own 12ha of land before they are eligible for the 'setting up of young farmers' measure within CAP, and they must also commit to acquiring at least an additional 8 hectares within 3 years after establishment.

## Rapid development of organic agriculture

Organic agriculture has developed rapidly over the last decade. In 2009, there were over 2600 registered organic farmers and 4,8% of the UAA was cultivated organically, up from 1,4% in 2004. This phenomenon is largely driven by large, intensive farms: in 2007, organic farms had an average size of 42 ha<sup>8</sup> (11 ha for non-organic farms) and used, on average, 2,7 AWU <sup>9</sup>/ 100 ha (7,1 for non organic farms)<sup>10</sup>. Between 2007 and 2009, the number of organic farms declined by 6% while the average organic farm size kept growing, to 48,3 ha in 2009<sup>11</sup>. This tendency can be explained by the role of agribusinesses that convert to organic practices. In 2010, Agrowill, the largest Lithuanian agro-food company (30 000 ha, half as private property), announced that its aim is to farm 20% of its land organically by 2015<sup>12</sup>. It also launched 500ha of organic triticale fields in North-East Lithuania ("Agrowill

<sup>7 -</sup> The economic size unit, or ESU, is a concept defined at EU level to measure the economic activity of the farms : for each activity (for instance wheat, dairy

cow or vineyard), a standard gross margin is estimated, based on the area (or the number of heads) and a regional coefficient. The sum of such margins in a farm is its economic size, expressed in ESU (1 ESU is a 1200-Euros standard gross margin). Source: http://epp.eurostat.ec.europa.eu/statistics\_explained/index.php/Glossary:European\_size\_unit\_%28ESU%29

<sup>8 -</sup> Ekoagros, the Lithuanian organic certifying institution: www.ekoagros.lt

<sup>9 -</sup> Annual Working Unit (AWU) means the labour force working yearly, i.e. a worker employed on full time basis and working 1984 hours (284 working days of 8 working hours per day).

<sup>10 -</sup> European Commission, DG Agriculture, An analysis of the EU organic sector, June 2010, 92p, see: http://ec.europa.eu/agriculture/analysis/markets

<sup>11 -</sup> Ekoagros, the Lithuanian organic certifying institution: www.ekoagros.lt

<sup>12 -</sup> Company's vision, www.agrowill.lt



Alanta"). Algirdas Pereckas, CEO of the Agrowill Group, justified this investment on the basis that "the worldwide demand for organic products is about 10 times higher than the supply. This shows the enormous potential of the market."

# An ageing agricultural population

The ageing of farmers may very soon become a great concern in Lithuania. While the general population of Lithuania is relatively young, nearly 40% of farmers are over 65 year old, and less than 5% are under 35 year old. This is a particular problem for small farms (less than 10ha), where around half of the farmers are over the age of 60. In contrast, only 10% of those farming 100ha or more are of a similar age<sup>13</sup>. At the same time, there are no optimistic signs of young farmers ready to step in. Attachment to the land, which used to be

very important for Lithuanians, has largely been severed. Fifty years of Soviet occupation, where there was restricted private property (only 0,6ha to grow one's food), has almost destroyed people's connection to their land. In the early 1990s there was a certain revival of the 'son of the soil' mentality. But the new generation, born and raised in the USSR (or its immediate aftermath), increasingly see land as a commodity and agriculture as a business. On the policy side, the implementation of CAP measures to encourage young farmers has not been successful. The objective -to support 1800 new farmers in the period 2007-2013 – is not ambitious enough and has been poorly implemented (only 475 young farmers were supported from 2007 to November 2010)14. Indeed, the criterion for eligibility –to own 12 ha already means that the measure is restricted to those who inherit land and/or are rich enough to acquire such land.

