

Council of the European Union

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NOTE	
From:	Presidency
То:	Council
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Subject:	Draft Council conclusions on strengthening of EU policies for young farmers
	- Adoption

With a view to the meeting of the <u>Council ("Agriculture and Fisheries")</u> on 15-16 December 2014, delegations will find in <u>Annex</u> the Presidency suggestion for the draft Council Conclusions on strengthening of EU policies for young farmers.

Draft Council Conclusions on strengthening of EU policies for young farmers

THE COUNCIL OF THE EUROPEAN UNION

- 1. CONSIDERS that young farmers and generational renewal in agriculture are fundamental for the sustainability and long term competitiveness of European agriculture;
- 2. NOTES with concern that youth unemployment rate is over 23%, it means more than 5 million of young people are unemployed in the EU-28 area;
- 3. NOTES with concern that the proportion of EU farmers under 35 is only 7.5% of the farming population, compared with more than 30% over the age of 65;
- 4. Is AWARE that generational renewal in agriculture is a precondition for maintaining viable food production and improving the competitiveness of the sector. New entrants are needed to take over from retiring farmers, to invest and modernise their agricultural holdings. However, in a situation where good agricultural land is scarce, they depend also on the transfer of land from already existing farms. Young farmers also need support for initial investments, access to loans, land, business advice and training to become more modern and competitive;
- 5. RECOGNISES that the recently approved CAP 2014-2020 contains significant measures supporting young farmers both in the first and second pillar, and it is important to implement these measures in an effective manner;
- RECOGNISES that despite the recently adopted CAP measures, young entrepreneurs in agriculture still have to overcome significant barriers of economic, social and market nature, to enter the sector;

- 7. CONSIDERS that, in order to fully unleash the potential of young farming and generational renewal, it is fundamental to overcome these barriers. In particular in terms of access to credit, land and transfer of innovation and professional experience;
- 8. WELCOMES the "Memorandum of Understanding for co-operation in agriculture and rural development" signed by the European Commission and the European Investment Bank (EIB) in July 2014. The strategic implementation of this agreement could provide tangible outcomes in terms of creating jobs and favouring growth in the sector, in line with the Europe 2020 Strategy and the new Commission's priorities for agriculture;
- 9. INVITES the European Commission and the EIB to enforce all the available tools, in particular under the EU rural development policy and including those to be developed under the "Memorandum of Understanding for co-operation in agriculture and rural development", jointly with Member States, to provide favourable support conditions to young farmers who just started or who are starting a business in the agricultural sector such as financial instruments and appropriate lending possibilities.
- 10. ACKNOWLEDGES that land is the main factor of production in agriculture and that securing access to farmland is fundamental at a time when a whole generation of European farmers is reaching retirement age. Any measure to facilitate access to land should be implemented in a way to avoid speculation on land market price;
- 11. EMPHASISES that it should be possible for Member States, on a voluntary basis, to provide zero interest rate loans for land acquisition to young farmers that possess adequate occupational skills and submit a business plan, *in line with Regulation No 1305/2013*;

- 12. CONSIDERS that in order to facilitate knowledge transfer and innovation, as well as the exchange of information and professional experiences in the EU, it could be useful to envisage programmes similar to the "Erasmus" project, that young farmers could benefit from for a short period of time thanks to the support of the national and European rural networks;
- 13. INVITES the European Commission to develop and provide guidelines to establish such exchange of experience in the context of the rural networks and Member States' rural development programmes;
- 14. INVITES the European Commission to consider the particular effects on young farmers when preparing new legislative initiatives in order to stimulate the generational renewal in agriculture.
