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POSITION PAPER

THE FUTURE OF AGRICULTURE

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Introduction

Amid global instability—from geopolitical conflicts to climate extremes—farmers face growing uncertainty and heavy administrative burdens. In this context, the EU must safeguard a strong, unified Common Agricultural Policy (CAP) that supports long-term investment and stability in farming.

Renew Europe envisions a CAP that protects traditional rural life while embracing the future of agriculture: smart, sustainable, and tech-driven. Nature-friendly practices, fair incomes, and less red tape must go hand in hand with innovation. Digital tools, AI, and climate-smart solutions can make farming more efficient, resilient, and green.

At the same time, generational renewal is essential. Young farmers must be empowered with access to land, finance, and training so they can take up the torch and drive the sector forward.

The future of European agriculture lies in combining tradition with technology—supporting farmers to lead the way in a sustainable and competitive digital era.

CAP Structure and Future Vision

- **The CAP must remain a distinct, communitised EU policy**, protected from renationalisation or absorption into broader budgetary lines, with funding anchored at EU level to preserve the internal market and ensure a level playing field.
- **Long-term predictability and planning security are essential**, including transitional periods for new requirements, stable rules, and farm-level impact assessments to prevent economic disruption and maintain farmer confidence.
- **The CAP structure must be enlargement-proof**, ensuring that potential new Member States can be fairly integrated without destabilising effective support systems for existing EU farmers.
- **Strategic, science-based dialogue must guide CAP reforms**, with initiatives like the Strategic Dialogue and the “Vision for Agriculture and Food” serving as the foundation for inclusive policymaking grounded in real farming practice.
- **A value chain approach** that needs to link sustainability, risk management, and economic results by using performance measurement and comparison, like benchmarking, at both the farm and supply chain levels. The CAP should be accompanied by a thorough EU Food Strategy.

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- **The CAP must stay focused on its core mission:** securing safe, sustainable and high-quality food, boosting farm profitability, and delivering on the three pillars of sustainability, competitiveness, and balanced territorial development across all European regions.
- **Autonomous or subnational governments in regions with full power over agriculture should be fully involved** in the development of national strategic plans, in accordance with the principle of subsidiarity, in order to respond optimally to the specificities of regional challenges.

Budget and Financial Framework

- **The CAP budget must be robust and inflation-adjusted**, as failure to do so risks a real-term cut of over 50% by 2034—jeopardising the resilience, viability, and sustainability of EU agriculture.
- **Targeted investments must, amongst others, support the green and digital transition**, with an increased share of the CAP focused on environmental and climate action, especially under Pillar II.
- **The CAP must remain a common, EU-level policy**, adapted to territorial diversity but providing a stable framework.
- **Investment from the European Investment Bank (EIB) must play a stronger role**, particularly in supporting innovation, sustainability, and structural transitions in farming systems, attracting more private investment in the sector.
- **EU agriculture should be recognised as part of Europe's strategic resilience**, with potential synergies considered between agricultural and broader defence and security priorities.
- **All CAP funding must be predictable, effective, and clearly targeted**, with result-oriented payments and consistent indicators to support long-term agro-ecological transition, innovation, cutting red tape and value chain restructuring, while supporting farmers to cope with extreme weather events.

Income Support and Payment Models

- **Direct payments remain essential and should be primarily focused on active farmers**, especially in fragile regions, for farmers in the early stages of their careers, and for those who need it most. We support the application of capping, degressivity, and labour-based thresholds, but believe these tools should be adapted to each Member States to respect national differences and local farm structures.
- **Fairness in the distribution of direct payments**, both among and within Member States, is essential.

