Basic information

2007/2194(INI) INI - Own-initiative procedure	Procedure completed
What future for young farmers under the ongoing reform of the CAP? **Subject** 3.10.01 Agricultural structures and holdings, farmers 3.10.01.02 Rural development, European Agricultural Fund for Rural Development (EAFRD) 3.10.12 Agrimonetary policy, compensatory amounts	

Key players

	Committee responsible	Rapporteur	Appointed
European Parliament	AGRI Agriculture and Rural Development	VERALDI Donato Tommaso (ALDE)	05/06/2007

	Commission DG	Commissioner
European Commission	Agriculture and Rural Development	FISCHER BOEL Mariann

Key events

Date	Event	Reference	Summary
27/09/2007	Committee referral announced in Parliament		
06/05/2008	Vote in committee		Summary
13/05/2008	Committee report tabled for plenary	A6-0182/2008	
05/06/2008	Decision by Parliament	T6-0258/2008	Summary
05/06/2008	Results of vote in Parliament		
05/06/2008	End of procedure in Parliament		

Technical information

Procedure reference	2007/2194(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/6/53466

Documentation gateway				
European Parliament				
Document type	**Committee**	**Reference**	**Date**	**Summary**
Committee draft report		PE402.594	05/03/2008	
Amendments tabled in committee		PE404.657	17/04/2008	
Committee report tabled for plenary, single reading		A6-0182/2008	13/05/2008	
Text adopted by Parliament, single reading		T6-0258/2008	05/06/2008	Summary

What future for young farmers under the ongoing reform of the CAP?

2007/2194(INI) - 05/06/2008 - Text adopted by Parliament, single reading

The European Parliament adopted by 571 votes to 31, with 39 abstentions, a resolution on the future for young farmers under the ongoing reform of the CAP.

The own initiative report had been tabled for consideration in plenary by Donato Tommaso **VERALDI** (ALDE, IT) on behalf of the Committee on Agriculture and Rural Development.

MEPs take the view that, in future, the CAP must seek to remove the barriers currently facing young people wishing to set up in farming, by making generation change one of its priorities. They consider that, in planning and implementing support measures for young farmers, specific account should be taken of the situation of young farmers in the new Member States.

The resolution draws attention to the continuing difficulties stemming from **high setting-up costs** (including agricultural property sale and rental prices) and the need to invest continuously in tangible capital and human potential in order to make technological and logistical improvements. The Commission is called upon to propose, in its legislative proposal on the 'health check', that the aid for young farmers provided for in the legislation on rural development should figure among the compulsory measures included in the plans drawn up by the Member States, which should also be accompanied by an **increase in the amount of setting-up support**.

Emphasising the contribution made by **land prices** to the problems experienced by young people setting up in farming, the report recommends the introduction of instruments enabling priority in respect of agricultural land transfers to be given to young farmers setting up in business rather than to existing farmers wishing to increase the size of their holdings, including an early-retirement mechanism, deferred-purchase aid, phased setting-up arrangements and rental of part of the land. The Commission is called upon to support the Member States in **creating a land bank** on the basis of land freed up as a result of early retirement.

The resolution recommends that, as part of the incentive scheme for initial setting up, provision should be made for incentives for owners who rent farms to young farmers and/or for rent support until the tenth year after setting up.

In order to prevent the desertification of disadvantaged farming areas, MEPs urge that it be made easier for young farmers to set up in business in areas with a permanent natural handicap, such as islands and mountain areas. Bearing in mind the difficulties involved in setting up in problem farming areas, the **Community aid ceiling should be raised** from EUR 55 000, and the time limit for achieving compliance with the rules should be increased from three years to five years after set-up.

Given the **high level of indebtedness** and high installation costs of young farmers, it is very difficult for them to establish a good competitive position. MEPs therefore call on the Commission and Member States to devise additional solutions to these specific problems. Member States and regional authorities should examine the options for introducing or improving schemes to provide **start-up capital** to new farmers at preferential rates. The Commission and Member States are called upon to develop new (fiscal) measures to help young farmers carry the heavy interest costs which they face following the procurement of their farms.

The resolution recommends that more flexibility be introduced in farm setting-up and **transfer procedures**. Succession arrangements involving parties who are not family members should be facilitated in order to preserve farms and to enable young entrepreneurs with an education in farming to become farmers. MEPs take the view that national early-retirement arrangements should apply only where the retiring farmer's holding is taken over by a young farmer, or, alternatively, that the retiring farmer should be entitled to an improved pension where this happens.

MEPs take the view that overall setting-up and holding-development plans should include special measures relating to the **statutory recognition of young farmers**, thus ensuring equal social rights for men and women. It is vital, in this regard, to maintain certain essential services in rural areas, such as crèches, kindergartens and mothers' helps.

The Parliament stresses that it is in the EU's interests, economically (improving productivity) and environmentally (updating knowledge of 'green' practices) to provide increased support for lifelong **training for farmers** and encourages, in particular, programmes to promote mobility among young farmers in the EU (including Leonardo). MEPs consider it necessary to establish an exchange programme for young farmers to facilitate the pooling of best practices, as well as a training network in which information on issues such as sustainability, bio-energy, climate change and competitiveness is central.

Lastly, the resolution stresses that young farmers should be given support in the years following their setting-up and that a **special reserve fund** should be established to help them deal with unforeseeable circumstances at the time of setting up, such as damage to crops due to extreme weather or a sharp increase in costs.