# The separation of people from land

Most Lithuanians have severed their relations with the countryside. Just a generation ago most had family in the countryside. However, the rapid changes post 1990 have meant that most Lithuanians now buy food from supermarkets. In common with much of Europe, contemporary Lithuanian food policy has a clear direction – towards world markets. Even the majority of the remaining small farmers sell their calves to international food processors and then buy Polish sausage in the supermarket. In many cases there is no longer local food available in Lithuanian villages. In addition, during Soviet times farmers became agricultural waged workers on large collective farms. They lost control of their methods and choices of production, with the collective farms geared solely towards quantitative output. The farmers also lost a sense of place, autonomy and life cycle. This trend has been reinforced since the 1990s through the extension and intensification of very large farms, alongside residual subsistence farming. As

<sup>13 -</sup> Source: Agricultural holding register, 2010.

<sup>14 -</sup>Source: European Rural Network.

a result, Lithuanian agriculture has been narrowed down to food production, severed from the local territory, and with little consideration given to the other functions of farming, such as land stewardship, and contributing to community life. The existing farmer unions and consumer organizations, which are largely connected to public institutions<sup>15</sup>, have not reacted to this situation, meaning that most farmers remain socially and culturally isolated.

#### 1.3- The land situation

Land reform started in 1991 and took the shape of restitution to former owners, meaning that a lot of non farming/urban people received agricultural land. Today, with restitution virtually complete, about 46% of agricultural land is farmed

<sup>15 -</sup> Most farmers' organizations are based in the chamber of agriculture and funded by or through the Ministry of Agriculture, such as: Family Farmers' Union, Lithuanian Farmers' Union, Ecological Farms' Association, etc.



by its owners, while 54% is rented. Approximately 22% of the UAA is still state owned<sup>16</sup>. In some places – particularly west, east and south-east Lithuania - restitution has resulted in considerable fragmentation of farms, with villages often distributing land as follows: each person regained 3 hectares of land: 1 ha by their house, and 2 on opposite sides of the village. This is shown on the photograph below, of an area of the village of Dargužiai in south-east Lithuania. There also remains some unused land that has been abandoned because it is infertile or too remote to be of interest to the larger farms that could afford to acquire it.

Figure 1: Aerial photo of pastures in a village in south-east Lithuania

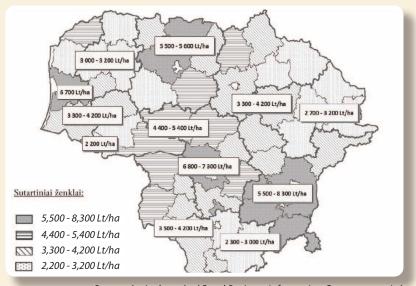


Note: the boundaries on the photograph illustrate the complex nature of land restitution. The numbers are not relevant to this case study.

<sup>16 -</sup> The Land Fund of Lithuanian Republic, 01/01/2010

Land prices, for both sales and rents, are steadily growing. The year after Lithuania joined the EU, agricultural rents tripled, as a result of the introduction of direct payments under CAP. While still low compared with Western European prices, land prices have also been increasing, particularly in the most fertile areas and in the vicinity of cities. The following map shows land prices for 2009. At the time the national average price for agricultural land was 3540 Lt/ ha (or 1025€/ha).

Figure 2: Land sale prices, Lithuania (2009)



Source: Agriculture And Rural Business Information Centre, www.vic.lt

According to the EU accession treaty, Lithuania was due to permit the sale of agricultural land to foreign citizens on May 1, 2011. But this has been postponed for three years. It is expected that land prices will increase dramatically once the market is open to foreigners. Already, agribusiness companies and investors view Lithuania as a good investment opportunity, thanks to its good climate, political stability, economic development and EU membership.

# 2. Viva Sol

## 2.1 Origin

Viva Sol is an association of cheese eaters and producers, established in autumn 2006 by 2 farmers and 2 eaters<sup>17</sup>. Its mission is to develop and maintain solidarity relations between city and country, and contributes to the settlement of small farmers and artisans in rural Lithuania. Viva Sol believes that the countryside becomes alive through the development of many autonomous units of activity. Viva Sol emerged as a response to the growing need to re-engage producers and eaters. It advocates small and responsible farming that can generate economic, ecological, and social added value.

