



CLIMMAR
Centre de Liaison International
des Marchands de Machines Agricoles
et Réparateurs



Report on the 66th CLIMMAR congress | Thun | 24-26 October 2019

At the 66th annual CLIMMAR congress held in Thun, Switzerland from 24 to 26 October, 15 (out of 16) national dealer associations discussed about the future of agricultural and garden machinery dealer organisations.

FRIDAY 25 OCTOBER

Welcome and opening

The congress was organised by Swiss CLIMMAR member Agrotec Suisse and opened by Agrotec Suisse President **Werner Berger** and CLIMMAR President **Erik Hogervorst**.

Election of the Presidency

Roberto Rinaldin (UNACMA, Italy) was elected as Vice President of CLIMMAR. He succeeds Joost Merckx (Fedagrim, Belgium), who served as a Vice President for 9 years. Besides Roberto Rinaldin, the CLIMMAR Vice Presidency now consists of Pierre Prim (SEDIMA, France) and Ludger Gude (LandBauTechnik-Bundesverband, Germany).



In 2020, President Erik Hogervorst's second term will end and he announces not be electable for a third and last term. This means that next year, at the Congress in Budapest, a new President will have to be installed. It also means that the secretariat will move to the national organisation the new President is from (unless an external secretariat is installed).

Presidents' Reports

For the Presidents' Reports, please refer to the presentations and handout.

Welcome by Mr. Guy Parmelin

Mr. **Guy Parmelin**, Head of the Federal Department of Economic Affairs, Education and Research and a master wine grower by trade stressed to the delegates that farmers and dealers face a lot of challenges including the (fast) technological progress to cope with. Switzerland itself is investing CHF 24 billion in its centre of excellence for agricultural research called Agroscope (www.agroscope.admin.ch) to innovation.



Parmelin also feels that digitisation offers ways to increase profitability, be(come) more sustainable and to help dealers (with data) to do a better job and to improve/extend better usage of tractors and equipment by the farmers. Meanwhile, 15% of Swiss farmers have turned to organic farming.

CLIMMAR co-signing the Code of Conduct (CoC) on data sharing is a good thing according to Parmelin, but he feels the discussions on data exchange and ownership are difficult and form a challenge for politicians.

CLIMMAR Branch Reports & Index (by Ulrich Beckschulte)

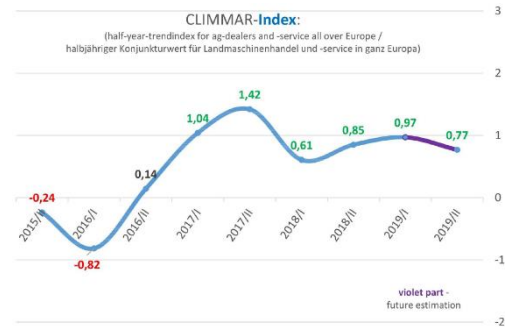
The Branch Reports currently present statistics from 50% of the dealers and distributors of agricultural and garden machinery in 16 European countries. Combined, they are responsible for 79% of the total market. The average turnover per European dealer in 2018 amounts to €2.366 million. Sales of new equipment account for 56% of the turnover, 13% is second hand machinery, 9% workshop, 17% spare parts and 5% other.

CLIMMAR member nations' sell 130,000 new tractors annually of which 99,000 units have over 50 hp. It's interesting to see that Germany is the biggest market by far (appr. 40,000 new tractors) whereas France is the biggest market for tractors > 50 hp (appr. 24,000 units). When looking to the number of tractor sales per dealer company, then Swedish and Hungarian dealers on average sell the most tractors (appr. 13 units). Followed by Slovakia.

Looking at the trends, most respondents/countries expect a higher turnover in the second half of 2019 compared to the first half. They however also expect costs to increase and stock and investments to remain on similar levels.



The unique CLIMMAR Index that was established last year, showed a rather surprising trend for the first half of 2019. The Index was prognosed to go down from 0.85 in the second half of 2018 to 0.45 in the first half of 2019 (*right image*), while in reality, the Index for H1-2019 climbed to 0.97 and the expectation for H2-2019 currently sits at 0.77.

