



Commission du contrôle budgétaire

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DOCUMENT DE TRAVAIL

sur le rapport spécial n° 10/2017 de la Cour des comptes européenne
(décharge 2016) intitulé «Le soutien de l'UE en faveur des jeunes agriculteurs
devrait être mieux ciblé pour favoriser un renouvellement efficace des
générations»

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Audit scope, objective and approach

EU agriculture is facing a decreasing farming population. The overall number of farmers in the EU-27 has rapidly decreased in the last decade, falling from 14.5 million farmers in 2005 to 10.7 million farmers in 2013. Young farmers (up to 44 years old) fell from 3.3 million in 2005 to 2.3 million in 2013. As the reduction affected all age groups, the percentage of young farmers in the farming population remained relatively stable, slightly above 20 %. However, significant differences exist between Member States

The audit aimed to answer the following question:

“Is the EU support to young farmers well designed to contribute effectively towards improved generational renewal?”

The Court focused on the measures supporting directly young farmers in the 2007-2020 period¹.

The audit was carried out between April and October 2016 and covered four Member States that spent the highest amount on young farmers: France, Spain, Poland and Italy, namely the 2007-2013 Pillar 2 measure 112 for setting-up of young farmers and its corresponding measure 6.1 in 2014-2020, and the 2014-2020 Pillar 1 payment to young farmers. The Court assessed the intervention logic, the targeting in the implementation of the measures, and their results.

These four Member States represent 56 % of the total EU budget corresponding to the measures supporting directly young farmers in the 2007-2020 period.

In these four Member States, the Court examined the national frameworks that set the intervention logic and the main features of the measures, and the extent of coordination between such measures and national policies favouring generational renewal. To assess the implementation and results of the measures, the Court focused on seven regions that are among the ones which spent the most under the measures supporting directly young farmers:

- France (Pays de la Loire and Midi-Pyrénées);
- Spain (Andalucía);
- Poland (Warminsko-Mazurskie and Dolnoslaskie);
- Italy (Emilia-Romagna and Puglia).

The audit approach combined an audit of the control systems, mainly at Commission and Member State level, with an examination of a sample of 57 projects at final beneficiary level

¹ The total EU budget allocated specifically for the support to young farmers over the 2007-2020 period is 9.6 billion euro. It doubled from 3.2 billion euro in the 2007-2013 period, provided under the Pillar 2 setting-up measure, to 6.4 billion euro in the 2014-2020 period, mainly due to the introduction of an additional direct payment to young farmers under Pillar 1. Total public expenditure, including national co-financing by Member States of Pillar 2 setting-up measure, is 18.3 billion euro. Almost 200 000 young farmers received the EU aid for setting up in the 2007-2013 period. More than 70 % of the EU spending was provided under the Pillar 2 (EAFRD) measure for setting up of young farmers and the remaining 30 % is provided, in 2014-2020, under the Pillar 1 (EAGF) additional direct payment for young farmers.

to verify the implementation and the result of the measures. The Court also analysed relevant statistics and studies provided by Eurostat (e.g. Farm Structure Surveys), national parliaments and statistical offices, universities and young farmers' organisations at EU, national and regional level.

Studies - mid term evaluation 2007-2013

These studies indicated that there are general factors other than EU measures influencing generational renewal (e.g. the economic and social situation, the propensity of banks to provide loans, the employment possibilities in sectors other than agriculture, and the high concentration of agricultural land in relatively low number of farms). National policies favouring the exit of old farmers can also play an important role, as indicated by Germany, one of the Member States which, like Denmark, Ireland, the Netherlands and UK-Northern Ireland, chose not to implement the setting up measure under 2014-2020 Pillar 2. In fact, the 2007-2013 mid-term evaluation for Germany (Rhineland-Palatinate) showed that the measure 112 for the setting up of young farmers failed to adequately address the problem of farms lacking a suitable successor and that it was not possible to identify what impact such support had had on farmers' age structure. In addition, Germany considered that its 'Hofabgabeklausel' social security scheme, which requires farmers to relinquish their farm in order to receive their old-age pension, plays a major role in successful generational renewal in the farming sector.