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- **CAP income support should increasingly integrate result-oriented elements**, rewarding the delivery of ecosystem services, public goods, and sustainable practices—while maintaining long-term income stability through well-designed and attractive eco-schemes that do not create additional bureaucracy. Nonetheless, result-based payments should complement direct payments, not replace them.
- **Coupled support must be maintained and strengthened** where justified, especially in livestock and strategic production sectors—linked to value chain development, food security, and regional resilience.
- **The CAP must support a shift from income dependency to farm profitability**, through diversification (e.g. bioeconomy, carbon markets, agrotourism), innovation, market access, and structural tools like the CMO and value chain regulation to enable fair prices and reinvestment capacity.
- **Conditionality must be maintained and the procedures simplified**, kept as a baseline, while higher environmental ambition should be incentivised via new reward-based instruments, and supported by benchmarking for transparency and access to funding.

Generational Renewal and Youth in Farming

- **Generational renewal must be a top CAP priority**, with significantly higher and long-term support for young farmers through both pillars, including strengthened voluntary Complementary Income Support for Young Farmers (CISYF).
- **A dedicated EU strategy is needed for new entrants**, particularly those without inherited farms, ensuring access to land, removing barriers to investment, education, advisory services, specific health and mental health support, and equality-based support systems.
- **Modern agricultural education** must prepare young farmers for a resilient sector by integrating digital tools, sustainability, entrepreneurship, and social inclusion into formal training and lifelong learning.
- **Young farmers need access to strong financial instruments**, such as 0% interest EU/EIB loans, tax incentives for farm succession, aligned with average professional income.
- **Land access must be structurally improved**, supported by long-term investment in the EU Land Observatory and local initiatives that monitor and unlock land availability for new farmers.
- **Young farmers must be central to innovation and knowledge exchange**, supported through tailored training, applied research, and active participation in systems like AKIS, the CAP Network, and peer learning. This will equip them to adopt new technologies, strengthen resilience, lower production costs, and lead the sustainable transformation of agriculture across all regions.

- **To encourage the transfer of holdings**, Member States shall design mechanisms to facilitate the transition to a dignified retirement and to support the mutually beneficial transfer of farms to young and new farmers.

Environmental and Climate Measures

- **CAP must be focused, amongst others, on environmental and climate actions that support our food production and strategic autonomy**, dimensions which don't exclude each other. Measures that prioritise balanced transitions, nature-based solutions and sustainable inputs shall be promoted. Continued investments in eco-schemes, climate mitigation and adaptation, and biodiversity actions should be introduced through a system that does not hamper competitiveness or farmer incomes.
- **The CAP must support farmers in the transition facing impacts from climate change**, including droughts, floods, multiplication of vector-borne diseases and salinisation, through targeted adaptation measures, resilient land use practices, and a stronger role in national energy and climate plans (NECPs).
- **Resilience of the EU food system is the priority**. CAP measures should focus on maintaining the production capacity of EU farmlands while supporting technological solutions, balanced transitions, precision farming, nature-based solutions, and sustainable inputs.
- **Carbon and nature credit markets must be scaled up**, with strong governance, efficient and user-friendly systems, with private sector involvement, ensuring all farmers—especially small and high-nature-value farms—can access new income streams and contribute meaningfully to climate goals and biodiversity.
- **The CAP must anchor biodiversity, pollinators, water resilience, and soil health as strategic priorities**, supporting pollinator monitoring, including the stressors to which they are exposed, enforcing EU guidance on risk-assessment on chemicals, while respecting different protection needs of the non-target species.
- **Cultural landscapes and extensive and pasture-based livestock systems must be protected**, as they support nutrient cycles, biodiversity, and rural identity. The CAP should formally recognise their ecological and social value.

Innovation, Research and Technology

- **Investment in research and innovation must be significantly boosted in order to support the uptake of new technologies**, particularly among SMEs, such as in the areas of AI, precision farming, automation, new genomic techniques (NGTs), climate-smart technologies, and administrative support software to enhance productivity, resilience, and sustainability.