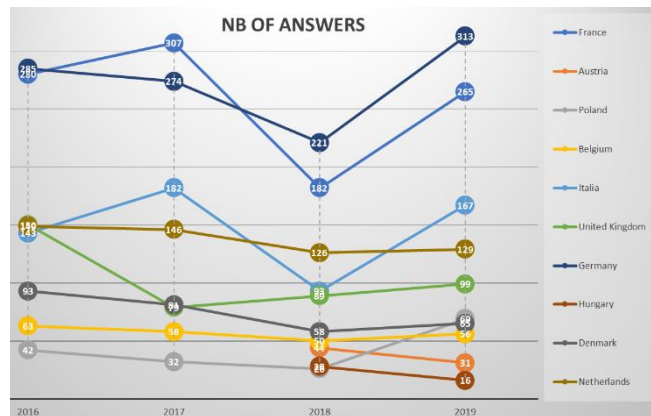


For next year's surveys, the working group raised ideas for:

1. Detailed tractor sales statistics
2. Analysis of A/B dealers per brand
3. Comparison of driver license systematics
4. Intensifying the warranty conditions survey

DSI 2019 Results (by Anne Fradier)

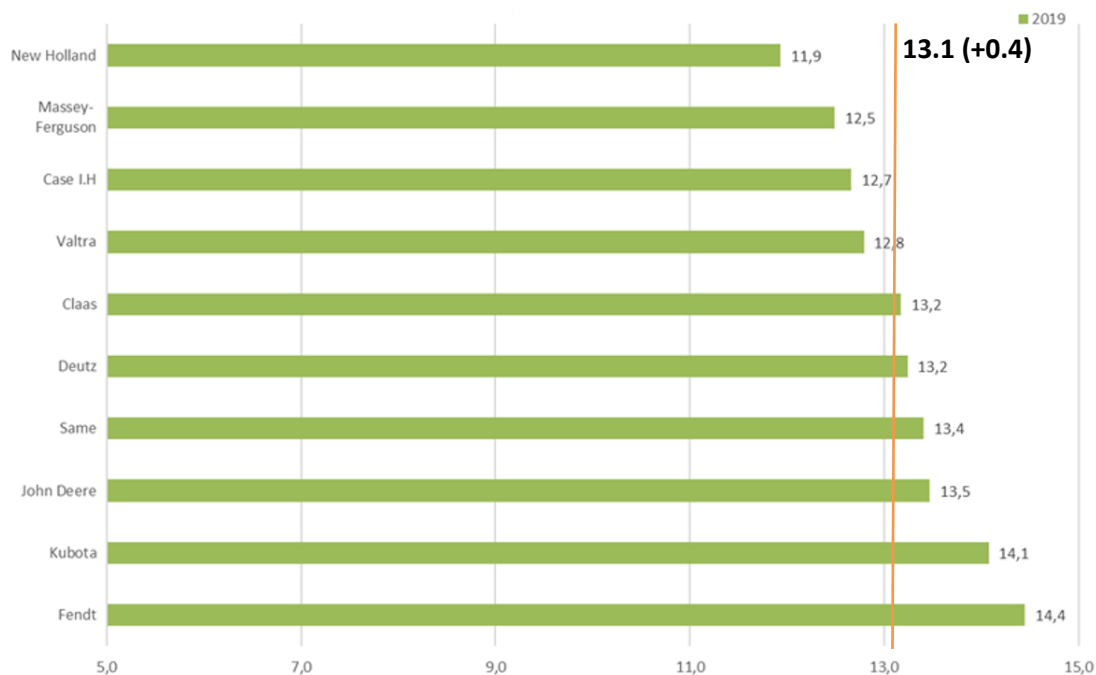
The total number of recipients went down slightly from 4,457 in 2018 to 4,279 in 2019 (-4%). Especially in Poland (-41%), Denmark (-31%) and in Germany (-10%) the number went down. An upward trend concerning the number of recipients was noticed in France and the UK. The level of participation on the contrary was higher in most participating countries (*right image*).



