Tackling the challenges of European agriculture and Protecting our Food sovereignty

Adopted at the YEPP Council Meeting in Brno (24/11/2023)

Recognising that:

- Agriculture in Europe is going through a period of significant challenges that have led to intense mobilizations, with a series of protests in several countries, including Belgium, France, Germany, Romania, and Spain.
- The Treaty on the Functioning of the European Union, particularly Article 39, is foundational for the Common Agricultural Policy, ensuring the sector's sustainability and farmers' livelihoods.
- Agricultural productivity is vital for food security and the well-being of European communities and must be supported against policies that undermine competitiveness.
- The principle of fair competition in the single market is jeopardized by regulatory imbalances, disadvantaging European Union producers against third country counterparts, that threatens the agricultural sector's sustainability.
- Discrepancies in regulatory frameworks within and outside the European Union create unfair competition, urging the need for policy coherence and the rejection of overregulation that burdens European farmers, highlighted by the opposition to the "Farm to Fork" strategy and the "Restoration of Nature" law, which risk reducing agricultural land and productivity.
- The food supply sector more broadly, with agriculture at its centre, accounts for around 8% of total EU employment. However, farm income lags considerably behind average wages in most Member States. Moreover, since 2005, the EU has lost around one-third of its farms, and the share of people employed in agriculture fell from 6.4 % of total EU employment in 2005 to 4.2 % in 2020.1
- Each protest has its own particularities and underlying causes depending on the country. The current mobilizations and challenges in European agriculture reflect a combination of political, economic and social factors. For example:
 - The main issue in Germany was related to the announcement to eliminate the subsidy on agricultural diesel.²
 - In Romania, mobilizations are related to disagreements with the policy towards Ukrainian agricultural product (in particular, cereals) which is affecting local (and European) prices.³

¹ *"EPP Group Position Paper on a European Farmers' Deal"*, 10 October, 2023, EPP. From: <u>EPP Group</u> <u>Position Paper on A European Farmers' Deal - The EPP vision for Agriculture in Europe</u>

² "German farmers block roads with tractors in protest over agriculture policies", 8 January 2024, Bloomber. From: <u>German farmers protest against economic, agriculture policies (cnbc.com)</u>

³ "Romanian farmers, hauliers ramp up protests, block Ukraine border access", 17 January 2024, Reuters. From: <u>Romanian farmers, hauliers ramp up protests, block Ukraine border access | Reuters</u>

- Protests in France accuse other countries of unfair competition in agriculture.⁴
- In Spain, Italy and Greece, excessive bureaucracy is criticized and European green policies that, according to farmers prioritize the environment over production. Farmers are worried due to the perception of a widespread positive attitude inside the European politics about the synthetic food and for the ideological approach of the "Green Deal", which can represent a severe blow not only to the industrial world but also to the agricultural one. In addition, they mention the lack of reciprocity in imports of agricultural products from third countries, which do not follow the same strict EU regulations.⁵
- In this context, a crucial issue emerging is that of young farmers, facing obstacles in their incorporation into the agricultural sector, a fundamental aspect for the future of agriculture on the continent.⁶
- Young farmers play a crucial role in maintaining traditions and keeping our rural areas alive in the face of growing environmental and economic challenges.
- Government decisions, environmental policies and trade regulations play a crucial role in shaping the agricultural landscape. In addition, the need to support and facilitate the incorporation of young people into the agricultural sector is vital to ensure its long-term sustainability (while keeping our rural areas alive).⁷

Acknowledging that:

- The rural crisis and farmers' discontent stem from a complex overlay of regulatory pressures that lead to a loss of agricultural autonomy and food security.
- The economic and financial implications of transitioning to sustainability in the agri-food industry demand careful examination, especially considering public and geopolitical factors.
- The EPP advocates for a non-ideological approach, prioritizing the protection of the most vulnerable stakeholders during this transition phase.
- The imposition of a layered regulatory regime, coupled with the "*surtransposition*" of EU norms into national law, unfairly increases costs and competitive disadvantages for European farmers.⁸
- The EPP is dedicated to fostering prosperity for all citizens within our member organizations, including European farmers and rural communities. As food security and agriculture is considered a sector of strategic importance, we are committed to support our rural areas, fishers and farmers.
- Access to the land to produce agricultural products in Europe is costly and complex, which represents a significant barrier for young farmers.

