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# REPORT

on the implementation of CAP young farmers' tools in the EU after the 2013 reform  
(2017/2088(INI))

Committee on Agriculture and Rural Development

Rapporteur: Nicola Caputo

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## EXPLANATORY STATEMENT - SUMMARY OF FACTS AND FINDINGS

### Introduction

This report provides information regarding the state of implementation of the current Common Agricultural Policy (CAP) young farmers' mechanism. Several policy recommendations are formulated, aimed at improving the existing support scheme and assisting young farmers to deal with the major barriers to entering agriculture.

### Key findings<sup>1</sup>

#### *1. Creating opportunities for young farmers and new entrants*

##### **1.1 Continue the support for young farmers**

Overall, the current supports are widely perceived as enabling a new generation of farmers to enter the sector. In the context of the new CAP after 2020, the rapporteur recommends that the support to CAP young farmers' tools should continue, and the maximum level of funding be increased beyond 2%. Several of the case study countries reported that the grant schemes were oversubscribed, i.e. there were insufficient funds available to award all positively evaluated applications.

#### *2. Encouraging land mobility*

Access to land is the largest barrier to new entrants to farming in Europe. This has been identified in several studies<sup>2</sup>. Access to land is limited by the low supply of land for sale or rent in many regions, as well as competition from other farmers, investors and residential users. The land access problem is exacerbated by the current Direct Payment structure, which dis-incentivises land sales and rental, and supports land speculation.

##### **2.1. Re-evaluate the Direct Payment structure**

The current Direct Payment structure requires minimal active use of the land, and allocates subsidies largely on the basis of land ownership. Existing farmers are incentivised to retain land access in order to retain subsidy access, but not to ensure the best use of the land. Direct Payments are also used by older farmers as a form of pension. The rapporteur recommends to increase the activity levels required to receive payments, and targeting subsidy payments towards achievement of particular outcomes (e.g. production of specific environmental or social goods). The rapporteur questions the utility of allowing subsidy entitlements to be bought and sold separately from the land on which they were originally set. This practice encourages accumulation of subsidy entitlements by investors, rather than farmers, and artificially increases land values. The EU should allow member states greater freedom to regulate their land markets, in order to curtail the purchase of land for investment (rather than

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<sup>1</sup> The findings are based on the research requested by the COMAGRI entitled "Young farmers - Policy implementation after the 2013 CAP reform":

[http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL\\_STU\(2017\)602006\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL_STU(2017)602006_EN.pdf)

<sup>2</sup> - EIP Agri Focus Group on New Entrants to Farming: [https://ec.europa.eu/eip/agriculture/sites/agriculture/files/eip-agri\\_fg\\_new\\_entrants\\_final\\_report\\_2016\\_en.pdf](https://ec.europa.eu/eip/agriculture/sites/agriculture/files/eip-agri_fg_new_entrants_final_report_2016_en.pdf)

- Young farmers - Policy implementation after the 2013 CAP reform:  
[http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL\\_STU\(2017\)602006\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL_STU(2017)602006_EN.pdf)

productive) purposes. It is important to note that the European Commission is currently evaluating the best practices for foreign access to agricultural land.

## **2.2. Re-consider the ‘farm-exit scheme’ and other incentives for retirement**

Results of the study<sup>1</sup> suggest that in many Member States the generational renewal and also the access of young people to agricultural land is hindered by late succession. The current CAP lacks any incentives for older farmers to pass their businesses to younger generations. Despite the mixed experience with the ‘early retirement scheme’ it is recommended to reconsider the implementation of measures that would motivate older holders to pass their farms to young farmers. These measures could include pension related regulations (for example, restricting individuals from accessing both state pensions and agricultural subsidies), and offering pension opportunities to retiring farmers.

## **2.3. The requirement for secure, long term access to land should be reviewed**

Successful receipt of a grant award can facilitate access to land and other capital resources. Reluctance of landowners to rent land on a long-term basis is an important barrier in some regions. Greater flexibility in the terms of awards, particularly in relation to land access, is needed to enable the maximum number of new entrants to establish businesses.

## **3. Addressing further barriers to new entrants**

The study<sup>2</sup> also identified the following major barriers to new entrants: access to capital, low profitability and training/skills development. These findings are consistent with those of the EIP Agri Focus Group on New Entrants to Farming<sup>3</sup>.

### **3.1. Increasing private capital access**

Young farmers, who take over existing farms, or new entrants starting their own businesses can benefit from the financial grant provided under Pillar II. Additional financial resources have to be obtained from private lenders. Access to these additional financial resources is not sufficient and creates one of the major barriers for starting agricultural businesses. It is thus recommended to improve access to finance. This could be achieved through subsidized interest rates on loans for new entrants. Opportunities to develop targeted financial instruments at national level are available through the European Agricultural Fund for Rural Development (EAFRD). For example, Italy has recently established a financial instrument that facilitates access to finance and investment in small and medium sized enterprises in the production, processing and distribution of agricultural products (in eight regions). Similar supports could be targeted towards young farmers and new entrants. Offering income stabilisation supports or insurance on new entrant loans (e.g. to address profit variability) would also reduce the risks associated with commodity price fluctuations, and accumulating substantial debt. The Omnibus regulation, to be implemented in January 2018, will offer

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<sup>1</sup> Young farmers - Policy implementation after the 2013 CAP reform:  
[http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL\\_STU\(2017\)602006\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL_STU(2017)602006_EN.pdf)

<sup>2</sup> Young farmers - Policy implementation after the 2013 CAP reform:  
[http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL\\_STU\(2017\)602006\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL_STU(2017)602006_EN.pdf)

<sup>3</sup> EIP Agri Focus Group on New Entrants to Farming: [https://ec.europa.eu/eip/agriculture/sites/agri-eip/files/eip-agri\\_fg\\_new\\_entrants\\_final\\_report\\_2016\\_en.pdf](https://ec.europa.eu/eip/agriculture/sites/agri-eip/files/eip-agri_fg_new_entrants_final_report_2016_en.pdf)

opportunities to trigger insurance in the event of frost, drought and floods, as well as income stability tools to address market risks.

### **3.2. Increasing the business skills of new entrants and young farmers**

There is allowance within the current measures to fund advisory services for young farmers. Where it has been implemented, these services are well received, leading to new skill development and the establishment of viable business plans. However, at present, most of the direct supports to new entrants are being provided through the capital grant scheme, which is differentiated by farm location, size of the intended business, creation of additional jobs etc. There is a need for further training to be made available to new entrants and young farmers, particularly in the areas of business management and financial skills. The rapporteur recommends a re-balancing of the supports to increase advisory service and training opportunities. The rapporteur also recommends that these training opportunities should be made available prior to initiating access to formal new entrant supports (i.e. to potential as well as actual new entrants who are in the process of developing business plans). This will enable new entrants to adequately prepare for and understand the responsibilities associated with starting a new farm. Business development training should also address profitability issues, enabling current and potential new entrants to identify suitable market opportunities. Access to business training for young people is expected to facilitate rural economic development in general. The young farmers and new entrants starting a business in agriculture need more information about administration and technical aspects of farming, as well as the access to shared examples of good practice. The study<sup>1</sup> pointed out that the farmers highly value advisory services tailored to the situation of the farm. Such advisory services should combine technical aspects of farming as well as the administrative and financial aspects related to the existing policies.