- **Food security and profitability must remain core goals**, with innovation serving both strategic autonomy and environmental objectives by improving incomes, diversifying protein, energy and food sources, and reducing input dependency.
- **New breeding techniques and resilient crop development must be accelerated**, including NGTs, as they belong to the toolbox of farmers to face climate change.
- **Farmers must be placed at the heart of applied research**, with targeted CAP funding, training, and clear regulation—particularly empowering young and existing farmers to adopt innovations that reduce costs and improve sustainability.
- **Agricultural Knowledge and Innovation Systems (AKIS) must be strengthened** to support peer-to-peer learning, biodiversity-oriented practices, and the integration of nature-based solutions, including science-based monitoring tools like EMBAL.
- **Independent advisory services are key** to translating scientific innovation into practical use on farms—especially in digitalisation, sustainable inputs, and novel food production (e.g. precision fermentation, cellular agriculture).
- **Strong collaboration between farmers, research institutions, and agri-tech companies** should be supported to create learning ecosystems that link innovation directly to practice and promote co-creation of knowledge.

Administrative Simplification and Bureaucracy

- **Simplification of CAP rules is needed**, such as simplified procedures for Good Agricultural and Environmental Conditions (GAEC) and reporting obligations, with more flexibility to adapt to national circumstances, fewer fixed deadlines, improving management efficiency, both for potential beneficiaries and administrations, and transitional periods for new legal requirements post-2027.
- **Gold plating of the CAP and CAP related legislation on national level must be halted.** Legislative drafting must take into account the administrative burden for national authorities and agencies in order to support simple and effective implementation of the CAP.
- **A regulatory review must be conducted**, repealing or amending outdated or redundant rules and stopping the layering of new obligations.
- **A single, unified compliance model should be established**, consolidating EU and national inspections into a “One Compliance Inspection” system to eliminate duplication, reduce stress on farm families, and streamline controls. EU and national controls should be better coordinated.
- **Misuse of European Agricultural Fund for Rural Development (EAFRD) and European Agricultural Guarantee Fund (EAGF) funds** that threatens farmers’ livelihoods and business plans must be fought, and the cooperation between relevant institutions must be strengthened.

- **Digital tools must be fast-tracked and widely supported**, easing paperwork, supporting compliance, and enhancing access to advisory services—especially for small and medium-sized farms.
- **Simplification must not come at the cost of sustainability** but should enable it—through tools like a farmer-friendly benchmarking system that aligns standards across the value chain, supports access to funding, and ensures coherent requirements.

Private Sector Involvement in CAP

- **The private sector needs to be actively involved in generational renewal**, offering tailored financing tools, innovation grants, and preferential procurement to support youth-led and sustainable farming businesses.
- **Strategic partnerships with the private sector should be fostered to co-invest** in green technologies, agroecological innovations, and infrastructure supporting the green and digital transitions.
- **Private sector actors must contribute to knowledge exchange and innovation systems**, through participation in AKIS, public-private research initiatives, and co-creation of applied solutions at the farm level.
- **Private investment should be mobilised through incentive-compatible CAP measures**, ensuring that private capital supports resilience, innovation, rural development, and sustainable input markets.

Pesticides, Fertilisers, and Inputs

- **Integrated Pest Management (IPM) must be strengthened** as a core principle of sustainable farming, with widespread farmer training, advisory support, and investment in modern IPM technologies and techniques.
- **Access to biological and low-risk alternatives must be accelerated**, with faster, clearer approval processes and mutual recognition between EU Member States. Greater support for the research, development, certification, and uptake of safe, effective alternatives and support for EU production of such alternatives is needed.
- **The EU needs a forward-looking strategy for sustainable nutrient use**, reducing reliance on fossil-based fertilisers, supporting innovation in green fertilisers, and encouraging better use of organic materials like manure and residuals.
- **Investment in nature-based solutions must increase**, enabling alternatives to synthetic inputs that improve soil health, biodiversity, and water quality, while contributing to long-term agricultural resilience.
- **Environmental and health protections must be strengthened**, and restrictions on pesticide and fertiliser which pose a risk to humans, animals, other living organisms, and

the environment must be carefully phased in, ensuring that safe, effective and affordable alternatives are available. Research and innovation funding, as well as educational efforts, should be focused on development of safe alternatives to ensure continuity of production.

- **Exchange of best practices at Member State level** should be enhanced to support farmers facing occupational diseases linked to their profession and the use of phytosanitary products.

