



# IS ENERGY EFFICIENCY IMPORTANT FOR TILLAGE FARMERS?

- While fuel efficiency is not the most important attribute when investing in tractors, it remains a major consideration for most tillage farmers.
- Farmers have a good understanding of fuel consumption, energy prices and monetary savings associated with investment.
- Finance and credit constraints may be reducing investment in energy efficiency.
- Fuel efficiency labels would be valued by farmers.

## Are consumers concerned about energy?

The European Union has set itself a 20% energy savings target by 2020, and at least 27% by 2030. This can help consumers to lower their energy bills and reduce climate change. Still, consumers do not always choose the products that would give them the largest energy savings over time. This gap between the energy savings potential and actual consumer decisions is called the “energy efficiency gap”.

To bridge this gap, we need to understand the wide range of factors that potentially influence investments into energy efficiency. So far, we know relatively little about the perceived costs and benefits of energy efficiency, and the effect of energy labels.

## The CONSEED project

The CONSEED project is examining the importance of energy efficiency and the role of energy consumption information. The researchers are running a range of focus groups, surveys, field experiments and discrete choice experiments with households and professional consumers from the services, agricultural and industrial sectors. These cover five European countries - Greece, Ireland, Norway, Slovenia and Spain. This factsheet describes survey results for Irish tillage farmers.

## What matters when investing in tractors<sup>1</sup>?

Irish tillage farmers have slightly different priorities

1316 tillage farmers completed the online survey (administered by Amárach Research) between 8/12/2017 and 19/01/2018

than other sectors when investing in energy-consuming technologies.

When buying tractors, price is less important than factors which could negatively impact farm production, such as reliability, back-up service and horsepower. Fuel efficiency, while less important than these attributes, is still a major concern for most farmers (52% of farmers find it ‘very important’ and an additional 38% find it ‘fairly important’).

A considerable share of farmers believe that all new tractors have similar fuel efficiency levels. This insight is important for policymakers as such farmers may be less likely to care about fuel efficiency when investing. We also find that farmers who have a very good understanding of the financial savings of energy efficiency improvements are more likely to care about this attribute.

## The costs and benefits of energy efficiency

In terms of attitudes, most agree (strongly or slightly) that higher fuel efficiency would reduce their farm’s environmental impact. Furthermore, 38% would be more likely to buy a more fuel efficient tractor if other farmers did so first. Reliability concerns are an issue for some – 26% of farmers think that more fuel efficient tractors are less reliable. Knowledge gaps are not particularly prevalent – most farmers have a very good understanding of their current fuel consumption (88% agree with statement) and the

monetary savings of associated with better fuel efficiency (84%).

Finance and credit constraint are however an issue – 50% of farmers say they cannot afford more fuel efficient tractors and 47% say that loan access is preventing them from making more energy efficient choices on the farm (‘strongly’ or ‘slightly’ agree).

**Current Label**

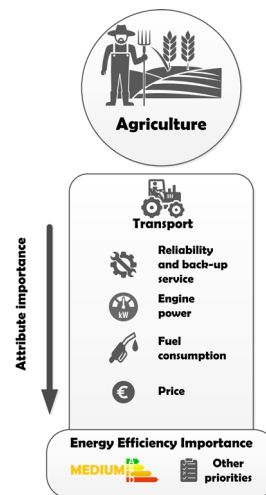
- **There are no fuel efficiency labels for tractors**
- **A label similar to cars would be understandable and influential**

### Attitudes towards labelling

There is no fuel efficiency labelling system for tractors in the EU. However, farmers are generally supportive of two proposed labelling systems (fuel consumption labels and



*Tillage farmers have a considerably higher spend on diesel fuels than other systems.*



*Summary of survey findings.*

monetary labels) – most tillage farmers believe that such labels would be understandable, influential, and would help them understand their energy consumption and calculate their fuel costs.

### Insights from the survey

While fuel efficiency is not the most important attribute when investing in tractors, it remains a very important concern for 52% of tillage farmers in Ireland.

A considerable share of farmers believe that all new tractors have similar fuel efficiency levels, which may be an impediment to investment if unfounded.

Farmers have a good understanding of fuel consumption, energy prices and the monetary savings associated with investment. However, finance and credit constraints may be reducing investment in energy efficiency.

Fuel efficiency labels would be valued by farmers. Most tillage farmers believe such labels would be understandable, influential, and would help them understand their energy use and calculate their fuel costs.

The CONSUMER Energy Efficiency Decision making project (CONSEED) does research to understand better how European consumers make energy efficiency decisions.

Do households and professional consumers pay attention to energy labels? What information are they looking for? We focus on three products: cars, appliances/machinery and buildings.

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CONSEED is led by Trinity College Dublin (Ireland), and includes four other research institutions: CICERO Center for International Climate Research (Norway), Basque Centre for Climate Change BC3 (Spain), University of Ljubljana (Slovenia) and Agricultural University of Athens (Greece).