### **3.3. Support for succession planning**

Lack of planning for succession was identified across the case studies. At present, training supports are oriented to new entrants, rather than whole family businesses. Given the median age of farmers, succession planning is relevant to the majority of farming businesses. Making available advice on business planning, and succession planning in particular, can be expected to increase the speed of succession processes and overall economic viability of Europe's family farms.

## ***4. Administration of the implemented measures***

The reduction of administrative barriers is needed for young farmers and new entrants. Despite the stakeholders' positive evaluation of the implemented measures, it is necessary to reduce administrative procedures related to the existing measure for young farmers. The overall administration of the direct payments and Rural Development Programme (RDP) measures is perceived as difficult, especially for new entrants who are not familiar with the payment system. It is recommended to reduce the administration burden for new entrants with simplified administration (similar to the Small Farmers Scheme, which simplifies the payment scheme and improves access of farms to the CAP).

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<sup>1</sup> Young farmers - Policy implementation after the 2013 CAP reform:  
[http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL\\_STU\(2017\)602006\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/602006/IPOL_STU(2017)602006_EN.pdf)

It is also recommended to give farmers more flexibility to respond to changing conditions on the markets with their business plans. Changes in the payment instalment should be considered (a payment calendar could be used providing the farmers the grant according to financial plan, instead of ex-post payments).

## ***5. New forms of support***

### **5.1. Sharing practical knowledge**

A special support measure for innovative approaches in term of show cases of how to engage new entrants and how to support young farmers during farm succession should be considered. It is important to note that there is a new Horizon 2020 project NEWBIE - New Entrant netWork: Business models for Innovation, entrepreneurship and resilience in European agriculture (2018-2021) - which will establish a network of new entrants across Europe, encouraging the sharing of practical experiences and business development options.

### **5.2 Target particular scales and forms of agriculture**

New entrants are more likely to be involved in small-scale, niche market farming operations. This reflects the challenges of land access and the difficulty of accumulating sufficient capital to compete in scale-driven markets.

## **Conclusions and recommendations**

The rapporteur is of the view that the following key policy recommendations should be put in place:

- It is recommended that the support to CAP young farmers' tools should continue, and the maximum level of funding be increased beyond 2%;
- Access to land is the major barrier for young farmers and new entrants. Dealing with this problem requires re-evaluation of the direct payment scheme and creating incentives for older farmers to pass their farms on to younger generations;
- It is recommended to focus on reducing additional barriers to young farmers, such as access to capital, lack of business skills and insufficient succession plans;
- It is also recommended to reduce the administrative barriers and to give EU farmers more flexibility to respond to changing conditions on the markets with their business plans;
- New forms of support should be taken into account, accentuating innovative ways of sharing knowledge

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on the implementation of CAP young farmers' tools in the EU after the 2013 reform (2017/2088(INI))

*The European Parliament,*

- having regard to Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005<sup>1</sup>,
- having regard to Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009<sup>2</sup>,
- having regard to Regulation (EU) No 2017/2393 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1305/2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), (EU) No 1306/2013 on the financing, management and monitoring of the common agricultural policy, (EU) No 1307/2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products and (EU) No 652/2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material<sup>3</sup>,
- having regard to the study on ‘Young farmers: Policy implementation after the 2013 CAP reform’ commissioned by its Policy Department B – Structural and Cohesion Policies – and presented at the ComAGRI meeting of 23 November 2017,
- having regard to its hearing on the ‘Implementation of young farmers’ policies after the 2013 CAP reform’, which took place on 23 November 2017,
- having regard to the European Court of Auditors Special Report No 10 /2017 on ‘EU support to young farmers should be better targeted to foster effective generational renewal’,
- having regard to its resolution of 27 April 2017 on the state of play of farmland concentration in the EU: how to facilitate the access to land for farmers<sup>4</sup>,
- having regard to the study by the European Council for Young Farmers (CEJA) entitled ‘Young farmers are key in the future CAP’ published on 17 May 2017,
- having regard to the European Committee of the Regions Opinion on ‘Supporting

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<sup>1</sup> OJ L 347, 20.12.2013, p. 487.

<sup>2</sup> OJ L 347, 20.12.2013, p. 608.

<sup>3</sup> OJ L 350, 29.12.2017, p. 15.

<sup>4</sup> Texts adopted, P8\_TA(2017)0197.

young European farmers' (NAT-VI/012, 2017),

- having regard to Rule 52 of its Rules of Procedure, as well as Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports,
  - having regard to the report of the Committee on Agriculture and Rural Development and the Opinion of the Committee on the Environment, Public Health and Food Safety (A8-0157/2018),
- A. whereas in the EU only about 6 % of all people in charge of farms are younger than 35 years old and more than half are aged over 55, and whereas the disparities between Member States are wide;
- B. whereas these figures have not changed significantly over the last decade, with the percentage of young farmers shrinking and the ageing of the farming population being a major problem; whereas the generational renewal situations in agriculture vary widely from one Member State to another and thus call for a flexible and diversified approach;
- C. whereas everywhere, for more than 50 years, agricultural development supported by the CAP has favoured enlargement, concentration of holdings and strong capitalisation of production assets, making it difficult for some holdings to be passed on and/or accessible to young people, owing to the amounts of capital required in order to take them over;
- D. whereas the ageing of the agricultural workforce is especially acute in livestock-raising sectors, particularly sheep and goat farming, owing to existing limits on its profitability;
- E. whereas in the 2007-2013 period, the number of young farmers in the EU as a whole decreased from 3.3 to 2.3 million, and the area of farms cultivated by young farmers decreased during that period from 57 to 53 million hectares;
- F. whereas, in the light of demographic changes such as depopulation and the ageing of the population in rural areas, it is essential to create opportunities for agriculture as a modern and attractive industry to encourage young people to pursue careers in farming;
- G. whereas there is stiff competition for access to land between young people wishing to take up farming and farmers who are already well established, and in some cases, even between young people and investment firms which have started to take an interest in agriculture;
- H. whereas in the future a whole agricultural development model based on family farms is at risk;
- I. whereas the common agricultural policy retains a crucial role in this regard;
- J. whereas generational renewal in agriculture is a problem combining two aspects, namely difficulties experienced by the younger generation in entering farming and difficulties in leaving it for the current generation of farmers, and whereas the shortage of young people pursuing careers in farming is jeopardising the economic and social



sustainability and growth of rural areas, as well as the EU's food self-sufficiency and food security; whereas a satisfactory economic situation is the first condition for making farming attractive;

