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Answer given by Mr Hansen
on behalf of the European Commission
(11.3.2025)

1. Under the common agricultural policy (CAP), young farmers benefit from support for setting up as agricultural businesses, for investments, for cooperation projects, as well as for participation in risk management and other instruments. Young farmers receive also support under the first pillar of the CAP, which further boosts their income and reduces their risk profile, including when applying for bank finance. The CAP is implemented under shared management. It is for Member States to determine the best mix of available support options for their young farmers' development. The Commission will propose a strategy on generation renewal in agriculture in 2025.

2. Member States may choose to include support for financial instruments (FIs) in their CAP Strategic Plan. The Commission, in cooperation with the European Investment Bank (EIB) and through its fi-compass programme¹, actively supports Member States to set up FIs such as loan and guarantee funds through training, studies and analyses as well as communication actions. It reports annually on the implementation of financial instruments under the European agricultural fund for rural development (EAFRD) in 2014-2022². In the 2023-2027 period, under the CAP Strategic Plans, in total 13 Member States programmed EUR 1.1 billion of total public expenditure (of which EUR 692 million from EAFRD). These amounts include support for investments and activities undertaken by young farmers. Recently, the EIB launched a specific financial package of EUR 3 billion to support EU agriculture and bio-economy, including young farmers³.

¹ <https://www.fi-compass.eu/funds/eafrd>

² https://www.fi-compass.eu/sites/default/files/publications/summary_data_fi_1420_2022.pdf

³ https://ec.europa.eu/commission/presscorner/detail/en/ip_24_6322