⁴ 'Unfair competition': French farmers up in arms over EU free-trade agreements", 31 January 2024, France
24. From: <u>'Unfair competition': French farmers up in arms over EU free-trade agreements (france24.com)</u>

⁵ "Spanish farmers plan protests in February", 30 January 2024, Reuters. From: <u>Spanish farmers plan</u> protests in February | Reuters

⁶ Report on the event "*Exchange on Advancing Young and Historically Underserved Farmers and Addressing Intergenerational Farm Issues*", December 2023, European Commission, Directorate-General for Agriculture and Rural Development. From: <u>Event report: Exchange on advancing young and historical underserved farming and addressing intergenerational farm issues (europa.eu)</u>

⁷ As described in YEPP's White Paper "The Future of Agriculture", 2019. From: <u>The-Future-of-Agriculture-in-Europe.pdf (youthepp.eu)</u>

⁸ "François-Xavier Bellamy et Anne Sander: «La responsabilité écrasante de la Commission européenne dans le malheur de nos agriculteurs»", Le Figaro, 22/01/2024, From: <u>François-Xavier Bellamy et Anne</u> Sander: «La responsabilité écrasante de la Commission européenne dans le malheur de nos agriculteurs»

- Economic aid for the incorporation does not swiftly arrive to young farmers, as evidenced in Andalucía (one of the main agricultural regions of Europe) where it can take up to 4 or 5 years.⁹
- Despite the fact that Europe's Common Agricultural Policy ("CAP") allocates 2% of its budget to the incorporation of young people, the rate is still low. In Spain, for example, only 6 or 7% of farmers are under 40 years of age.
- Although there are exceptions such as Poland, where more than 20% of its farmers under 40 years of age¹⁰, the general rule in Europe is that young people face great challenges in accessing agriculture and therefore their access to the agricultural sector is very low.

YEPP calls on:

- 1. The European Commission to propose (i) a reform of the CAP to improve the distribution of funds (in a fairer way); and (ii) a better management of incorporation financial aids, simplification of procedures and earlier payment of such aid.
- Digitalize and simplify all bureaucratic procedures related to the agricultural sector and review all regulations in order to simplify them; while allowing older farmers to access traditional (i.e. non-digitalised) procedures;
- 3. The European Commission and Member States to reassess the "Farm to Fork" strategy and its implementation, with respect to both the environmental objectives and the economic viability and global competitiveness of European agriculture;
- 4. The European commission to pause the new agricultural regulations until a thorough reassessment of their impact has been carried out, to ensure that future policies are based on sound science and real-world impact assessments, and to reduce unnecessary complexity and costs for farmers;
- 5. European institutions to prioritise the welfare of European farmers and European agricultural standards over hasty implementations of new trade agreements.
- 6. The European Union and Member States to prohibit the import of agricultural products that do not meet the Union's production and environmental standards;
- 7. The European Parliament and the European Commission to promote reciprocity in trade agreements and ensure that agricultural imports meet standards equivalent to those of the EU. In particular, by aiming to globalize its standards to balance competition;
- 8. The European Union to implement agricultural policies that do not only follow environmental objectives but also ensure the economic viability of farms and the well-being of rural communities;
- 9. The European Commission and Member States to create the necessary incentives to promote investment in modern technologies to increase efficiency and sustainability in the agricultural sector, while also providing training and counselling programs in new agricultural technologies and practices, while ensuring traditional practices remain available for those less digitally inclined.

⁹ Although the EPP government in the region has launched an initiative that pays in advance the 25% of such aids. See "*La Consejería de Agricultura desbloquea y abona en solo tres años ayudas a 3.725 jóvenes agricultores por un importe de 105 M*€", 19 January 2022, Junta de Andalucía. From: La Consejería de Agricultura desbloquea y abona en solo tres años ayudas a 3.725 jóvenes agricultores por un importe de 105 *M*€", 19 January 2022, Junta de Andalucía. From: La Consejería de Agricultura desbloquea y abona en solo tres años ayudas a 3.725 jóvenes agricultores por un importe de 105 M€ - Noticias - Junta de Andalucía (juntadeandalucia.es)

¹⁰ The reasons for this phenomenon are unclear and require further research.

- 10. Member States to guarantee and create, when necessary, mechanisms that facilitate the transfer of land from older farmers to young farmers, including lease, purchase schemes, and a low-interest loan program.
- 11. Member States to implement cooperatives at the local level. This could be a means of promoting sustainable agriculture, aiding young farmers in their beginnings, and contributing to overall rural development. These cooperatives would provide training for farmers at different levels. By creating a community of farmers, knowledge and experience can be shared, encouraging innovation and more efficient farming practices. Cooperatives like these can aid in sustainable rural development and support young farmers, promoting the long-term prosperity of the agricultural sector.
- 12. Member states to support young farmers and rural development through the establishment of regional supply chains, which would support the local economy and enable farmers to sell their products directly to the public, providing greater stability and direct income for local producers. Such chains could also function as platforms to promote and support local products, creating an environment for sustainable agriculture and aiding young farmers in developing their businesses.
- 13. The European Commission and Member States to continue developing regional brands that highlight the quality and uniqueness of regional agricultural products.