Generational renewal in the EU farms of the future

2022/2182(INI) - 19/10/2023 - Text adopted by Parliament, single reading

The European Parliament adopted by 447 votes to 14, with 7 abstentions, a resolution on generational renewal in the EU farms of the future.

In 2020, a majority (57.6 %) of farm managers were at least 55 years old and approximately only 12 % of farm managers were under 40 years old. In many Member States, a relatively high proportion of farmers are 65 or over, with an average of three farm managers over 65 for every farmer under 40. The challenge of generational renewal is particularly acute in those Member States that have both a lower than average share of young farmers and a higher than average share of farmers above retirement age.

Given that farming remains a predominantly family activity, the lack of generational renewal may lead to land abandonment. Therefore, generational renewal requires young people from agricultural backgrounds to remain on this professional path and newcomers to be encouraged to enter the sector.

The resolution stressed that generational renewal is key for the future social, economic and environmental sustainability of rural areas and EU food security.

Challenges and resources for generational renewal

Members noted that the price and availability of land, the generally low profitability of agricultural activities, administrative requirements and the image of the sector were identified as the main barriers to becoming a farmer. Moreover, the limited availability of and the cost of renting or buying land are major obstacles for young farmers. The resolution also pointed out that it is becoming increasingly challenging for young farmers to obtain loans to invest in farmland.

While acknowledging the positive effect of CAP young farmers' measures on the number of young farmers, in particular those located in more peripheral rural areas, the resolution stated that the administrative burden is excessive and that the current design of the CAP may have a role in maintaining barriers to young and new farmers' entry into the sector by contributing to increasing the price and reducing the availability of arable land, as well as in farm concentration.

Moreover, the underfunding of specific measures for agriculture in favour of the outermost regions of the Union (POSEI) should be duly corrected in the next multiannual financial framework according to Parliament.

Promoting generational renewal in farming

Member States are called on to develop coherent and long-term strategies to promote generational change and increase the attractiveness of working in agriculture. They are also called on to provide access, in their farm advisory services schemes, to a farm succession facilitator that can provide guidance during farm transfers, namely on intergenerational dialogue, legal, taxation and cadastral service frameworks and financial support possibilities, establishing an installation pathway with a farm diagnosis and ensuring follow-up. The transfer of knowledge, skills and ownership of the farm business from one generation to the next is crucial.

Other measures called for include:

- sharing best practices and innovative ideas between Member States regarding the design of measures for young farmers;

- setting up a one-stop-shop system to simplify administrative procedures;

- regulating agricultural land markets and agricultural land use to promote land access for young farmers via purchase, leasing or other forms of access.

Parliament highlighted the need for constant **investment in the infrastructure** supporting the agriculture sector, such as water and transport infrastructure, and the need to increase farms' energy efficiency to reduce production costs.

Young farmers for the future

Members called on the Commission to:

- come forward with a communication on women in farming, analysing and advocating best practices in Member States and identifying gender-specific obstacles to farm renewal;

- identify young farmers' specific needs and requirements of young farmers and new farmers in a holistic way, particularly the needs of those who do not come from farming families;

- pay more attention to crisis-prone agricultural sectors, as it is the fear of possible frequent crises that deters young people from certain agricultural sectors, such as the dairy sector.

The resolution insisted that generational renewal must remain a high priority in the future programming period, particularly for the CAP, under which it must receive increased, mandatory support. Furthermore, greater focus should be given to the creation of quality jobs in the agricultural sector, guaranteeing rights and stable and fair wages and working conditions. Member States are called on to promote and improve systems for the replacement of farmers or any farming employees in the event of illness or accident or in order to ensure a better work-life balance for farmers.

Lastly, the Commission is called on to end unfair competition by banning foreign products that do not comply with the environmental standards imposed on European farmers.