



- **What tools do we need for the CAP of tomorrow?**

European Young Farmers underline the importance of support tools which safeguard against market instability whilst taking a positive and pro-active approach to problematic issues. The agricultural policy of tomorrow should provide tools which modernise the CAP to reflect current agricultural realities and adequately tackle the challenges the sector faces on multiple levels: economic, environmental and generational.

For young farmers there is consensus that direct payments need to take into account the **non-remunerated** aspects of the public services that farmers provide to society. There has been a lot of talk about 'public goods', yet great disparities in their definition by many stakeholders. For CEJA such **public services** would include ensuring food security in the context of growing global food demands, landscape management, climate change mitigation and preserving natural resources.

Given the high initial business start up and farm takeover costs incurred by young farmers, CEJA advocates that **installation aid** be made mandatory in all member states so that the CAP can facilitate the renewal of generations in agriculture.

Furthermore, young farmers need easier **access to credit**, oriented at the long-term development of their farms - a so called "**young farmers' package**" - including measures such as investment capital premiums, interest subsidies, state guaranteed covered bonds, bank guarantees, insurances and tax reductions. These measures should be clearly linked to and support entrepreneurial ideas, to reinforce a pro-active approach to farming activities.

Young farmers propose a European **revenue stabilisation system** which would be automatically implemented in times of falling commodity prices and study further possibilities to prevent huge losses.

Markets have become increasingly volatile and compensation mechanisms such as direct payments and **risk management tools** are needed to balance unstable markets.

Climate risk management is also fundamental to the future of European agriculture. Climate change and natural catastrophes add to the new challenges of the farming sector and therefore it is necessary for **new production methods** to be continuously developed towards more **climate-smart farming systems**, which focus on adaptation as well as mitigation measures.

Young farmers believe that a global policy approach is necessary to ensure that **communication about farming is increased** and consumers' understanding of the CAP is improved. We ask for measures to help farmers communicate with society and with research institutions. Farmers should also be able to increase their competitiveness through a better use of **new technologies**, having an **easier access to knowledge coming from research centres** and improving the rural development support for modernization.

In sum, young farmers want tools to reflect their entrepreneurial spirit and give them the best opportunities to compete in a global context.

- **Why reform the CAP?**

Let's consider a vital issue which is often overlooked: **young people** working in Europe's agri sector today.

The European agricultural sector currently faces **demographic challenges**: only 7% of farmers are under the age of 35 in the EU27. Over 4million farmers are over the age of 65. In this context it is clear that a relatively small amount of the young farmers of today will be asked to meet the many challenges-both economic and environmental-in the future. Therefore they specific need incentives. **Active farmers** should be the targets of CAP payments and therefore reforms should prioritize farmers who work and produce daily food.

The CAP has included valid approaches yet the **new challenges of today** have placed agriculture as a **strategic sector** more so than ever before. Therefore the new CAP must be adapted to new challenges, in terms of structure as well as financial means, in order to **attract new people** and **rejuvenate the sector** and consequently ensure **sustainable** and viable agriculture for future generations.

Price volatility has been a significant problem for European agriculture. Therefore CAP reforms should account for previous failures to safeguard against **price volatility**. CEJA supports medium and long-term measures and market management mechanisms which are necessary to provide more stability in agricultural markets.

- **Why do we need a European common agricultural policy?**

Agriculture, whilst primarily being the sector of food production, is **strategically important** to European and global issues. Issues which affect and will continue to affect Europe in its entirety. European Young Farmers believe that a 'common approach', much like their own efforts to work together to face similar challenges is the **most effective**. We need a CAP for multiple reasons:

First and foremost, if farming is left to decline in Europe then it will have significant effects on **employment in rural areas, food quality standards, environmental and land management** practices as well as many **other services** which farmers provide that are not remunerated by the market. 90% of Europe's territory is rural and farmers play a fundamental role in **rural development** and agriculture can be a profitable sector for many young agri-entrepreneurs across Europe.

Today's generation of young and active farmers need a policy which supports their **first installation** after the **high investments** they make when starting up their businesses. Furthermore CEJA believes agriculture is a strategic sector to take on the **challenges of climate change**. In turn a common policy, which ensures that all European countries work together on decisive issues, is needed to ensure that agriculture's solution to future challenges is co-coordinated in the most efficient and wide reaching way.

Let's not forget that the CAP has enabled European **food security** over the years. Equally, agriculture's strategic nature is reflected in a global context: the world population is expected to rise to **9bn by 2050** according to the FAO and **food production will have to increase by 70%**. We need an agricultural policy in Europe that will ensure young farmers are able to keep up with the population and social demands of society.

- **What do citizens expect from agriculture?**

Agriculture as a sector has **high public policy and social expectations** placed on its operations.

Citizens, when they walk into the shops, expect **high quality food production** to be available when they want it and at affordable and stable prices. They expect agriculture to **deliver on demand**.

Citizens expect agricultural production to be carried out with **good environmental practices**, especially since this is essential for public health and

the implications for biodiversity and natural habitats. In this regard, citizens expect that farmers can meet the obligations set down by policymakers and legislation to deliver a constant, sustainable food supply in tandem with growing food and population demands.

If we were to take some recent examples from the Eurobarometer survey, then it would indicate at least to some extent that there is **general appreciation of farmers** and of the CAP in Europe. We could say that citizens expect agricultural policies to be kept in place. Yet do they fully know the details of the CAP and do they fully recognize farmers role in meeting the high demands they expect from us? There is a lack of transparency in the food chain and an awareness gap with regard to agriculture's role, in particular the work farmers must do to provide this ever ready food supply to consumers.