Animal Welfare and Livestock

- **Extensive and pasture-based, locally adapted livestock systems must be actively supported**, as they are essential to biodiversity, closed nutrient cycles, cultural landscapes, and sustainable land use—particularly in disadvantaged regions.
- **The CAP must pursue a dedicated livestock policy after 2027**, maintaining the possibility for coupled income support and strengthening the viability of environmentally friendly and site-appropriate husbandry practices, while improving animal welfare and health.
- **Animal husbandry should be recognised as part of the solution**, not the problem—modern, responsible livestock farming should be supported in its efforts to improve its climate impact and contribute positively towards environmental and rural development.
- **Incentives should support regulation**, rewarding proven, environmentally sound livestock systems that support rural communities, and regional food security.
- **A high-level EU initiative is needed on sustainable livestock farming**, to address generational renewal, enhance sector competitiveness, and guide investment and innovation, alongside an updated and ambitious EU animal welfare framework.

Food Security and Strategic Autonomy

- **Agriculture is a pillar of EU's economy, making it a crucial element of strategic autonomy**, with food production and farming being essential components of civil resilience, security, and sovereignty within the EU. Emphasises the role of balanced food policies in safeguarding Europe's food security framework.
- **A European Protein Strategy must be launched**, reducing dependency on feed imports through diversified protein sources and production—including crop residues, insects, plant-based proteins and residual food streams.
- **Reducing reliance on imported inputs is key to resilience**, with a clear shift toward natural and regional alternatives to fertilisers, pesticides and feed stocks, and better nutrient cycling between livestock and crop production.
- **Investment in strategic production areas like plant-based protein must be scaled up**, supported by targeted R&D and innovation to enhance self-sufficiency in critical sectors.

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- **CAP must provide targeted support to vulnerable sectors and regions**, including through coupled support, and a portion of future EU security-related funding should reflect agriculture's role in safeguarding strategic autonomy.

Trade

- **The EU agricultural and agri-food sectors should be competitive on the global arena.** The EU trade agreements shall be ambitious and create enhanced market access on third-country markets, vital for creating export-driven growth and jobs in the EU agriculture and agri-food sector.
- **Trade policy must ensure that imported products respect the EU standards**, including restrictions on substances banned in the EU and controls, particularly in terms of environmental protection, food safety, animal welfare, and labour condition - fair competition depends on equivalent rules as well as EU consumers trust and EU farmers viability.
- **The EU must implement enforceable and consistent compliance mechanisms**, with strong border controls, enhanced inspection capacity, and full enforcement of European standards on all agri-food imports.
- **Future trade agreements must take the future of EU farming into consideration**, with comprehensive impact assessments on farm family incomes, and no acceptance of lower environmental or safety requirements in partner countries.
- **Support for certified and origin-labelled products must be expanded**, using quality assurance schemes, branding strategies, and targeted market development to boost EU farmers' competitiveness in global markets.
- **The EU must reduce its dependence on imported inputs**, including feed, fertilisers, and pesticides, by building internal resilience through protein diversification, organic alternatives, and local supply chain development
- **The EU shall establish a strategy targeting new export markets.** This strategy should promote access to emerging third countries by making full use of instruments under the CAP, including support for promotion and market intelligence.

Bioeconomy and Circular Economy

- **The CAP must promote circular agricultural practices**, including nutrient reuse, manure valorisation, biomethane production, and digestate processing—especially in the livestock sector—to turn waste into a sustainable and valuable product.
- **Farm diversification through circular economy models should be supported**, particularly via Pillar II, enabling renewable energy projects, resource efficiency, and new income streams that strengthen rural viability and resilience.

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- **A future-proof EU bioeconomy strategy is needed**, with clear targets and safeguards for biodiversity and carbon sinks, supporting farmers as producers of biobased materials for many different sectors like construction.
- **Farmers must benefit from nature-inclusive economic models**, including carbon sequestration, organic farming, and biodiversity protection—transforming environmental practices into profitable activities.
- **Tackling food waste across the supply chain is essential**, through education, infrastructure, and circular food system approaches that reduce loss from production to consumption.
- **Geographic balance and territorial approaches must be part of circular planning**, ensuring support for less-favoured areas and avoiding over-specialisation that increases environmental and economic vulnerability.

