



Succession panel

Cepea/Esalq-USP

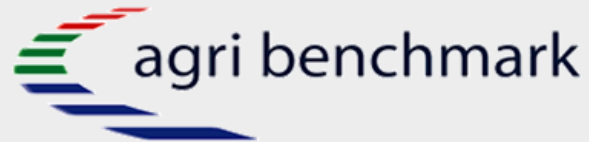
Center for Advanced Studies on Applied Economics

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Topics



- Demographics
- Entry of new producers
- Programs to support succession



CEPEA
CENTRO DE ESTUDOS AVANÇADOS EM
ECONOMIA APLICADA - ESALQ/USP

Demographics

Expected number of people to retire over the next 10 years
Where does the next generation come from?

Distribution of employment

According to the economic activity

Economic Activity	1981		2009	
	Employment		Employment	
	N (1.000)	%	N (1.000)	%
Agriculture, hunting, forestry, fishing	11,021	26.7	10,462	12.2
Mining, manufacturing, utilities	7,036	17.0	13,275	15.5
Construction	3,503	8.5	6,662	7.8
Wholesale, retail trade, restaurants and hotels	6,089	14.7	19,368	22.7
Transport, storage and communication	1,719	4.2	4,365	5.1
Other activities	11,951	28.9	31,281	36.6
Total	41,319	100.0	85,413	100.0

Brazil

Demography of employment vs. Workforce in Agricultural

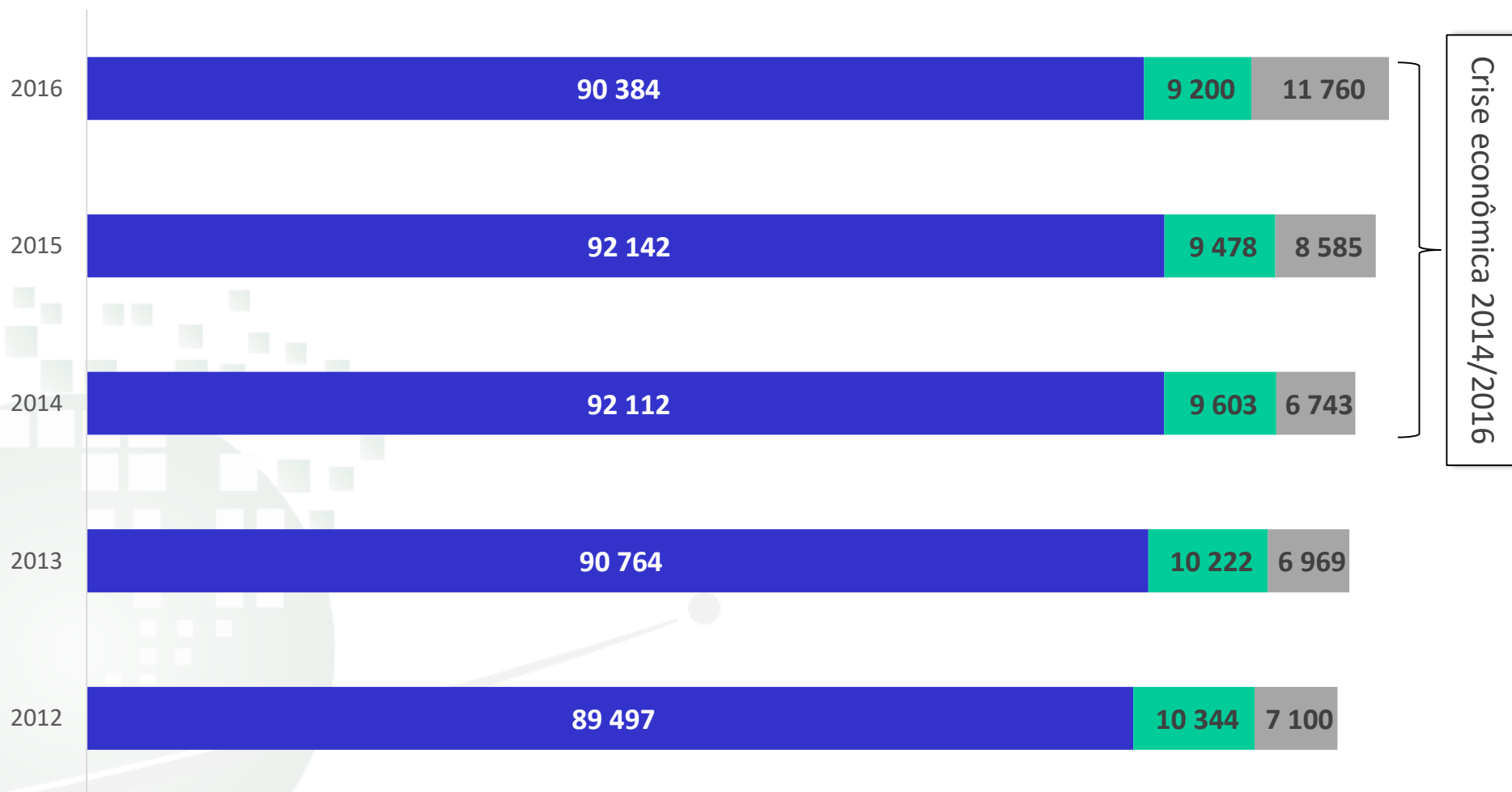
■ Workforce in Agriculture, Livestock Production and other sector-related activities (Thousand people)