Court's findings and observations

1. As regards the intervention logic:

For Pillar 1 payment for young farmers the Court found that:

- Intervention logic is not based on a needs assessment, its objective does not reflect the general objective of encouraging generational renewal, and Member States did not coordinate it with Pillar 2 setting-up measure or national measures;
- In the absence of a needs assessment the aid is provided in a standardized form (annual payment per hectare), in an amount and in a timing where it is unclear which specific needs other than additional income are addressed.

For Pillar 2 measure for setting up of young farmers the Court found that:

- Although it is generally based on a vague needs assessment, its objectives are partially SMART¹ and reflect the general objective of encouraging generational renewal. There is good coordination between the Pillar 2 measures for setting-up and investments. However, there is little coordination with national financial instruments, such as loans at favourable conditions to buy land;
- The aid is provided in a form addressing directly the young farmers' needs of access to land, capital and knowledge. The amount of aid is generally linked to the needs and modulated to trigger specific actions, like introducing organic farming, water or saving initiatives, setting up in less favoured areas.

¹ Specific, measurable, achievable, relevant and timed objectives

2. As regards the targeting of the measures:

For Pillar 1 payment to young farmers the Court found that:

- The aid is provided in a standardized form regardless of the viability of the holdings, their location and, in most Member States, the skills and/or educational levels of beneficiaries. In case of joint control of legal holdings with other non-young farmers, the aid is sometimes provided to holdings in which young farmers could have only a minor role – in terms of decision making power.

For Pillar 2 measure for setting up of young farmers the Court found that:

- The aid is directed to more qualified farmers, who commit to implement a business plan guiding them in developing viable holdings and who are often encouraged through the project selection process to set up in less favoured areas. However, business plans were of variable quality and managing authorities often did not apply selection procedures to prioritise best projects. Selection criteria were introduced late in the 2007-2013 period, minimum thresholds were either too low or non-existent and the 7-years budget of the measure was used up in some Member States to fund nearly all applications submitted at the start of the programming period, implying that young farmers who set up later could not be funded.

3. As regards the results of the measures:

For Pillar 1 payment for young farmers the Court found that:

- The common monitoring and evaluation framework does not provide useful indicators to assess the effectiveness of this payment, as there is no result indicator for this payment and data on the income and viability of the supported holdings are not collected.

For Pillar 2 measure for setting up of young farmers the Court found that:

- There is little evidence that the measure has facilitated the setting up of young farmers and improved the generational renewal and the viability of the supported holdings, mainly because of the low quality of the indicators provided by the common monitoring and evaluation system. Only in Italy (Emilia-Romagna) the Court found evidence that beneficiaries of the setting up measure developed larger holdings, more productive, more profitable and employing more people than non-supported ones.

Replies of the Commission

Whilst the Commission welcomes the recommendations made by the Court, notably as regards those elements of it that clearly fall directly under the Commission's responsibilities, it stresses that it is not in a position at this stage to make specific commitments in relation to legislative proposals for the post 2020 period

Regulatory framework of the post-2020 CAP

With regard to the regulatory framework of the post-2020 CAP the European Parliament recalls that:

1. Agriculture covers nearly half of the EU's surface, gives both arable and livestock farmers a key responsibility for preserving natural resources (water, air, soil and biodiversity), implementing climate action and shaping valuable landscapes, at the same time as providing a stable, safe, affordable, sustainably produced and high-quality food supply for more than 500 million Europeans.
2. In the face of ecological and other challenges, the CAP has evolved from product support to targeting producer behaviour, and from trade-off to win-win policies, which can work within the sustainability framework, retaining both production goals and ensuring sustainable management of natural resources.
3. With huge disparities in the development of the farming sector across the EU, a major problem is the demographic challenge, requiring policies to address the shortage of young farmers which undermines its long-term sustainability.
4. Young farmers face specific difficulties in accessing finance and low turnover in the first years of business, combined with slow generational renewal difficulty in accessing agricultural land, all make it harder for young farmers to entering the sector.
5. In turn, the falling number of young people in the sector makes generational renewal more difficult and can mean the loss of valuable skills and knowledge as older, experienced people, retire. Support is needed for both retiring farmers and young successors taking over a farm (a satisfactory retirement scheme e.g. specific pension and social programmes addressed to farmers transferring their farms and seeking new homes, and then for those starting out; aid covering tax reliefs, loans, various forms of direct payments, investments and innovation incentives, and professional training).
6. The regulatory framework for EU rural development 2014-2020 stipulates that knowledge transfer and information actions should be adapted to the needs of rural actors and not only via traditional training courses, but rather be adapted to the needs of rural actors (European Commission, 2013).
7. Appropriate training is especially important for young farmers who are often better educated and committed to fostering the innovation and resource-efficiency needed to achieve the EU 2020 objectives.
8. The problems of young farmers must be addressed in connection with other socio-economic problems in rural areas to meet the aspirations of rural youth for diverse, education, health services, public transport/transport links and well rewarded employment. Overcoming the digital divide is crucial; connectivity and access to appropriate digital technology must be ensured for rural areas as a key part of good quality of rural life.
9. Flexibility and better targeting in policy design and delivery is necessary, without adding complexity. In addition, smart procedural tools must be developed to reduce the administrative burden on beneficiaries and national and regional administrations whose

capacity and effectiveness, with that of community-based groups, must be enhanced. This may through the provision of technical assistance, training, cooperation and networking.

The European Parliament therefore reminds the Commission that rural and agricultural policies must complement each other as well as interacting with wider national and regional strategies. In this way, the Common Agriculture Policy, can become more result-oriented when interlinked strongly with Rural Development Policy.

Recommandations de la rapporteure en vue de leur intégration éventuelle dans le rapport annuel de décharge

Le Parlement européen recommande dès lors ce qui suit:

1. Au sujet des politiques existantes de la PAC:

- il est nécessaire de procéder à une évaluation complète de tous les outils et de toutes les mesures qui peuvent être combinés pour aider les jeunes agriculteurs, en mettant l'accent sur la comparabilité dans l'ensemble de l'Union, sur la cohérence ou l'incohérence des indicateurs de résultats ainsi que sur les obstacles à l'installation des jeunes agriculteurs, qui peuvent être abordés dans la future révision de la PAC;
- il convient de mieux définir les objectifs en termes de renouvellement des générations, éventuellement au moyen d'un objectif chiffré, et des informations doivent être collectées sur le taux de réussite du renouvellement des générations et sur les facteurs qui y contribuent ou qui y font obstacle;

2. En vue de la PAC après 2020, la législation devrait prévoir que la Commission définisse (ou, conformément aux dispositions relatives à la gestion partagée, demande aux États membres de définir) une logique d'intervention claire pour les instruments d'action ciblant le renouvellement des générations dans l'agriculture. La logique d'intervention devrait comprendre:

- une évaluation rigoureuse des besoins des jeunes agriculteurs qui examine également les raisons pour lesquelles les jeunes désireux de se lancer dans l'agriculture se heurtent à des obstacles lors de leur installation, ainsi que la fréquence de ces obstacles selon la zone géographique, la branche du secteur agricole ou d'autres caractéristiques de l'exploitation;
- une évaluation distinguant les besoins auxquels les instruments d'action de l'Union pourraient répondre et ceux qui pourraient être, ou sont déjà, mieux pris en charge dans le cadre des politiques des États membres, avec une analyse indiquant quelles sont les formes d'aide (par exemple paiements directs, montant forfaitaire ou instruments financiers) les plus adaptées aux besoins décrits;
- des mesures de sensibilisation aux types d'aide possibles pour un transfert antérieur d'une ferme à un repreneur accompagnées de services ou de mesures de conseil, comme un système de retraite satisfaisant fondé sur les revenus ou les recettes nationales ou régionales dans les secteurs agricole, alimentaire et forestier.