When focussing on the 10 tractor brands that got enough answers to be included in the survey/conclusions, the number of respondents increased by 35%, from 797 to 1,077. Especially Deutz-Fahr (+73%) and Same (+63%) were evaluated more often.

Brands like Lamborghini (33 answers), Steyr (21), Landini (15) and McCormick (15) were not evaluated often enough (minimum is 4 countries) by their national dealers. Only those tractor brands that are evaluated in at least four countries are listed.

The overall brand average, the average of all factors combined, increased by 0.4 points to 13.1 points (2018: 12.7 points, 2017: 12.6 points, 2016: 12.6 points, 2015: 12.4 points). This means that dealers are slightly more satisfied with the performance of their suppliers and that there is an upward trend.



Lobby issues - RMI & WGAT (by Per Hedetoft)

Per Hedetoft explained that after being an outcast at first, CLIMMAR is now really getting recognised on a European level and respected for its voice by means of Per Hedetoft in the Working Group Agricultural Tractors (WGAT) as well as in the ISO Working group on Repair and Maintenance Information (RMI).

In the RMI discussions, CLIMMAR for instance achieved to make Independent Operator (IO) equal to Independent Repairer (IR) and Redistributor. This means that apart from IO, also the IR and Redistributor should have access to RMI by the manufacturers. Another achievement was parallel between Vehicle Manufacturer (VM) and Manufacturer and that the VM is required to provide for the purposes of repair and maintenance the same information that it provides to its authorised repairers in a non-discriminatory manner.

As most of the documents have their origin in the car/truck industry, Per proposed and managed to enforce changes to the original descriptions such as the accessibility to wiring *and hydraulic diagrams* and workshop procedures for body, engine, transmission and hydraulic repair.



Part two of the RMI standardisation focusses on vehicle on-board diagnostics (OBD). The question was raised about (smaller) manufacturers that do not (need to) have OBD. What to do with these? Another topic that was raised, is the application of RMI for existing and older machines?

WGAT

Alike the RMI documents, also the WGAT EU 167/2013 regulation documents come from the car/truck industry. In fact, RMI is part of the EU 167/2013 regulation, the Tractor Mother Regulation. CLIMMAR so far attended two out of 112 meetings of the WGAT and many other organisations also take part. CEMA for instance has put forward several proposals including a change of requirements for maximum axle loads (regulation 208/2015 Annex XXII) and the fitment of spray repression systems on trailers wider than 2.55 m.

With Per Hedetoft attending the meetings and able to influence regulation documents, CLIMMAR is able to co-steer the outcome and results.

COPA-COGECA's view on the CAP 2021-2027 (by Paulo Gouveia)

Paulo Gouveia, Chief Policy Advisor on the CAP of Copa-Cogeca, explained how Copa-Cogeca feels on the future Common Agricultural Policy, CAP 2021-2027.

First of all, Europeans farmers' incomes are still lagging behind on average wages: 46.5% in 2017. Besides, farmers' incomes heavily depend on CAP subsidies. The CAP-budget might have been raised from €11 billion in 1980 to €60 billion in 2020 (€52 expected in 2021), the CAP share of the EU GDP has decreased from 0.6% to 0.3%.

As far as the co-legislative of the CAP 2021-2027 process is concerned, that's not just halfway through the process and besides, there's no negotiation mandate, said Gouveia.

Wrapping up, Copa-Cogeca calls for a strong CAP, a strong Single Market and backing by a strong budget.



CEETTAR's view on the CAP 2021-2027 (by Jérôme Roche)

Jérôme Roche, Secretary-General of CEETTAR, explained how CEETTAR feels on the future Common Agricultural Policy, CAP 2021-2027.

Alike CLIMMAR's members, CEETTAR's members are struggling to find skilled labour, especially in forestry (Finland, France, Germany, Portugal). CEETTAR also recognises an image problem of contractors: people/consumers do not know what contractors do. They just see big machines causing possible security issues on public roads because of their size and leaving the roads dirty with mud. CEETTAR therefore issued a position paper on road use and the affiliated EU type approvals.

The organisation is happy about the joint initiative with CEMA to have European (budget) vouchers for investments in smart farming technology.