17 - Viva Sol's name comes from Viva – latin for 'long live', and Sol – sun, salt, earth in various languages. See: www.vivasol.lt



Such farms can be defined by four criteria:

- All the work is done by the farmer, with no additional wagelabour;
- The farmer's purpose is to produce, process and sell;
- There should be environmentally friendly practices in all stages of production, processing and selling;
- Farmers should rely on their own labour, with as little investment as possible.

More generally, Viva Sol believes that a certain renaissance of rural Lithuania will emerge from this approach to farming and the new settlers that it will attract, who are more open to local, sustainable farming. Two of the founders of Viva Sol are farmers who were new entrants to farming and who had previous business experience outside farming (and outside Lithuania), through

which they got to know about alternative, ecological and peasant forms of farming. They chose to establish themselves as farmers and to adopt a peasant approach to farming, based on small-scale production, limited inputs, environmentally-friendly production practices and strong links with consumers and local inhabitants.

The personal story of Valdas Kavaliauskas, spearhead of Viva Sol, is exemplary of such an evolution. After 15 years working in international companies, Valdas decided to settle in a village 50km from the capital Vilnius, and to start cheese-making, which he had learned in Normandy (France). Together with his wife, Rasa, they understood that surviving in the countryside depended on production of food for themselves, with a little extra for sale. After spending their first winter in the countryside on only €60 per month, they saw that for a quality life a certain compromise is needed between autonomy and the market. Hence they understood the need to connect with consumers, and to found an organisation – Viva Sol – to underpin this connection.

#### 2.2- Activities

Viva Sol is based in the village of Dargužiai, near Vilnius, where two of its farmers are established. In 2011, it has 10 members, equally city and village people. It has a council of 5 members and one executive director, all voluntary. There are no permanent staff<sup>18</sup>. In addition to its members, Viva Sol also has about 500 active supporters throughout the country. Supporters commit to attending events and joining initiatives on a regular basis. Viva Sol's annual budget is around €10,000, which is mostly funds for projects<sup>19</sup>, all of which are financed

<sup>18 -</sup> There are many debates inside the association, whether to expand and employ, or not. For the moment Viva Sol's position is more of a think-tank with an official flag, with very little internal bureaucracy.

<sup>19 -</sup> Dairy sheep and goat project, knowledge transfer project, workshops.

from external sources. Membership fees and donations make 200 Euros per year. In spite of being quite small and with no permanent staff, Viva Sol has already developed a wide range of activities, over several areas of work.

#### Farmers' Markets

In autumn 2007, Viva Sol started its first project: the SOLmarket, a farmers' market centred on the idea of solidarity between producers and eaters. It enabled four small farmers producing cheese and bread to market their produce directly, once a week, in Café de Paris, in Vilnius old town. It was started as a result of solidarity relations between two of the farmers and three eaters, including the chef of the café. It was conceived both as an opportunity to better market the products and to organise direct, regular exchanges between producers and consumers. In summer 2011 the SOLmarket was renamed the Cheese Market.

In 2009, two more markets were started in two villages, one to the North and one to the South of Vilnius. The aim was to develop local consumption of locally produced food. These initiatives died out in 2010 as the participating farmers acquired enough regular consumers who were prepared to pick up the products at the farms, rather than going to the markets.

# Vegetable Box Scheme

Inspired by the French AMAP and Community Supported Agriculture schemes, Viva Sol encouraged farmers to create direct and regular commitments with consumers. In 2010, two vegetable growers started a subscription scheme, with weekly delivery of vegetable boxes to about 10 households. In 2011, only one of them has continued, with 40 consumers.

# Supporting small-scale breeders

Since 2009 Viva Sol has run a project, together with Heifer international, called 'Promotion of Dairy Sheep and Goat Husbandry in Lithuania Combining Traditions with Innovations.' Its aim is to distribute milk sheep and goats to about 15 small farmers, as well as provide them with cheese-making, animal health and marketing skills. This is a means for family farmers to diversify their activity and generate new income, and for new entrants to get established more easily. Once the animals they received have offspring, the farmers are asked to pay forward (or pass on the gift, as Heifer International says), by distributing the same number of animals to other small farmers.