■ Total workforce (Thousand people)



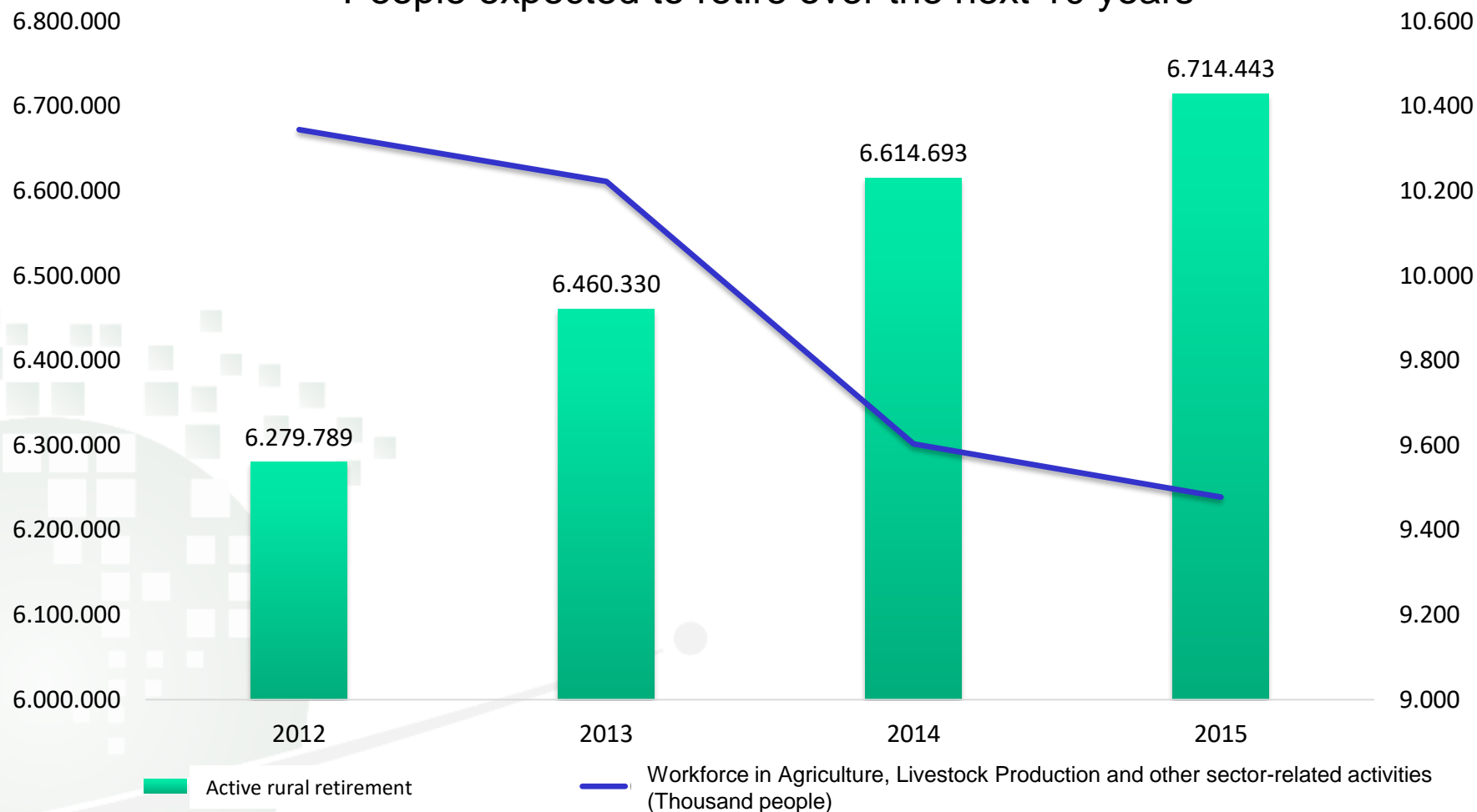
Demography of employment vs. Workforce in Agricultural

■ Total workforce (Thousand people)
 ■ Workforce in Agriculture, Livestock Production and other sector-related activities (Thousand people)
 ■ Unemployed total (Thousand people)



Demographics

✓ People expected to retire over the next 10 years



Demographics

✓ Where does the next generation come from?