As far as the CAP is concerned, CEETTAR wants to:

- Tackle the social aspect of green transition: redirect European funds to target the support to green transition
- Support to the green ICT sector
- At EU level: streamline all the « green » European policies.

According to Roche, contractors and dealers can work together on:

- Product safety
- A mechanism to make contractors aware of recalls so that repairs are made on time and less costly machines downtime
- Parts: guarantee of replacement and rapid supply
- Knowledge exchanges: specialised training and provision of cutting-edge expertise
- JOINT INITIATIVES on adoption of precision farming technologies & new business model development around data management and data sharing

CEMA's view on the CAP 2021-2027 (by Jerome Bandry)

Jérôme Roche, Secretary-General of CEMA, explained how CEMA feels on the future Common Agricultural Policy, CAP 2021-2027.

Agricultural and garden machinery accounts for €40 billion turnover in the EU-28, whereas the markets (= production – exports + imports) amounts to €26 billion. And although the first half year of 2019 showed a positive trend in tractor sales in the EU-28, the CEMA barometer shows that the business climate index went down for the third time in a row, whereas with four subsequent decreases, the index stands for a recession.

As far as long term global structural challenges are concerned, more and more people to feed and less and less farmers to do so (11% of EU farm managers are under 40, 1/3 are over 65), CEMA feels that smart technology is part of any solution. The CAP2021-2027 should therefor:

- Reduce the environmental impact while preserving natural resources
- Maintain competitiveness and economic viability for all type of farmers and
- Ensure productivity levels for European society
 - Added during the round table discussion: food is too cheap and therefor consumers tend to disrespect food
- Consider Precision Agriculture as a promoter of sustainable productivity growth in agriculture
 - Added during the round table discussion: how do we communicate the arrival of robots to consumers
- **Encourage the uptake of Smart & Precision Agriculture Technologies (S&PAT)**
 - Added during the round table discussion: with all elements of the food production value chain
- Support the access of all types of farmers including small (family) farm holdings to S&PAT



SATURDAY 26 OCTOBER

Swiss education system (by Josef Widmer)

Josef Widmer, Deputy Manager of the State Secretariat for Education, Research and Innovation explained the organisation, funding and challenges of the successful Swiss education system.

Strengths of professional education sector:

- Tertiary-level practical training
- High level of demand on the labour market, low unemployment rate
- Diversified, specialised offer
- Flexible access
- High personal, social and fiscal returns on investment in training
- Closely correlated with needs of labour market (competences to be acquired decided by private sector)
- Federal recognition of qualifications



Vocational and professional education and training (VPET) is the basis for entry into the labour market and lifelong learning. A strength of the system is the joint funding by the public sector (Cantons and bunds) and the private sector (Professional organisations and companies). Besides, with 92% the VPET systems results in the highest employment rate of all educational systems.

In order to prepare the VPET system for the future, 2030, plans are made for:

- Orientation of VPET towards lifelong learning
- Greater flexibility in education and training options
- More information/guidance over one's entire education and career
- Optimisation of governance & strengthening of partnership dynamics within VPET system

Accompanied by digitalisation / new learning technologies and fewer regulatory hurdles and streamlined administrative procedures.

EU educational funds (by Ms. Dita Traidās)

Dita Traidās, amongst others President of WorldSkills Europe, explained how the Erasmus+ program can help finance vocational education and training (VET) programs. The budget stood at €14.7 billion from 2014-2020 and stands at €30 for 2021-2027. The new Erasmus+ programs would like to encourage new ambitious formats of cooperation, such as European Universities and Centres of Vocational Excellence and to extend international dimension to new sectors, such as vocational education and training.



The Call for Proposals EACEA 33/2019, Centres of Vocational Excellence, has a deadline for Deadline for submission of **20 February 2020**.

Traidās realises that the Erasmus Grant scheme is a jungle of bureaucracy and it is extra work and management but **co-financed**.

Agenda

The **next Spring Forum** is taking place in Gdansk (Poland) from 22 to 24 April 2020 and the **next CLIMMAR Congress** takes place in October 2020 in Budapest (Hungary). The exact dates for the congress have yet to be determined.