



Measure 2: Farm advisory system 'KRATOS' in Flanders

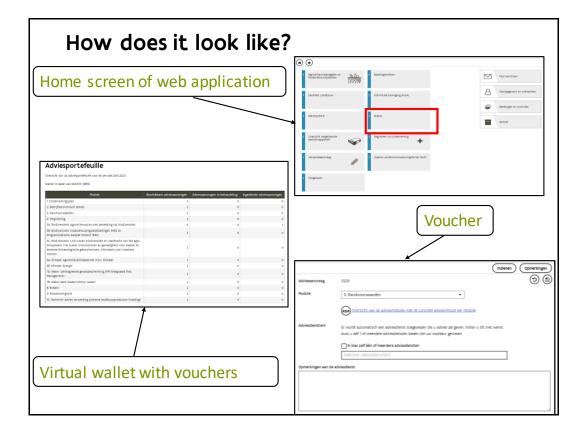
- Customised advice for farmers
- **▶** Completely free
- ▶ 14 different advisory topics
 - → Template of every advisory topic is predetermined
- ▶ Advice given by private organisations government pays advice
 - → Selection of advisory companies by public procurement
 - × Selection based on price + quality
 - ightarrow Max. 5 advisory companies per advisory topic
 - → Fixed price per advice per advisory company!

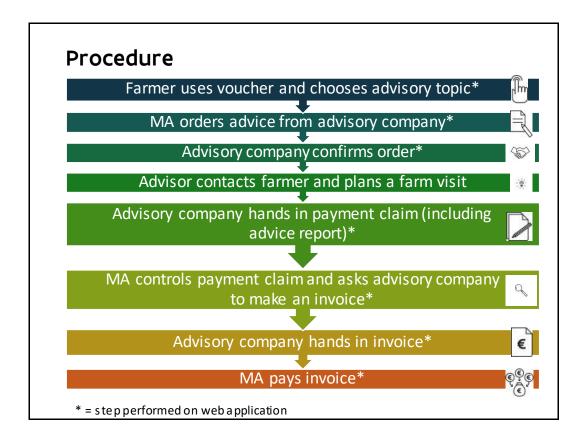


Key characteristics

▶ Farmer

- → Virtual "wallet" with vouchers
 - × Automatically awarded to every active farmer in Flanders
 - × Immediately available (no selection procedure)
 - × 14 vouchers
 - → 1 voucher for every advice topic
 - → 1 voucher → 1 free advice No 'price tag' on voucher
 - × Expiry date = end of current RDP
 - × Available on web application
 - → Custom built by own IT-dept
 - → Login with eID
- → Farmer decides if and when he want to use the voucher(s)
- → Budget is not unlimited → first come first served
 - × Up to now: budget is sufficient





Lessons learned of KRATOS-vouchers

- ▶ Farmers appreciate KRATOS
 - → 4500 advices

PROS



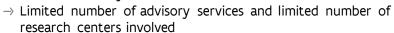
- Fixed content per advice type + fixed price
 - \rightarrow Easy to manage
- Easy procedure on webapplication
 - → No administrative burden for farmer
- Vouchers immediately available (no selection procedure for farmers)
- Free advice:
 - \rightarrow Low threshold for participation (especially environmental topics)
 - \rightarrow No pre-financing by farmers
- Increased popularity of certain topics (e.g. business plan)

Lessons learned of KRATOS-vouchers

Public procurement:

CONS

- ightarrow Administrative burden for MA and advisory companies
- → Lack of flexibility





- → Knowledge flow from research is delayed
- No room for open advice questions
- No cost for farmers ⇔ quality control is a challenge
- ▶ Relative low uptake (8%)
 - → How to reach more farmers?
 - → Importance of communication



Use of voucher system in new RDP

Why a voucher system?

- → Experience from current RDP shows need for more flexibility
- → 1 integrated voucher system for advice + vocational training!

Demand driven:

- → Farmer has a key-role and determines the priorities in his needs for training and/or advice
- → More possibilities compared to current RDP

Work in progress

- → Currently in design phase on policy level
- → Implementation hasn't started yet → Many challenges ahead!
- → Information in these slides is subject to change!





Key characteristics of the voucher system

Advice

- → 1 farmer
 - × Single advice with 1 advisor
 - × Single advice with several multidisciplinairy advisors
 - × Advice with follow-up moments
- → Group of farmers
 - × Area-specific challenges

Vocational training

- → Classical courses
- → E-learning/blended learning/...

Advisory companies / training centers

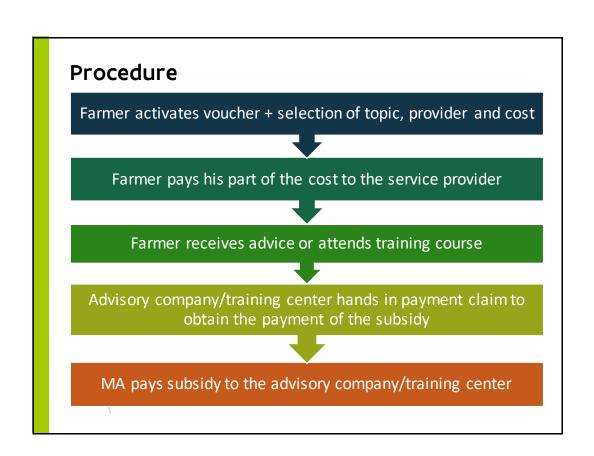
- → Selection by "certification" process
- → Vouchers can only be used at "certified" organisations
- Advisory company/training center: beneficiary of the subsidy

Key characteristics of the voucher system

- > Every farmers has a 'virtual wallet'
 - → Available on web application (login with eID)
 - → €X 'credit' per farm
- > Farmer pays a contribution for every advice/training

→ X percent: paid by the farmer→ (100-X) percent: paid by government

- Farmer decides if/when/from who and about what he needs advice or training
 - → Wide range of themes (not unlimited)
- \rightarrow When farmer uses a voucher \rightarrow voucher will be activated
 - → part of the budget will be reserved (according to cost of the advice/training)
- Expiry date of voucher (→ 3 months?)
 - → To avoid that a part of the budget is reserved without being used



Challenges

▶ single aid intensity ⇔ Multiple aid intensities

- → Single:
 - × easy to manage
- → Multiple:
 - × Allows to give priority to certain important topics
 - × Complicates management of the system
 - → How to control
- → What is the right percentage for the aid intensity?

Cost of the advices and trainings

- → Free market: no need to evaluate prices?
- → Farmer pays part of the service and evaluates price?
- → Compatible with New Delivery Model?
 - × How to estimate unit amounts?

▶ Controls: how to find the right balance

- → Need for control of advice contract/subscription for training?
- → Control for the payment of the farmer for the advice/training?

Challenges

▶ How to determine the budget per farmer?

- → Equal amount for all farmers OR benefits for certain types of farmers
- → 1 amount for whole programming periode ⇔ 1 amount per year?
- → Maximum amount that can be used for 1 advice/training?

Selection process for vouchers?

- → Selection is done on the level of service providers
- → Screening of eligility criteria of farmers before awarding the vouchers
- → Would be an extra bottleneck that inhibits access to advice/training

Quality control

- → Important role of the farmer who pays part of the cost?
- → Farmers can review the advisory companies/training centers
- → Trust on the certification of the advisory companies and training centers?



CHALLENGES

AHEAD