## Environmental agriculture

Together with the Baltic Environment Forum (BEF), Viva Sol has started an initiative called 'A Different Farming'<sup>20</sup>. They have organised a network of ten farms to demonstrate the additional value to farm produce given by environmentally friendly farming practices. Together, they also run training and information sessions for farmers, local authorities, environmentalists, etc. which address the issue of the importance of agriculture to environment protection.

# Cheese-Makers' Home (Sūrininkų Namai)<sup>21</sup>

In spring 2010, Viva Sol started a not-for-profit company, the Cheese-makers' Home, with the help of a young French couple who are professional restaurateurs. It is located in Valdas's house in Dargužiai, which he rents out while he is away during the summer for the transhumance. His simple country house is fitted out with a professional kitchen, large tables and a terrace.

<sup>20 -</sup> See: http://www.agroaplinkosauga.lt/

<sup>21 -</sup> See: www.surininkunamai.lt



The Cheese makers' Home sells locally produced cheeses, bakes bread, and cooks food with the neighbour's vegetables. Apart from four local cheese-makers, the institution involves other village people, including an accountant, a waitress, a vegetable grower, a milk producer and maintenance workers<sup>22</sup>. This amounts to six people in total. In the 2011 season, Cheese-makers' Home will increase the village population by 7 more people (volunteer workers from outside who come and live in the village).

Besides offering food through the restaurant and shop, the Cheese-makers Home also organizes concerts, training, social activities and serves as a meeting place for the villagers. Some activities are also organised to present Viva Sol and its

activities, which is much more easily done in this context. For its first season, the Cheese-makers' Home had an average weekly turnover of 2000 Euros. It ended the season with a surplus of 2500 Euros. As a non-profit organization, Cheese-makers' Home decided to invest all its surplus in Viva Sol projects, such as the SOL Hatchery and Land Fund. In 2010 it lent 2300 Euros to Viva Sol to finance a visit by a group of ten Lithuanian eaters and farmers to the Terra Madre gathering in Turin, Italy<sup>23</sup>.

Valdas' farm, where he lives in the winter, hosts not only the shop/restaurant building, but a newly renovated, traditional stable for 5 cows, a country house and a cheese-making facility with a cellar. In 2012 there will be a new wood-burning bread oven, capable of baking 50kg of bread at a time. Potentially, the estate can host 2 families, who would manage the farm shop and an educational farm. Being only 50km from the capital, Cheese-makers' Home has great prospects to develop as a showcase of solidarity relations between city and country. By 2013 it should be open all the year round.

## European project on knowledge transfer

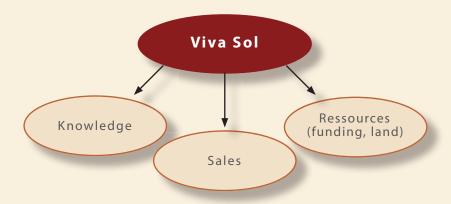
Together with partners Bioselena (Bulgaria) and Savoir-Faire Et Découverte (France), Viva Sol is engaged in a project for sharing high ecological know-how within a European network of professionals. The project funded by the Grundtvig programme for life-long learning took place in 2010-2011. Some 30 professionals came together to work on active pedagogical methods for the more effective transfer of know-how.

<sup>22 -</sup> There are 155 houses, and 250 people in Dargužiai. In 2002 the village had 250 cows, now has 35. There are 6 people (including the three cheese makers) whose main income is generated by farming.

<sup>23 -</sup> Viva Sol had a National Rural Network funding for that, but for various reasons the money arrived 7 months after the travel, and to be able to carry out the project, Viva Sol had to borrow. It shows the need of micro-crediting for NGOs, that does not exist in Lithuania.

# 2.3 Answering the needs of small farmers

After five years of existence, Viva Sol has synthesised its work into three main directions, to answer the needs of small farmers.



Sales is currently the most developed part of Viva Sol's work. Over the past four years, nine farms have benefited from help: 4 newcomers and 5 established farmers. The Cheese Market in Vilnius, which will celebrate its 5th birthday in autumn 2011, is the main income source for three cheese-makers and one baker. It also served as a stepping-stone for five more farmers, and is a great example to many others<sup>24</sup>. The box scheme model, which was widely promoted, finally has vegetable-growers and receives much public attention. The project aimed at bringing back local food to villages is lagging behind, as both markets have closed.