“Work in agriculture remains inherited activity, and familiar producers strive to keep their property undividable” (KYOTA;PERONDI, 2014)

Sexo	Número de membros das famílias distribuídos por decisão migratória								Total	%
	Criança (0 a 9 anos)		Jovem (10 a 24 anos)		Adulto (25 a 59 anos)		Idoso (60 anos ou mais)			
	Número	%	Número	%	Número	%	Número	%		
Permaneceram na unidade de produção										
Masculino	9	64	37	50	91	55	39	56	176	54
Feminino	5	36	37	50	75	45	31	44	148	46
Total	14		74		166		70		324	
Entraram na unidade de produção										
Masculino	12	75	2	18	5	45	1	33	20	49
Feminino	4	25	9	82	6	55	2	67	21	51
Total	16		11		11		3		41	
Saíram da unidade de produção										
Masculino	3	43	18	58	15	65	13	46	49	55
Feminino	4	57	13	42	8	35	15	54	40	45
Total	7		31		23		28		89	

** Migratory movement distribution by sex and age between 2005 and 2010.



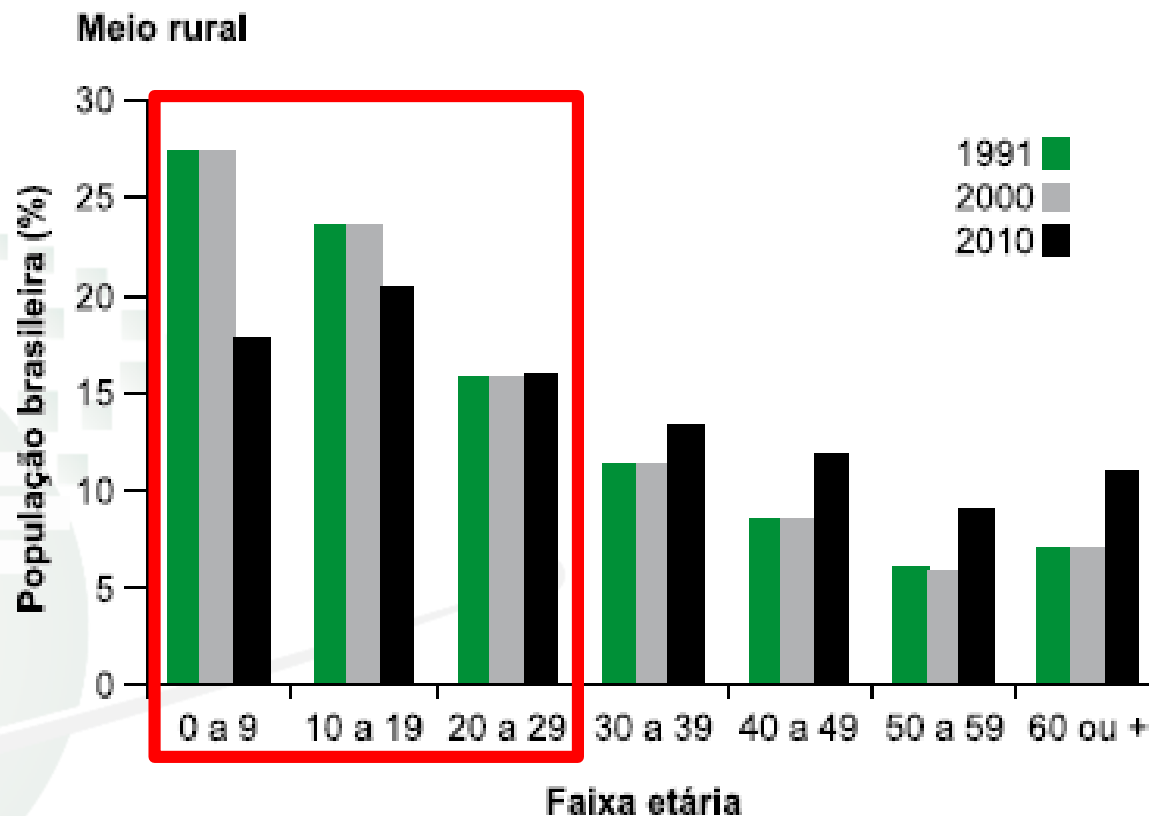
The entry of new producers

Characteristics, challenges and barriers

Entry of new producers

✓ Characteristics

1) Older people (do not migrate, only staying in rural surroundings)