- K. whereas the most recent reform of the CAP has confirmed and introduced a series of tools which can be combined and adapted to national circumstances in the Member States, particularly the mandatory payment for young farmers under the first pillar (EUR 6.9 billion payable to 180 000 young farmers) and, under the second pillar, measures such as start-up aid, access to finance and credit, or the possibility of establishing a thematic sub-programme for young farmers (EUR 2.6 billion);
- L. whereas in the EU not all Member States have a genuine policy relating to setting up in agriculture and not all of them use all the instruments that the CAP offers to support young farmers, especially the second-pillar measure on 'business start-up aid for young farmers';
- M. whereas young women taking over the responsibility of managing a farming business represent only a small proportion of young farmers, but are not a homogeneous group and thus have different needs when starting this career;
- N. whereas generational renewal should be one of the key priorities for the future common agricultural policy, providing a common policy framework for national tailor-made strategies, and whereas encouraging generational renewal is an indispensable prerequisite for preserving agriculture across the EU and for keeping rural areas attractive and alive, notably by fostering the diversity of farms and promoting sustainable family farming;
- O. whereas access to land has been identified as one of the main barriers to young farmers and new entrants, persisting for years and requiring genuine solutions; whereas access to land tends to be obstructed notably by, on the one hand, the loss of agricultural land through soil sealing, urban development, tourism, infrastructure projects, changes of use and the spread of desertification caused by climate change, and, on the other hand, by the concentration of land; whereas speculative price rises pose serious and increasingly alarming problems for new entrants and young farmers in many Member States; whereas the current supports, while facilitating access to finance or capital, do not address the substantial issue of gaining access to land in order to establish a new farm;
- P. whereas new entrants such as young farmers are particularly vulnerable to price volatility and whereas they encounter additional difficulties in gaining access to funding from banks or other credit programmes, owing to a lack of financial assets to be used as security;
- Q. whereas EU support for young farmers should be better targeted in order to ensure generational renewal and combat the decline in and concentration of holdings;
- R. whereas despite the EU support measures, there are still challenges to be faced in the context of installation of young farmers and the generational renewal in the EU agricultural sector;
- S. whereas among new entrants women are identified as the primary farmer at greater rates

than in the agricultural sector in general;

- T. whereas the demographic picture in some regions of the EU is very unbalanced, with few or no young people living there;
- U. whereas young farmers and new entrants represent important sources of innovation and entrepreneurship within agriculture, bringing benefits such as the introduction of new knowledge or techniques, the development of new business models based on end-users, the development of more sustainable farming systems, the development of new organisational models (e.g. share farming, pre-financing, crowdsourcing), the increase of connections between farming and the local community, and the adaptation of traditional knowledge to develop business innovations (e.g. artisanal food production);
- V. whereas major parts of the mountain regions face particular difficulties owing to lower investment rates, specific conditions and difficult relief, which discourages young people from remaining or starting businesses in these regions;
- W. whereas this sets as a prerequisite considering a more flexible approach for national and/or regional authorities when applying the mechanism of 'young farmer' in the countries with such regions;
- X. whereas new entrants tend to operate smaller farms and therefore struggle to access inputs at competitive prices and to produce the quantities required to achieve economies of scale;
- Y. whereas 80 % of CAP subsidies are distributed to only 20 % of EU farms, and the actual distribution of subsidies could be even more unequal, as the available statistics do not make it possible to establish anything about the ownership and control of farms;
- Z. whereas the 'Young Farmers Manifesto', launched in 2015 by the European Council of Young Farmers, calls for: access to land and credit through public support measures; regulation to curb unfair trading practices in the food supply chain; measures to reduce income volatility for young farmers; and support for investment and access to land in order to safeguard and protect soils and optimise land use by young farmers for food production;
- AA. whereas young farmers are the key to a sustainable, diversified and inclusive agricultural sector and promoting their access to farming will help safeguard future food production and protect the environment and rural landscapes;
- AB. whereas the extreme price volatility of agricultural products is a major disincentive to those who would like to set up a farming business, often leading them to focus on niche products with safer profit margins;
- AC. whereas EU law recognises the concepts of 'young farmers' and 'farmers commencing their agricultural activity';
- AD. whereas the concentration of land is a process which is intensifying considerably; whereas between 2005 and 2015 the number of farms decreased by around 3.8 million while their average size grew by 36 %;

- AE. whereas the Cork 2.0 Declaration of 6 September 2016 expresses concerns about rural exodus and youth drain, and the need to ensure that rural areas and communities (countryside, farms, villages, and small towns) remain attractive places to live and work by improving access to services such as schools, hospitals, including maternity services, broadband and recreational amenities, together with opportunities for rural citizens to foster entrepreneurship in traditional rural domains as well as new sectors of the economy;
- AF. whereas generational renewal depends above all on a real desire on the part of (EU and national) elected politicians and the relevant professionals, and particularly on older people; whereas that desire presupposes an ambitious and coherent overall policy – which is not genuinely the case today – involving both CAP tools and various national policy instruments in areas as diverse as land, financing, land tenure modes and farm structure policies, taxation, law of succession, pension schemes, training, etc.;
- AG. whereas nowadays, young farmers in the EU are competing in a rapidly evolving agricultural sector; whereas innovation, research and precision agriculture have the potential to improve agricultural yields while at the same time allowing for better management of resources;
- AH. whereas the number of applications submitted for the measure regarding the setting up of young people in farming under the second pillar of the CAP has, in some Member States, exceeded the value of the total farming start-ups provided for in the 2014-2020 programming period;
- AI. whereas young farmers, who, like all other farmers in the EU, produce and place their products on the single European market, do not enjoy the same business or borrowing conditions across all Member States;
- AJ. whereas initiatives such as ‘EU Action for Smart Villages’ have been set up;
- AK. whereas rural areas need to be kept populated, with both younger people of working age and older people;

## ***Recommendations***

### ***Budget and access to finance***

1. Advocates maintaining a strong common agricultural policy with a view to the forthcoming reform, given that this would constitute the most attractive incentive for young people wishing to engage in an agricultural activity;
2. Asks for implementation of the recent decisions taken in the Omnibus Regulation and that the support to the ‘Young Farmer Scheme’ should continue by increasing the maximum level of national funding allocation beyond 2 % for compulsory payments (under the first pillar) and by increasing the support rate under the second pillar in order to encourage generational renewal; highlights that the reinforcement of a start-up aid measure for young farmers (young farmer grants) should be considered in any future CAP;

3. Welcomes the fact that, under the Omnibus Regulation, Member States have the possibility of increasing the allocation to young farmers under the first pillar by up to 50 % of the existing thresholds (previously 25 %); recommends that the period in which a farm can benefit from this support be extended in order to encourage generational renewal; welcomes also the decision to review, through the Omnibus Regulation, the limit placed on access to the support provided for under the first pillar, increasing it from five to ten years from the establishment of the business;
4. Welcomes the option for young farmers, provided for by the Omnibus Regulation, to receive rural development aid for their first farming business, even when they set up business jointly with other farmers, whether they be over 40, with a view to greater generational turnover, or young farmers, by multiplying the support;
5. Notes that CAP instruments for young farmers should be targeted to young farmers' specific needs, including their economic and social needs;
6. Recommends that the support be varied also in accordance with the age of the young farmers and their level of training;
7. Welcomes the creation of an agricultural guarantee instrument, proposed by the Commission and the European Investment Bank (EIB) in March 2015, which should make it easier for young farmers to access credit; recommends that access to finance be improved through subsidised interest rates on loans for new entrants, also from private financial operators, in particular by implementing financial instruments to disburse interest-free loans for the investments of young farmers; calls for improved cooperation with the EIB and the European Investment Fund (EIF) to foster the creation of financial instruments dedicated to young farmers across all Member States;
8. Considers it necessary to promote new forms of participatory financing in agriculture and those already observed within the EU on land piggybacking, which can be combined with these new financial instruments;
9. Recommends that assessments of the creditworthiness of farms by banks and credit institutions be improved, also by developing the CAP financial instruments;
10. Recommends making the opportunities offered in the European Structural and Investment (ESI) Funds, in addition to CAP support, to design and implement financial instruments synergistically in the form of loan, guarantee or equity funds in order to provide access to finance to young farmers, more accessible; notes that a robust farm business plan is usually an essential component for obtaining funding and believes that the norms of prudent lending should apply; stresses the need for mediation for farmers and therefore recommends that supports should be accompanied by qualified and independent financial advisory services;
11. Underlines the need for better promotion of the Young Farmer Scheme by the Member States and calls for enhanced cooperation between national, regional and local authorities in order to disseminate the information on the support tools for young farmers;
12. Calls on the Commission to propose support measures for investments in smart farming,

to increase the access of young farmers to technological advancements;