What has ceased to exist in Lithuania is *knowledge* about how to run a small-scale, environmentally-friendly farm that processes its produce and generates a high added value. The

formal agricultural education is aimed either to serve science or factory farms. And pesticide providers are increasingly more active in educating their clients. Viva Sol has started engaging in training and promoting the small-scale farming model since its establishment. It has now joined forces with the Baltic Environmental Forum and international partners. Together, they have prepared and run a series of video lectures on small farming and environmentally-friendly techniques. In addition, Viva Sol has conducted numerous workshops on cheese-making, animal husbandry, marketing, etc. mostly as part of the project run with Heifer International. But Viva Sol would like to develop its training activity and promote a more systematic training system for peasant farmers wishing to engage in environmentally-friendly practices and community connected farming. This should begin to take shape from 2012, with the creation of SOLhatchery, in connection with a local crafts school. It will provide both theoretical and practical training for new entrants, covering a wide range of topics



<sup>24 -</sup> In 2010 Viva Sol has been contacted by about 30 families, who wish to start up a country life according to the same model.

including farming, food-processing, business and marketing skills, and environmental protection.

Usually those willing to start-up a small farm lack not only knowledge and marketing experience, but also resources (funds and access to land). The project with Heifer International has so far provided 6 farmers with dairy sheep and goats. Thanks to the 'pay forward' scheme, the number of farmers benefiting from the project will automatically grow over time and create a community of small farmers. The Cheese-makers' Home is another interesting way to generate more income for farmers, and has received much attention.

Viva Sol has not yet addressed the issue of land. Since 2008 it has envisaged creating a Land Fund to raise investments or donations in order to buy agricultural land. This land would be rented out on favourable terms to small-scale farmers. Viva

Sol has started exploring the issues involved and examining concrete examples, but is for now faced with the difficulty of finding enough resources to start the fund. This is becoming a pressing issue, as several Viva Sol farmers graze their animals on land that is held on short-term leases.

Viva Sol has also tried to voice the needs and concerns of small farmers. In 2010 it hosted every main official with responsibility for agriculture in Lithuania. This included the minister of agriculture and two vice-ministers, the head of the parliamentary committee of rural affairs of the Seimas<sup>25</sup>, and President Dalia Grybauskaitė. This meeting indicated that Viva Sol and its farmers are everyone's pride, but at the same time they are not regarded seriously enough. Indeed, they are widely seen as archaic or marginal in terms of their role in the economy, rural development, environmental conservation, and social inclusion. Viva Sol nevertheless managed to influence regulations on semisubsistence farming, in favour of small farmers. As a result of Viva Sol's exchange with the President, the Ministry of Agriculture recently reduced the lowest ESU census measure of Axis 1 in the Lithuanian Rural Development Programme, to the benefit of semi-subsistence farmers. Moreover, with its well-developed marketing practices and lobbying, Viva Sol has created the possibility for the development of numerous farmers' markets in Lithuania today<sup>26</sup>. Ten small farms are now working according to its farming and marketing model – four in south-east Lithuania, connected to the Cheese-makers' Home, and six operating individually in other regions. There are also two sales points that have been developed which ensure stable incomes to the farmers (Cheese Market and Cheese-makers' Home).

<sup>25 -</sup> The Seimas is the Lithuanian congress of public representatives

<sup>26 -</sup> About 50 new ones all over the country, playing on the positive image of "the farmer", developped since 2007 as a result of Viva Sol lobbying and changing conditions of agricultural markets.

# 2.4- Bringing people together

Viva Sol seeks to organise initiatives to help village people and city dwellers meet. Its vision is that acquaintance will grow into trust, and trust into solidarity. The association is working to open each one to the other: the producer and the eater. The Cheese Market in Vilnius, Viva Sol's first activity, is emblematic of this effort to re-engage consumers and producers. It now brings together 4 farmers and about 500 consumers. Although it is open to all, most consumers are regular customers, who come to the market every Sunday. Besides being a market, it is also a place to organise direct exchanges, build interpersonal relations and present Viva Sol activities.