- malgré la longue période de planification des transferts d'exploitations agricoles, des objectifs SMART présentant de manière explicite et quantifiable les résultats à fournir par les instruments d'action, en matière de taux de renouvellement des générations escompté et de contribution à la viabilité des exploitations. En particulier, il devrait être clairement établi si les instruments d'action doivent viser à aider le plus grand nombre de jeunes agriculteurs possible ou s'ils doivent cibler des catégories précises de jeunes agriculteurs (par exemple ceux qui ont le niveau de formation le plus élevé, ceux qui s'installent dans des zones défavorisées, ceux qui introduisent des technologies d'économie d'énergie ou d'eau dans les exploitations, ceux qui font augmenter la rentabilité ou la productivité des exploitations, ou encore ceux qui emploient le plus de personnel).
3. Lors de la mise en œuvre des mesures relevant de la PAC après 2020, les États membres améliorent le ciblage des mesures:
- en appliquant des critères qui garantissent la sélection des projets présentant le meilleur rapport coût-efficacité (par exemple les projets permettant la plus nette amélioration de la productivité durable ou de la viabilité des exploitations agricoles, ou la plus forte hausse du taux d'emploi dans les zones à taux de chômage très élevé ainsi que dans les zones défavorisées où le taux de renouvellement des générations est le plus faible);
 - en appliquant des critères clairs pour évaluer comment aider les jeunes agriculteurs dans le cas des exploitations agricoles placées sous contrôle conjoint (par exemple en définissant le pourcentage des droits de vote ou la part sociale que doit détenir le bénéficiaire, la période durant laquelle a lieu le rééquilibrage des parts ou le pourcentage de ses revenus qui doit provenir de son activité dans l'exploitation à soutenir) afin d'orienter l'aide vers les jeunes agriculteurs dont l'activité agricole sur les exploitations soutenues constitue l'activité principale;
 - en imposant des seuils minimaux suffisamment élevés, pour ce qui est du nombre de points à atteindre par les projets, et en répartissant le budget des mesures de façon à garantir la disponibilité de volumes de fonds identiques pour les jeunes agriculteurs qui s'installent pendant toute la durée de la période de programmation;
 - en faisant meilleur usage des plans d'entreprise pour évaluer le besoin de financement public en appréciant la viabilité probable des exploitations en l'absence d'aide, lors de l'introduction des demandes, et, à l'issue des projets, l'impact de l'aide sur la viabilité des exploitations ou sur d'autres objectifs clairement énoncés (par exemple, emploi ou introduction de technologies d'économie d'énergie ou d'eau).
4. La législation portant sur les mesures relevant de la PAC après 2020 doit veiller à ce que la Commission et les États membres (conformément aux dispositions relatives à la gestion partagée) améliorent le système de suivi et d'évaluation. En particulier:
- la Commission devrait définir des indicateurs de réalisation, de résultat et d'impact qui permettent d'évaluer les progrès, l'efficacité et l'efficience des instruments d'action par rapport aux objectifs, en s'inspirant des bonnes pratiques telles que les indicateurs pertinents définis par les États membres dans leurs systèmes de suivi;

- les États membres devraient collecter régulièrement des données réelles sur les caractéristiques structurelles et financières des exploitations soutenues (par exemple montant des recettes, revenu, nombre de salariés, innovations introduites et niveau de formation des agriculteurs), ce qui permettrait d'évaluer l'efficacité et l'efficacité des mesures quant à la réalisation des grands objectifs poursuivis;
- la Commission et les États membres devraient exiger que, concernant les résultats obtenus grâce aux projets et aux mesures, les évaluations apportent des informations utiles, dérivées des données réelles sur l'évolution des caractéristiques structurelles et financières des exploitations soutenues, moyennant l'application de bonnes pratiques (par exemple évaluation comparative, analyses contrefactuelles et enquêtes) telles que celles relevées lors de cet audit (voir encadré 5 du rapport spécial de la Cour, cas de l'Émilie-Romagne, point 75);
- il conviendrait de veiller à ce que les jeunes agriculteurs aient un accès aisé aux conseils et aux outils visant à les aider à réagir de manière concrète et efficace aux menaces de perturbation du marché ou de saturation du marché ainsi qu'à la volatilité des prix. Cela permettrait de renforcer la compétitivité et l'orientation vers le marché et de réduire les fluctuations des revenus des producteurs liées à la crise.