*Administration and simplification of the implemented measures*

13. Welcomes the fact that common agricultural policy (CAP) reform 2014-2020 introduced new measures to support young farmers in setting up farms; expresses concern that the level of administrative burdens often inhibits the take-up of these measures; notes that the overall administration of the direct payments and Rural Development Programme measures is perceived as very complex and difficult, especially for new entrants who are not familiar with the payment system; recommends making a greater effort to simplify procedures and reduce the time required for payment approval;
14. Welcomes the amendments supporting young people brought in by the Omnibus Regulation, improving their access to financial instruments and providing for an increase in the single payment under the first pillar;
15. Calls for consultancy support to be made systematically available, particularly for young people who are not from rural areas;
16. Congratulates the Commission on its intention to deepen the measures promoting generational renewal in the forthcoming reform of the CAP, but considers that these new initiatives should be covered by a sufficient EU budget, since otherwise they will fail to provide the desired incentive effect;
17. Is disappointed at the lack of coordination between payments for young farmers and the set-up support measure, which are managed by different authorities;
18. Calls on the Commission to develop a more holistic approach enabling greater synergies between pillar I and pillar II supports, and stresses that the latter should be implemented by all Member States;
19. Notes that most newly set-up farms are placed in a competitive environment with fast-changing conditions; recommends giving EU farmers more flexibility to respond to changing conditions on the markets in their business plans; believes that changes in the payment instalments should be considered;
20. Notes that Member States have the possibility to apply further instruments through both pillars of the CAP and encourages those Member States with specific geographical challenges, such as mountainous or, in some cases, less-favoured regions, to consider introducing a multiplying factor (e.g. 2), which takes into account the number of harvests per year or the range of cultures which can be grown there, when granting support to young farmers who want to operate in these regions, in order to incentivise activities in these regions in an attempt to combat the demographic challenges there;
21. Points out that unfair trading practices in the food supply chain, whose imposition enables the buyer and/or processor or trader to exploit their significant negotiating power in relation to their suppliers, pose a serious threat to the stability of farmers' businesses; calls on the Commission to adopt adequate regulation at EU level;

22. Calls on the Member States to make the necessary regulatory changes to ensure that aid to help young people join the farming sector and to improve agricultural holdings for young people is classed as a capital grant and not a current subsidy in all national legislation;
23. Recognises that farmers must be able to remain in charge of their land and that if a farm is to work well it must be free and flexible in the same way as any other type of business;
24. Stresses that payments to young farmers should not be delayed, but made periodically and predictably to prevent them from falling into debt, thus hampering their projects;
25. Urges that a result-driven approach be taken, which stimulates the development of new innovations and better resource management, thereby empowering motivated young farmers;
26. Stresses that to be economically viable a farm must be able to expand in order to attain a critical size commensurate with the economic reality of the market;
27. Stresses the need to take into account the diversity of territories, in particular the difficult areas, which require tailored support;

*Access to land and countering 'land-grabbing'*

28. Notes that access to land is one of the main barriers to young farmers and new entrants to farming in the EU and is limited by the low supply of land for sale or rent in many regions, as well as by the competition from other farmers, investors and residential users, and problems in obtaining financing; believes that the circumstances limiting access to land in each Member State should be further studied; considers that the land access problem is exacerbated by the current direct payment structure, which may lead to higher land rental costs and purchase prices, requires minimal active use of the land and allocates subsidies largely on the basis of land ownership; believes that some farmers, whether owners or tenants, are incentivised to remain active in order to continue to benefit from subsidies by using service providers to enhance their land or by doing the minimum of work on their land; recommends increasing the activity levels required, taking into account new farming models, when allocating payments targeting support towards the achievement of particular outcomes (e.g. real working time spent farming, taking into account also new innovations, production of specific environmental or social goods), and prohibiting the combining of subsidies with the payment of a retirement pension, for which there is no justification;
29. Recalls that, in order to achieve sustainable agriculture, young farmers must be able to invest and acquire agricultural land, as well as to obtain new or second-hand machinery and optimise their farming techniques;
30. Stresses that owners must be free to sell to whoever they want and calls on the Commission to facilitate the transfer of land, and succession in particular, in order to make it easier for young people to set up;
31. Calls on the Commission and the Member States to take measures to combat farmland

speculation, given that access to land is the biggest problem faced by young and new farmers;

32. Calls on the Commission to establish recommendations at European Union level to encourage more active national policies on access to land based on best practices;
33. Calls on the Member States to give new entrants and young farmers priority in the access to farmland, by making full use of regulatory instruments that have already been implemented successfully in some Member States, in line with the Commission Interpretative Communication on the Acquisition of Farmland and European Union Law<sup>1</sup>; considers, in this respect, that Member States could develop tools such as land banks to further facilitate access to land and to chart unused land available for young farmers;
34. Believes it is important to have a derogation for young farmers set at the current limit of 10 % for land purchase as laid down in Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 on structural funds and in the Guidelines for State aid;
35. Calls for more aid to be directed towards isolated or less populated areas, or areas affected by insufficient generational renewal;
36. Asks the Commission to support the sharing of best practices on access to land in the Member States;
37. Calls on the Commission to produce an evaluation of the direct and indirect impact of land and farmland repurchase by non-EU residents on the availability and price of farmland;
38. Proposes that, as part of their national policies, the Member States should encourage farm and farm management advisory services to support and facilitate land mobility and succession planning services;
39. Calls on all the Member States to introduce assistance for the transfer of farms in an effort to support farm managers over the age of 55 and without successors, who can find themselves in a precarious situation when the time comes to retire, on the condition that they hand over all or part of their farms to one or more young person(s);
40. Urges the Member States to set up mechanisms to guarantee shared ownership of agricultural holdings, with a special emphasis on young women in order to ensure their rights are upheld;
41. Takes the view that the definition of an active farmer must not result in any administrative burdens over and above those arising from the latest reform, or limit access to farming for young people by imposing excessive conditions;
42. Notes that in many Member States the generational renewal and the access of young people to agricultural land is hindered by late succession; considers that the current CAP no longer lacks incentives for older farmers to pass their businesses to younger

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<sup>1</sup> OJ C 350, 18.10.2017, p. 5.