The central farmers of Viva Sol, three people with urban/international backgrounds, find it easy to organise a talka – a common work-party with some 30-50 people cleaning the stables and afterwards eating a common meal. But such activities are clearly more easily done by "new" farmers, than by long established ones. Talka serves as a showroom for the farmer. The eaters see him in his surroundings, allowing to build their trust in him. In this way, Viva Sol argues, the openness serves both producer and consumer, as no additional labelling agency or quality check is needed when there is a direct relationship based on trust.

While new entrants find it easier to develop direct connections with consumers or engage with other stakeholders, this is also the basis of a latent conflict with villagers. Different approach to land, agriculture and commerce, different values and different quality standards make the new settlers look strange to the majority of the village population. On the one hand, the new farmers would like to open up to the consumers, but on the other hand the village in general is rather unwilling to be exposed in this way. And this is a major problem for community-

connected farms in societies where there is no precondition for mutual trust.

On the other hand, encouraging eaters to commit more is another important part of Viva Sol's work. Viva Sol sees the producer and the eater as solidarity partners with a common purpose. So eaters are encouraged to participate in the box schemes (SOLbasket), to get a deeper understanding about the origins of food (Slow Food Vilnius), and to financially engage into the construction of a lively village (Land Fund).



# 3- Audrius Jokubauskas farm

# 3.1 Personal history

Originally a dancer and journalist, after quitting law school, Audrius found his way to the countryside. In 2007 he joined Viva Sol to help establish the SOLmarket in Vilnius. Getting deeper and deeper into understanding where farmer's products come from and what is needed for them to exist, Audrius found himself one day digging manure with a pitchfork. In 2008 he did a 6-month internship on Valdas' farm, making cheese and looking after goats. That same year, they wrote a project for Heifer International, to receive 40 dairy sheep and 40 goats. 20 sheep were intended for Audrius, the rest of the animals to create a small farmers' network. In April 2009, after a month long, intensive, internship in the French Alps, Audrius settled 2km outside Dargužiai village, 50 km south-west of the capital, Vilnius. He now milks 20 sheep and sells his cheese in the Cheese Market, as well as in the Cheese-makers' Home in Darqužiai. Audrius plans to have 45-50 sheep in 2014, and then to limit himself to this flock, so that he does not have to hire people, or invest in expensive buildings and machines.

#### 3.2 The farm

Audrius rents a farm (with a contract for 3,5 years) that comprises 7,5ha of pastures, a house and two farm buildings. The territory is flat, low and swampy, which together with the River Merkys, creates an outstanding habitat for birds. The land is rather poor, and thus ideal for extensive animal grazing<sup>27</sup>. The farm buildings are adequate for the hay and animals. Audrius did not construct any buildings or buy equipment, so he relies on fellow farmers to make him hay and harvest grain.

The farm produces cow and sheep milk cheeses and yoghurts. The cheeses are sold fresh, and some are matured in a stone cellar under the house. In winter the farm also produces bread. About 5% of the farm's produce is consumed by Audrius and his family.

Audrius is the only full-time worker on the farm. Additional help comes in three times per year: manure clearing, hay loading, and so that he can have a winter vacation. This help mostly comes from friends and eaters. In winter, when the milking season is over, one or two eaters come to take care of the animals and discover country life for a couple of weeks.

His daily work includes milking, feeding, making cheese and selling it. All the work is manual, as there is no equipment and Audrius does not see much of a need for it at the moment<sup>28</sup>. The equipment he uses in his daily work is a gas stove, a large pot, a thermometer, a knife and several plastic buckets. His total investment to start the production amounted to 600 Euros. Other equipment includes a sheep-shearing machine and manual tools. However, he rents a neighboring certified dairy, as his own is under construction, which should cost 3000 Euros.