Water and Soil Management

- **The CAP must support the uptake of water-resilient and soil-enhancing practices**, ensuring long-term productivity and sustainability of Europe's agricultural land.
- **Soil health must be safeguarded through monitoring and scientific initiatives**, with EU support, where needed, for soil campaigns, sustainable nutrient use, and practices that prevent degradation and maintain soil function.
- **Water efficiency and resilience targets as well as infrastructure investment are needed**, promoting sector-specific water-saving measures, reuse systems, and the modernisation of irrigation and distribution networks.
- **A long-term water security strategy should be developed**, supporting water resilient practices and exploring innovations such as desalination and incentivising fair, efficient water pricing across the EU.
- **Urges the implementation of measures and strategies to prevent and minimise the presence and impact of PFAS** in agricultural practices and inputs, limiting contamination and impact on the environment and public health, protecting farmers' health and supporting them in the transition to more sustainable practices.

Social Dimension and Rural Development

- **The CAP must strengthen the vitality of rural areas**, supporting family farms, cultural landscapes, and regional identity as key pillars of rural resilience and social cohesion.
- **Bridging the rural-urban divide requires renewed public understanding of agriculture**, with policies that foster dialogue, recognition, and a realistic view of farming practices and their societal value.

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- **Support for women in agriculture must be practical and measurable**, focused on real participation, training, and outcomes—not symbolic initiatives or added bureaucracy.
- **Rural Development Programmes must remain well-financed and flexible**, with strong EU and national co-financing and greater authority for Member States to tailor Pillar II to local needs, as an independent second pillar of the CAP is crucial for the long-term viability of rural areas, with programmes like LEADER playing a key role in diversifying rural economies.
- **Social sustainability must be a formal CAP objective**, ensuring accessible support for rural communities, generational renewal, and inclusive, community-driven agricultural development.

Crisis reserve & risk management

- **The CAP crisis reserve must be revised and reinforced**, with a larger, more flexible budget and faster activation to respond effectively to economic shocks, spread of animal diseases and market disruptions.
- **Risk management tools should go beyond ex-post compensation**, incorporating ex-ante adaptation and prevention measures to build resilience to climate-related shocks, animal diseases and economic volatility.
- **National strategic plans must clearly define risk prevention and mitigation strategies**, linking CAP instruments with national tools such as insurance schemes, mutual funds, and diversification incentives.
- **A European insurance mechanism should be explored**, to address climate, environmental, and health-related risks affecting agricultural markets.
- **Strengthen health measures in the agricultural sector** by coordinating the purchase and supply of veterinary vaccines at EU level through a preparedness mechanism and by fostering the development of these vaccines in the EU. Sufficient funding for this mechanism must be ensured.
- **Market-focused crisis prevention must be central**, ensuring producers are supported through volatility while maintaining a functioning and stable internal market.

Farmers in the supply chain

- **Farmers' position in the food supply chain must be strengthened**, particularly in fragmented sectors, through better bargaining power, improved coordination, and fairer value distribution.
- **The Common Market Organisation (CMO) tools must be updated and fully used**, including early crisis detection, producer group support, and clearer incentives for building strong, cooperative supply chain structures.

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- **Reforms must avoid one-size-fits-all measures.** New measures to protect farmers in certain sectors and situations, such as mandatory contracts, should always be designed in a way that does not undermine existing effective and traditional systems such as cooperatives and other well-established customary practices in Member States; instead, a holistic approach should provide tailored, market-based solutions.
- **Greater transparency is needed across the food chain,** including the establishment of a European body to monitor margins from producer to retailer and enhanced enforcement of unfair trading rules.
- **Balanced support across all forms of production—animal and plant—must be ensured,** recognising their interdependence in resilient and sustainable agri-food systems.

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