generations; recommends reconsidering the implementation of measures that would motivate older holders to pass their farms to young farmers, such as the ‘farm-exit scheme’ and other incentives for retirement, so that land does not all fall into the hands of neighbouring farms; points out the need for legal structures such as the ‘Groupements Agricoles d'Exploitation en Commun’ (GAEC), which can help young people to set up business together and ease the transfer between generations;

43. Calls on the Commission and the Member States to stimulate the use of the possibilities under rural development to support the new actions to foster land mobility, such as land banks, farmland matching initiatives and other initiatives promoted at local level to encourage access to land for the new entrants;
44. Considers that young farmers throughout the Union should have access to loans under the same conditions and interest rates, and that these should not vary; calls, in this regard, on the Commission, together with the European Investment Bank, to establish appropriate support measures and lending facilities for young farmers;
45. Asks for the promotion of new models of collaboration between generations of farmers through partnership, agricultural machinery cooperatives, long-term leasing and other long-term arrangements, farm-to-farm arrangements and funds for national or regional organisations engaged in promoting and facilitating matching services between young and old farmers (such as land mobility services);
46. Points out that greater and stronger organisation of farmers, through the establishment of cooperatives and the formation of producer organisations (POs) in sectors regulated at EU level by the Common Market Organisation (CMO) Regulation, may help farming become more profitable and help protect farmers’ income, particularly that of young farmers, by accompanying production choices and making the most of the features of rural areas; adds that a structural reform of POs, to make them stronger, more responsible and more efficient, and greater aggregation, can make an effective contribution, first and foremost to protecting and increasing the sector’s profitability over time;
47. Notes the differences between the situations of generation renewal within the family and new entrants; believes that vocational training and courses must be adapted to those who plan to take over the family business or to those who plan to start a new business, according to their needs;
48. Stresses that young women should be encouraged to take on the responsibility of management in agriculture and should be given adequate support in terms of access to land, credit and further knowledge of rules and regulations;
49. Believes that the choice as to whether to regulate access to farmland and set incentives or restrictions to that end belongs to the Member States, particularly when it comes to tackling the EU’s land-grabbing phenomenon and encouraging young farmers to set up business;
50. Calls on the Commission, together with the Member States and stakeholders, to further develop the recently adopted communication on the land market criterion system to ensure that EU law genuinely maintains a level playing field for all potential buyers of



land – including positive discrimination in favour of EU farmers – and that it becomes absolutely clear to the EU Member States, in the context of the four fundamental freedoms, what land market regulation measures are permitted so as to enable farmers to obtain land more easily to use for agricultural and forestry purposes; calls on the Commission to suspend the current infringement proceedings aimed at assessing the compatibility with EU law of Member States' laws on the sale of agricultural land until the final communication containing the aforementioned criteria is published;

51. Takes the view that national land, urban and land-use planning (e.g. transport infrastructure) policies should take account of the practices of land waste and abandonment, and bring this land back into the agricultural sector so as to make more farmable land available to young farmers setting up;
52. Welcomes the Commission Interpretative Communication on the Acquisition of Farmland and European Union Law, but points out that the communication does not reflect sufficiently on how to regulate share purchases by corporate groups, which are often active transnationally; calls on the Commission to update the communication in this respect;
53. Highlights the importance of coherence between local, national and EU measures for young farmers; calls on Member States to facilitate generational renewal through, for example, inheritance and taxation laws, rules on access to land, territorial planning and farm succession strategies;
54. Calls on the Member States to provide women with fair access to land with a view to encouraging them to settle in rural areas and play a full and active role in the agricultural sector;
55. Calls on the Commission to finance a study on the current state of land concentration in the EU that takes into account the phenomenon of corporate groups with subsidiaries that acquire and control land via share deals, and that analyses the risks that land concentration poses, not only as regards access to land for young farmers and new entrants, but also as regards food supply, employment, the environment, soil quality and rural development in general;
56. Takes the view that the EU should have land quality laws, given that land quality is deteriorating as a result of unsuitable agricultural development; points out that this land deterioration affects the land market and land prices, but also reduces the production capacity of lands passed on to future generations of farmers;
57. Notes that the current CAP payments system, and decoupled payments in particular, does not promote the transfer of farmland and does not adequately protect young farmers from agricultural price volatility, to which they are more exposed for clear reasons owing to the fact that they are starting out and lack practical experience or may have limited financial instruments available to them;

#### *Training, innovation and communication*

58. Notes that there is a need to modernise and give greater value to the vocational training provided in rural regions, with the active involvement of national advisory services;

believes that access to the European Social Fund (ESF) should be facilitated and an increased budget given to vocational training in rural areas;

59. Underlines the most recent EU initiative, the European Solidarity Corps, which creates opportunities for young people to volunteer or work on projects in the field of natural resources, and across different areas such as agriculture, forestry and fisheries;
60. Recommends advocating that these young people join cooperatives, which would necessarily provide them with important advice on marketing, production and other aspects related to their farm;
61. Stresses the need for a review of criteria with a view to fostering young people's incorporation into a society over which they have no control, with the aid young people receive being proportional to their importance in society;
62. Calls on the Commission and the Member States to offer more opportunities for training and advice for potential and confirmed young farmers, including agribusiness start-up skills and farming, technological, new technological and entrepreneurial skills such as marketing, networking, communication, innovation, multifunctionality and diversification, and financial expertise;
63. Calls on the Commission and the Member States to offer more training opportunities and more opportunities and incentives for international mobility; encourages the setting up of an Erasmus-type scheme associated with vocational training to improve young farmers' skills and experience, also with regard to new technologies and new business models, and to enable an efficient and effective transfer of knowledge;
64. Considers it important to foster the extension of networks of researchers, academics, managers and young European farmers who are interested in identifying new models of economic development to find innovative solutions to the social and market needs that are emerging from the new rural business world;
65. Calls on the Commission and the Member States to make information available to young farmers and new entrants on innovative and non-conventional approaches that are best suited to starting a new farm, such as the development of new business models based on end-users, the development of more sustainable farming systems, the development of new organisational models (e.g. share farming, pre-financing, crowdsourcing), the increase of connections between farming and the local community, and the adaptation of traditional knowledge to develop business innovations (e.g. artisanal food production);
66. Calls, in order to minimise the number of companies going out of business, for a mechanism to monitor or advise businesses with a view to providing continued support for young people in decision-making, for at least the first three years of their companies' activity;
67. Calls on the Commission and the Member States to encourage initiatives such as the French 'Demain je serai paysan', which aims to promote farming as a career among young people and to give them all the information they need to get the relevant training and set up their farms;