#### 3.3 Economic model

The products are sold in the Cheese Market (all year) and the Cheese-makers' Home (May-October). The Cheese-makers' Home keeps 20% of the revenue as commission. The commission paid by all 4 cheese-makers is enough to maintain the sales-point and pay the salary for the local sales-person. The price charged for the products is based on the cost of the milk, and constructed as follows: 1/3 milk + 1/3 processing +

<sup>27 -</sup> Crop yields are 5 to 6 times lower than in central Lithuania.

<sup>28 -</sup> Thus, Audrius has a milking machine, but milking with it, and then cleaning takes more time than milking by hand.



1/3 selling. Selling through the Cheese-makers' Home implies that, of the 33% which would be considered as the margin, only 13% reaches the farmer's pocket. A wholesaler or a shop would add at least 50% on top, which would mean that Audrius' cheese would either not cover its production cost, or become too expensive. At present Audrius can afford to sell at up to 60% lower than supermarket prices, and still be cost-effective.

Audrius does not receive CAP subsidies: the landowner has registered as the beneficiary and manages to keep the entitlement as Audrius's lease is only short-term<sup>29</sup>. On the other hand, the taxes for small-scale farmers are very low. As dairy sheep in the Lithuanian ESU methodology count the same as other sheep, Audrius' farm has the size of 0.25 ESU, and, like other farms under 2 ESU, only has to pay 24 Lt (€7) per month

for health insurance<sup>30</sup>. Over his first three years Audrius was able to develop the following annual financial scheme, which indicates that Audrius gets a salary of about 371 Euro per month. This enables him to maintain the farm and a satisfying quality of life, but does not provide him with the means for further investment, which is needed in order to have enough pastures for 45-50 sheep.

Income	Expenses (in €)		
Number of Sheep	20	Hay	580
Milk from 1 sheep / year (in I)	200	Grain	868
Selling price of 1 I milk (when	2,60	Veterinary services	600
transformed into cheese) (in €)			
		Farm rent	600
		Transformation and sales costs	1.500
		Minor investments	1.800
Annual total income (in €)	10.400	Annual total expenses	5.948
Average monthly income (in €)	866	Average monthly expenses	495
		Annual total benefits	4452

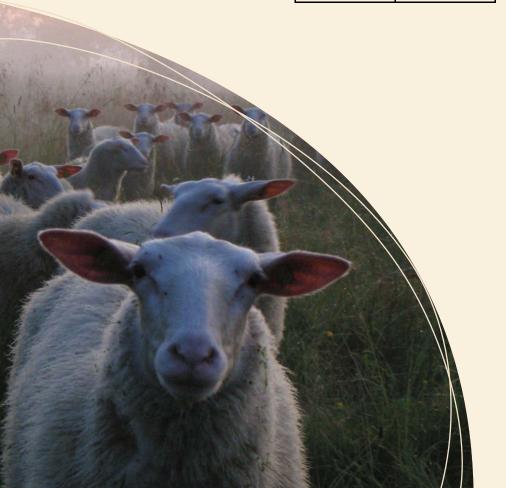
While it is a good option for start-up, initial learning and experiments, the current farm will soon not be big or secure enough. At the end of his current lease (July 2012), he will have either to buy the farm and add land to it, or move to another farm. There are three reasons why he does not want to stay in his current location. First, it has poor access from the road. Second, the pastures are rather humid, which is a problem for the sheeps' health. And last, house prices in such proximity to the capital are too expensive for this type of farming. As a result, Audrius' project is to start an environmentally friendly farm in Dzūkija National Park in south-east Lithuania, close to the Belorussian border. The region is famous for its untouched nature (there were no Soviet kolhozes in this area), preserved traditional lifestyles and an emerging community of city

<sup>29 -</sup> To compensate part of the loss, Audrius negotiated with him that he pays for the annual hiring of a tractor to cut the hay.