Entry of new producers

✓ Characteristics

2) Men and women with low schooling levels

Escolaridade	Meio urbano						Meio rural					
	1991		2000		2010		1991		2000		2010	
	H (%)	M (%)	H (%)	M (%)	H (%)	M (%)	H (%)	M (%)	H (%)	M (%)	H (%)	M (%)
Sem escolaridade	17,9	18,3	21,1	20,3	8,4	8,2	47,3	43,9	40,5	37,8	25,5	21,6
1º grau	62,2	60,4	53,2	50,9	50,6	47,0	49,8	52,4	53,9	54,9	59,9	59,1
2º grau	13,3	15,1	18,6	21,0	28,0	29,3	2,5	3,3	5,0	6,5	13,1	16,3
3º grau	6,5	6,2	7,1	7,8	13,0	15,6	0,4	0,5	0,6	0,8	1,6	3,0
Total	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

Entry of new producers

✓ Barriers

1. Human Capital

- *Qualified Manpower*

2. Competition

- *i.e.: Vietnam (Coffee); Malaysia and Indonesia (Rubber)*

3. Demand

4. Land

- *Availability and Quality*

5. Climate

6. Logistics

- *High costs*





Programs to support succession

How is succession being supported in your country?

Programs to support succession

✓ How is succession being supported in your country?

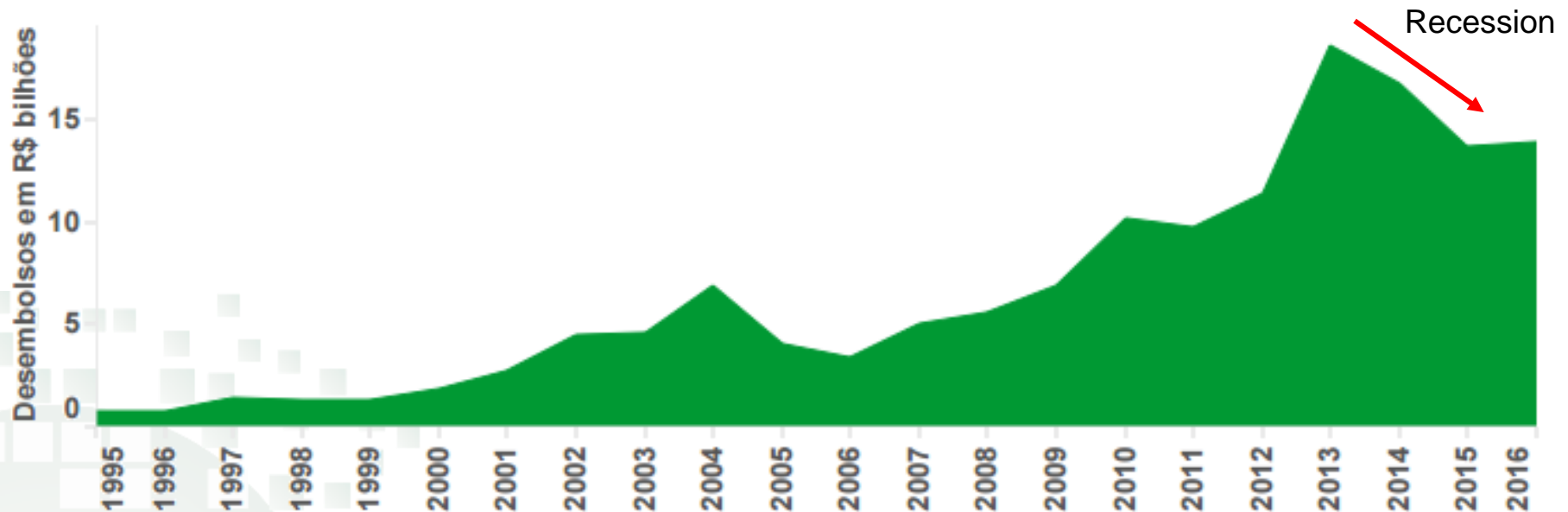
- PRONAF (National Program for Agricultural Strengthening)
- Credit Lines – Banco do Brasil
- Financing Lines – BNDES (Banco Nacional do Desenvolvimento)



PRONAF

Programs to support succession

- ✓ BNDES's outlay evolution in the agricultural sector



At the beginning of the series (1995), BNDES outlayed R\$ 731 million for financing and producer credit programs.

In 2016, this number was reduced to R\$ 13.898 million.

Thank you!

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