68. Takes the view that a welcoming environment should be created for young people in the farming industry, via collective and solidarity-based structures such as the joint farming groups of an agricultural enterprise (farmers' societies), cooperatives for the use of communal agricultural equipment, cooperatives for the processing and marketing of agricultural products, labour-sharing groups, replacement services, mutual assistance groups, agricultural extension and innovation groups, farmers' and consumers' associations, networks between agricultural and non-agricultural actors (LEADER), etc.; stresses that these kinds of organisation help professionals to share experience, advice and certain expenses, which is important for the budget and revenue of young people, who often have to pay significant start-up costs;
69. Points to the importance of young people in rural areas having access to the same services and infrastructure (e.g. high-speed bandwidth, schools and pre-schooling, roads, etc.) as young people living in towns; deems it essential, therefore, to ensure that young farmers in rural areas are in a position to develop their farms and support their families;
70. Calls for women's entrepreneurial spirit and initiatives to be encouraged, in particular through the promotion of female ownership, networks of female young farmers, new entrants and entrepreneurs, and provision in the financial sector for facilitating access for rural businesswomen to investment and credit, thus enabling them to develop businesses from which they can make a stable living;
71. Takes the view that generational renewal depends on the attractiveness of the farming profession, but in particular on its capacity to generate an income for those who wish to make a living from it; stresses that, for agriculture to be viable, the CAP must allow for a certain level of market regulation, in particular when the markets are not functioning well and are causing crises; points out that the current deregulation of markets is having a negative impact on the development of agriculture, is turning young people away from agriculture, and is having a serious impact on the young people who have already set up farms and have huge debts as a result of their start-up costs;

#### *Public services*

72. Considers that developing modern agro-ecological agricultural practices and new business models will make agriculture more attractive to young farmers; highlights that young farmers must be trained and skilled in the latest technologies to tackle, in particular, current and future environmental challenges; stresses the need to support innovative and non-conventional approaches such as agro-ecology, new business models based on end-users, digital farming technology and smart solutions, and urges the Commission to ensure that any future CAP reflects this;
73. Notes that young farmers represent a considerable potential for innovation and diversification in that they tend to have greater skills and managerial ability and be more inclined to enter new markets, develop new production methods and make the best use of technological advancements and innovation in the agriculture sector, which may, in particular, help to tackle the environmental challenges facing agriculture; considers it necessary, therefore, to provide critical support to young people wishing to introduce innovative production techniques and processes, such as precision agriculture and conservation systems, which aim to enhance the cost-effectiveness and environmental

sustainability of the farming sector; asks the Commission to step up research into the use of technologies and farming practices enabling sustainable farming with a low environmental impact; stresses that creating new jobs and safeguarding them, and promoting innovation and digitisation in the area of agricultural training are essential for the competitiveness of farming in the EU;

74. Highlights that farmers require access to infrastructure, affordable and high-quality public facilities, and services, including healthcare, education, high-speed broadband, assistance, training, cultural services, post offices, public transport and better roads; notes that the same conditions and standard of living should be ensured for young people living in rural areas as for those living in urban areas, so as not to increase further the rural exodus and the territorial divide;
75. Asks the Commission and the Member States to make a firm commitment to setting up direct marketing channels that will allow young farmers to sell their products in local markets in a more sustainable way and with a greater benefit;
76. Points out that, for smallholder farming and rural areas to develop further in a sustainable way, a generational change is required;
77. Calls on the Commission to develop a Rural Agenda, which must include coordinated measures under the various EU, national, regional and local rural development policies;
78. Highlights that the CAP needs smart approaches, as these new solutions make rural life and villages attractive to young people;

#### *Measures to stop the rural exodus*

79. Considers it necessary to offer young farmers long-term prospects so as to stop the rural exodus, and calls on the Commission and the Member States to look into new initiatives for establishing the infrastructure necessary to support new entrepreneurs and their families in rural areas;
80. Recommends, in this respect, that consideration be given to harmonising measures under rural development programmes and the first pillar of the CAP, EU cohesion policy measures and measures at national, regional and local level, in order to improve their effectiveness;
81. Points out that innovation is not just a matter of farming techniques and new machinery but also includes development of new business models, including sales and marketing tools, training and collection of data and information;
82. Calls on the Commission to orient direct payments towards small-scale holdings and agro-ecological farming in the upcoming CAP reform, as this will disproportionately benefit younger and new entrant farmers;
83. Points out that rural areas should also have services that alleviate the pressures of farming, such as professional counselling, financial advice and advice on farm management;

84. Stresses the need to provide broadband connections in rural and remote areas; welcomes the various initiatives in the area of ‘smart villages’, the ultimate objective of which must be to create new job opportunities and provide employment for young people in rural areas, either in the form of supplementary activities on farms or in non-farm activities (social care, mobility, healthcare, tourism, energy); considers that ever greater productivity in agriculture and the falling prices of agricultural produce will make it increasingly difficult to generate sufficient income from the basic agricultural activity, especially on small farms;
85. Believes that any successful strategy for generational renewal and supporting young farmers should take a holistic approach to facilitate young farmers’ access to land, finance, advisory services and training, and take into account intergenerational renewal for the benefit of young and older farmers; stresses that this should make farming, which is vital for humanity, an attractive occupation to young farmers and wider society;
86. Notes that strong support for young farmers and the development of new economic activities in the EU agricultural sector are essential for the future of rural areas and must be furthered as part of the new, post-2020 CAP;

#### *The environment and sustainability*

87. Calls on the Commission to ensure greater consistency between environmental measures and to ensure that these measures are harmonised; reiterates that young farmers need measures that are clear and easy to put into practice;
88. Believes that, in order to preserve settlement of rural areas and ensure a similar standard of living for people living there compared with urban areas, regulatory and administrative barriers urgently need to be removed so as to enable farm operators to carry out supplementary agricultural and non-agricultural activities, mainly in the social care, healthcare, tourism, mobility of the elderly and energy sectors, thereby providing an appropriate income for farm operators and their families and reducing the risk of rural depopulation;
89. Calls for a new dialogue with society about the future of the agrifood industry so as to produce a realistic picture of what farming involves and improve knowledge of what it means to be a farmer and how food is produced;

#### *Other*

90. Calls on the Commission and the Member States to take measures to secure farmers’ incomes in the face of various climate, health and economic risks and thus make farms more resilient, in particular by introducing new risk management tools and strengthening existing ones;
91. Draws attention to the specific characteristics of the EU’s Outermost Regions, whose unique environmental, climate and health situations are very different to those of the European continent, and calls therefore, as provided for under Article 349 TFEU, for greater account to be taken of these regions and of their specific needs and assets in the implementation and development of CAP instruments for young farmers, including in

terms of access to funding;

92. Emphasises that small and family undertakings operating under difficult conditions and seeking additional sources of revenue should be supported to an even greater extent, for example through the funding of advisory services or innovative business models;
93. Recommends that generational renewal must also take account of intergenerational renewal for the benefit of young and older farmers; notes the importance of farmers drawing up a farm succession plan and notes the need for a transitional payment to facilitate this succession;

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94. Instructs its President to forward this resolution to the Council and the Commission, the European Court of Auditors, and to the governments and parliaments of the Member States.