<sup>30 -</sup> Farmers start paying income tax when their farm is above 14 ESU, and VAT for annual income above 100,000Lt (about 30,000 Euros)

expats with an alternative vision of rural community. But at the same time, there are very few farmers in the region. He is currently looking for a farm to suit both his and potential investor's needs. Audrius would buy the land, and then rent a farm bought by the investor, with an initial contract for 15 years. The budget of the project is as follows:

Land	20 ha	868 Eur/ha	17.360 Eur
Farm	3 buildings + house		43.000 Eur
		Total	60.360 Eur



# Conclusion

The rapid development of Lithuanian agriculture has left many gaps, including ageing farmers, fewer small scale farms, declining social diversity in rural areas, biodiversity that is in danger and, above all, market-oriented intensive farming that leaves no physical and mental space for an alternative model. The Lithuanian countryside is being taken over by subsidy-driven agribusinesses.

However, Viva Sol is able to use the advantages of a small country, a favourable tax system, and a moral appeal to help promote small-scale, community connected farming. As Lithuanian agriculture advances towards the European model, Viva Sol might face an increasing demand for assistance in reestablishing consumer-producer relations. However, its means (time, money and people) are increasing only very slowly. This hampers, for the moment, its ability to react guickly enough to policy changes, and to explicitly formulate and communicate its model. Viva Sol seeks to promote the settlement of new farmers with community connected models of farms, through work on strengthening knowledge, sales and resources. While the knowledge and sales aspects of Viva Sol are developing well, the question of resource, primarily land, is lagging behind. The confusing results of the land reform process, and the forthcoming foreign investment in land, add to considerable uncertainty about the future of rural Lithuania.

# Access to land for Community Connected Agriculture in Europe **Project 2010-1**

This case study is part of a broader project on Access to land for Community Connected Agriculture in Europe run by a group of European civil society organisations.

#### **Project Presentation**

Our European project on Access to Land for Community Connected Agriculture focused on experiences of Community Connected Farming where there have been particular issues related to gaining and maintaining access to land.

We define Community Connected Agriculture as:

- sustainable, i.e. with no chemical inputs and minimal use of external and non-renewable resources, such as organic farming or extensive grazing;
- civic, i.e. concerned with the broader social, economic, environmental and cultural implications of caring for the land and producing food and/or engaging directly with their community;
- · local, i.e. open onto their local environment and nurturing the local social and economic fabric through direct marketing, on-farm transformation, job creation, social activities, consumers' participation, etc.

#### The objectives of the project were:

- •To document such experiences, through seven case studies and a mapping exercise of about 100 community-connected farms and related projects throughout northern, southern and central Europe;
- •To disseminate information about and analyses of these experiences and the difficulties that they have faced, to feed into the broader public debate about the future of European agriculture and rural areas.

Local, civic agriculture is developing in Europe, and is gaining broader support from consumers, citizens, civic organisations and local authorities. Such farms often have many benefits: they provide local and quality food to consumers; they contribute to the protection of the environment and the reduction of farming's carbon footprint; they often create more jobs, per hectare, than more conventional farms; they contribute to the maintenance of green belts

around cities; and they are often multifunctional and pluriactive farms, which reinforces their economic sustainability and the vitality and viability of rural

At the same time, one key obstacle to the preservation and development of local, civic agriculture is that many such farms are unable to compete successfully for access to sufficient land that is in good condition. Such civic farmers often struggle to find agricultural land that is available to them at affordable price and on secure terms. A question at the core of our project therefore was to explore these difficulties and, where possible, to identify innovative solutions.

# **Project Partners**

The project was coordinated by Sjoerd Wartena and Véronique Rioufol - Terre de liens (France) and Titus Bahner - Forum Synergies (Europe). Neil Ravenscroft - University of Brighton and Tablehurst and Plaw Hatch Community Farms (UK), Jan Douwe van der Ploeg - Wageningen University (Netherlands), Audrius Jokubauskas - Viva sol (Lithuania), Peter Volz - Regionalwert AG/ Die Agronauten (Germany), and Marta Fraticelli - aGter (France/ international) were all active partners of the project.

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# **Contact:**

We welcome information and contact regarding similar European initiatives and studies. The results of our work, and on-going activities, are available (from March 2012) on the website of:

Terre de liens: http://www.terredeliens.org

**Forum Synergies:** http://www.forum-synergies.eu

> For further information: v.rioufol@terredeliens.org