22.3.2018

## **OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY**

for the Committee on Agriculture and Rural Development

on the implementation of CAP young farmers' tools in the EU after the 2013 reform  
(2017/2088(INI))

Rapporteur: Mairead McGuinness

### **SUGGESTIONS**

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Agriculture and Rural Development, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- having regard to its resolution of 27 April 2017 on the 'State of play of farmland concentration in the EU: how to facilitate the access to land for farmers',
- A. whereas higher rates of women are identified as primary farmers among new entrants than across the agricultural sector in general;
- 1. Believes that it is crucial for the EU farming sector, particularly in view of an ageing European farming population, to encourage a new generation of young farmers to adopt sustainable practices, to have a global mindset and to raise their awareness of environmental issues, in order to move towards a low-carbon, resource-efficient society, and to tackle the many challenges ahead, such as climate change, preserving natural resources (water and air), improving soil quality, increasing biodiversity and promoting sustainable agricultural production along the entire production chain, by developing production techniques that increase the safety and quality of products, with a focus on healthy and nutritious food;
- 2. Takes the view that developing modern and environmentally friendly farming practices, and bolstering short marketing circuits that strengthen the position of producers in the value chain and foster food quality, will make farming more attractive for young farmers;
- 3. Calls on the Commission to ensure greater consistency between environmental

measures and their harmonisation; reiterates that young farmers need measures that are clear and easy to put into practice;

4. Stresses the need to take into account the diversity of territories, in particular the difficult areas, which require tailored support;
5. Calls on the Commission to step up research into the use of agricultural technologies and practices that enable sustainable farming with a low environmental impact;
6. Recalls that, in order to achieve sustainable agriculture, young farmers must be able to invest and acquire agricultural land, as well as to obtain new or second-hand machinery and optimise their farming techniques;
7. Highlights that current common agricultural policy (CAP) instruments for young farmers and new entrants should be enhanced and simplified in order to meet the real needs of young farmers, by introducing new instruments, such as mutual funds or the profit-leverage effect of insurance, that are able to protect farmers' incomes from market price volatility; notes that these tools must be targeted at the specific needs of young farmers and new entrants, with a particular focus on access to land, and at their economic and social needs, and should aim to promote projects with the highest added value for farmers, which protect the environment and foster a clear distinction between new entrants and young farmers; adds that young farmers should be able to diversify their farming businesses; underlines that administrative procedures for young farmers should be efficient and simple in order to minimise the administrative burden on applicants and public authorities; believes that the use of environmentally friendly and climate-smart innovative solutions and technologies to strengthen the competitiveness of farming and long-term food security is a key issue;
8. Takes the view that the number of years in which a farm can benefit from support should be reviewed and increased to at least seven years, rather than five, in order to encourage generational turnover;
9. Calls on the Commission and the Member States to support and finance research into and the uptake of innovative environmental practices and the development of renewable energy on farms, and to promote the exchange of best practices among farmers;
10. Stresses that generational renewal is key to maintaining vibrant rural areas and family-run holdings across Europe that foster jobs, sustainable business activity and innovation, whilst ensuring the continuity of agricultural production and preserving the natural and cultural local landscape and the consolidation of local communities;
11. Is of the opinion that the age of young farmers should to be taken into account with regard to generational renewal and that a transfer of farm ownership at an earlier stage should be encouraged;
12. Notes that this requires the adoption of a long-term perspective, in particular with regard to access to infrastructure and services, such as healthcare, social services, education, transport, high-speed broadband, access to credit under sustainable conditions, appropriate tax breaks geared to the purchase or renting of land, reduced red tape, the establishment of agencies – or their strengthening where they already exist – to



supply targeted services to young farmers in line with their requirements, and new digital technologies; deems it essential, therefore, to ensure that young farmers in rural areas are in a position to develop their farms and support their families;

13. Points out that greater and stronger organisation of farmers, through the establishment of cooperatives and the formation of producer organisations (POs) in sectors regulated at EU level by the Common Market Organisation (CMO) Regulation, may help farming become more profitable and help protect farmers' income, particularly that of young farmers, by accompanying production choices and making the most of the features of rural areas; adds that a structural reform of POs, to make them stronger, more responsible and more efficient, and greater aggregation, can make an effective contribution, first and foremost to protecting and increasing the sector's profitability over time;
14. Stresses that young farmers and new entrants represent important sources of innovation and entrepreneurship within agriculture, bringing benefits such as the introduction of new knowledge, the development of new business models based on end-users, the development of more sustainable farming systems, the development of new organisational models (e.g. share farming, pre-financing, crowd sourcing), the increasing of connections between farming and the local community, and the adaptation of traditional knowledge to develop business innovations (e.g. artisanal food production);
15. Points out that unfair trading practices in the food supply chain, whose imposition enables the buyer and/or processor or trader to exploit their significant advantage in negotiating power in relation to their suppliers, pose a serious threat to the stability of farmers' businesses, discourage the younger generation from taking over their parents' farms and prevent greater inclusion of young farmers in the generational renewal of rural areas; urges the Commission to adopt appropriate rules at European level;
16. Takes into consideration the fact that access to land has been identified as the most important barrier to young farmers and new entrants;
17. Recalls that knowledge transfer to actors responsible for the implementation of environmental policies remains a key challenge, which must be urgently addressed with the necessary technical and financial support; emphasises that young farmers must be trained and given the skills, through quality training courses with a special focus on those skills that are lacking the most, to enable them to grow professionally and to find and implement the ever-more complex solutions required to face current and future environmental, quality and economic challenges, including the access to and use of the latest technological developments in farming, or sustainable farming; considers that the level of education of young farmers will play a key role in meeting future challenges and that higher levels of education should therefore be rewarded with higher financial contributions; stresses that this training must be promoted and supported by institutions with the aim of reducing the technological gap; calls, in this context, for the development and communication of knowledge and innovation; highlights that in order to foster successful solutions and innovation, administrative burdens must not increase;
18. Encourages the setting up of an Erasmus-type scheme to improve young farmers' skills and experience; believes that such a programme should be focused on vocational

training and would benefit young farmers and also promote the young farmers scheme;

19. Considers it necessary to modernise the vocational training provided in rural regions; believes that access to the European Social Fund (ESF) should be facilitated and an increased budget given to vocational training in rural areas;
20. Calls on the Commission and the Member States to offer more training opportunities for potential and confirmed young farmers, including in agribusiness start-up skills and farming, technological skills and entrepreneurial skills such as marketing, networking, communication and financial expertise;
21. Calls on the Commission and the Member States to take measures to secure farmers' incomes in the face of various climate, health and economic risks and thus make farms more resilient, in particular by introducing new risk management tools and strengthening existing ones;
22. Highlights the importance of coherence between local, national and EU measures for young farmers; calls on Member States to facilitate generational renewal, including through inheritance and taxation laws, rules on access to land, transparent procedures, territorial planning and farm succession strategies; notes that the current CAP payments system, and decoupled payments in particular, may lead to higher rental and purchase prices, does not promote the transfer of farmland and does not adequately protect young farmers from agricultural price volatility, to which they are more exposed for clear reasons owing to the fact that they are starting out and lack practical experience or may have limited financial instruments available to them;
23. Asks the Commission and the Member States for a firm commitment to direct marketing channels that allow young farmers to sell their products on local markets in a more sustainable way and with greater benefits;
24. Recommends reconsidering the implementation of measures that would motivate older holders to pass their farms on to young farmers, such as the 'farm-exit scheme' and other incentives for retirement;
25. Believes that any successful strategy for generational renewal should be based on a holistic approach, promoting good environmental practices, and be designed to create new job opportunities for young people, ensure the continuity of farm production, the performance of the territory and the consolidation of communities, whilst facilitating young farmers' access to land through transparent procedures and fair contracts, bank finance and other credit schemes, concessional financing – targeting young new entrants, particularly for small farms – promoting exchanges between young farmers from different countries, along the lines of the Erasmus programme, advisory services, agricultural training and sustainable agricultural practices; stresses that this should make sustainable farming, which is vital for humanity, an attractive and sustainable occupation to young farmers and wider society; stresses that young farmers' work should be recognised in civil society as being of public benefit, and that young farmers should also receive acknowledgement for their work;
26. Draws attention to the specific characteristics of the EU's Outermost Regions, whose unique environmental, climate and health situations are very different to that of the

European continent, and calls therefore, as provided for under Article 349 TFEU, for greater account to be taken of these regions and of their specific needs and assets in the implementation and development of CAP instruments for young farmers, including in terms of access to funding;

27. Emphasises that small and family undertakings operating under difficult conditions and seeking additional sources of revenue should be supported to an even greater extent, for example through the funding of advisory services or innovative business models;
28. Considers it important to foster the extension of networks of researchers, academics, managers and young European farmers who are interested in identifying new models of economic development to find innovative solutions to the social and market needs that are emerging from the new rural business world;
29. Recommends that generational renewal must also take account of intergenerational renewal for the benefit of young and older farmers; notes the importance of farmers drawing up a farm succession plan and notes the need for a transitional payment to facilitate this succession;
30. Highlights that the introduction of a mandatory start-up aid measure for young farmers should be considered in any future CAP.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	20.3.2018
<b>Result of final vote</b>	+: 61 -: 1 0: 0
<b>Members present for the final vote</b>	Marco Affronte, Margrete Auken, Pilar Ayuso, Ivo Belet, Biljana Borzan, Paul Brannen, Soledad Cabezón Ruiz, Nessa Childers, Birgit Collin-Langen, Miriam Dalli, Seb Dance, Angélique Delahaye, Mark Demesmaeker, Stefan Eck, Bas Eickhout, Karl-Heinz Florenz, Francesc Gambús, Elisabetta Gardini, Gerben-Jan Gerbrandy, Arne Gericke, Jens Gieseke, Julie Girling, Sylvie Goddyn, Françoise Grossetête, Andrzej Grzyb, Jytte Guteland, Anneli Jäätteenmäki, Karin Kadenbach, Kateřina Konečná, Urszula Krupa, Giovanni La Via, Jo Leinen, Peter Liese, Lukas Mandl, Valentinas Mazuronis, Susanne Melior, Rory Palmer, Massimo Paolucci, Piernicola Pedicini, Bolesław G. Piecha, Pavel Poc, Julia Reid, Frédérique Ries, Michèle Rivasi, Daciana Octavia Sârbu, Annie Schreijer-Pierik, Davor Škrlec, Renate Sommer, Claudiu Ciprian Tănăsescu, Ivica Tolić, Adina-Ioana Vălean, Jadwiga Wiśniewska, Damiano Zoffoli
<b>Substitutes present for the final vote</b>	Christofer Fjellner, Elena Gentile, Merja Kyllönen, Norbert Lins, Gesine Meissner, Ulrike Müller, Mihai Țurcanu
<b>Substitutes under Rule 200(2) present for the final vote</b>	Fernando Ruas, Ruža Tomašić

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

61	+
ALDE:	Gerben-Jan Gerbrandy, Anneli Jäätteenmäki, Valentinas Mazuronis, Gesine Meissner, Ulrike Müller, Frédérique Ries
ECR:	Mark Demesmaeker, Arne Gericke, Urszula Krupa, Bolesław G. Piecha, Ruža Tomašić, Jadwiga Wiśniewska
EFDD:	Piernicola Pedicini
ENF:	Sylvie Goddyn
GUE/NGL:	Stefan Eck, Kateřina Konečná, Merja Kyllönen
PPE:	Pilar Ayuso, Ivo Belet, Birgit Collin-Langen, Angélique Delahaye, Christofer Fjellner, Karl-Heinz Florenz, Francesc Gambús, Elisabetta Gardini, Jens Gieseke, Julie Girling, Françoise Grossetête, Andrzej Grzyb, Giovanni La Via, Peter Liese, Norbert Lins, Lukas Mandl, Fernando Ruas, Annie Schreijer-Pierik, Renate Sommer, Ivica Tolić, Mihai Țurcanu, Adina-Ioana Vălean
S&D:	Biljana Borzan, Paul Brannen, Soledad Cabezón Ruiz, Nessa Childers, Miriam Dalli, Seb Dance, Elena Gentile, Jytte Guteland, Karin Kadenbach, Jo Leinen, Susanne Melior, Rory Palmer, Massimo Paolucci, Pavel Poc, Daciana Octavia Sârbu, Claudiu Ciprian Tănăsescu, Damiano Zoffoli
VERTS/ALE:	Marco Affronte, Margrete Auken, Bas Eickhout, Michèle Rivasi, Davor Škrlec

1	-
EFDD	Julia Reid

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention

## INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

<b>Date adopted</b>	24.4.2018
<b>Result of final vote</b>	+: 33 -: 2 0: 3
<b>Members present for the final vote</b>	Clara Eugenia Aguilera García, Eric Andrieu, Daniel Buda, Nicola Caputo, Matt Carthy, Jacques Colombier, Michel Dantin, Paolo De Castro, Albert Deß, Jørn Dohrmann, Herbert Dorfmann, Norbert Erdős, Luke Ming Flanagan, Martin Häusling, Esther Herranz García, Peter Jahr, Ivan Jakovčić, Jarosław Kalinowski, Zbigniew Kuźmiuk, Norbert Lins, Philippe Loiseau, Mairead McGuinness, Giulia Moi, Ulrike Müller, Maria Noichl, Laurențiu Rebega, Bronis Ropė, Maria Lidia Senra Rodríguez, Czesław Adam Siekierski, Tibor Szanyi, Marc Tarabella, Maria Gabriela Zoană, Marco Zullo
<b>Substitutes present for the final vote</b>	Bas Belder, Franc Bogovič, Jens Gieseke, Karin Kadenbach, Elsi Katainen, Momchil Nekov, Ivari Padar, Tom Vandenkendelaere, Thomas Waitz
<b>Substitutes under Rule 200(2) present for the final vote</b>	Stanisław Ożóg

## FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

33	+
ALDE	Ivan Jakovčić, Elsi Katainen, Ulrike Müller
ECR	Jørn Dohrmann, Zbigniew Kuźmiuk, Stanisław Ożóg, Laurențiu Rebega
EFDD	Giulia Moi, Marco Zullo
ENF	Jacques Colombier, Philippe Loiseau
GUE/NGL	Matt Carthy
PPE	Franc Bogovič, Daniel Buda, Michel Dantin, Albert Deß, Herbert Dorfmann, Norbert Erdős, Jens Gieseke, Esther Herranz García, Jarosław Kalinowski, Norbert Lins, Mairead McGuinness, Tom Vandenkendelaere
S & D	Eric Andrieu, Nicola Caputo, Paolo De Castro, Karin Kadenbach, Momchil Nekov, Maria Noichl, Tibor Szanyi, Marc Tarabella, Maria Gabriela Zoană

2	-
GUE/NGL	Luke Ming Flanagan, Maria Lidia Senra Rodríguez

3	0
VERTS/ALE	Martin Häusling, Bronis Ropė, Thomas Waitz

Key to symbols:

+ : in favour

- : against

0 : abstention