



2024/0176(BUD)

9.9.2024

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on Budgets

General budget of the European Union for the financial year 2025 - all sections
(2024/0176(BUD))

Rapporteur for opinion: Daniel Buda

PA_NonLegBudDec

OPINION

The Committee on Agriculture and Rural Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Takes note of the EUR 53,75 billion in commitments and EUR 51,12 billion in payment for agriculture; regrets the decrease compared to 2024 and calls for a budget increase and strategic implementation considering the climate, environmental and political challenges the agricultural sector and rural communities will face in 2025 such as the impact of imports from third countries without mirror clauses, the increasingly higher input prices, extreme adverse weather events, as well as the frequent damage caused by animal diseases; stresses that a budget increase is justified as farmers are key actors in the fight against climate change; recalls that the long-term resilience of farming has been undermined by cumulative inflationary pressure in agricultural inputs, fuelled notably by the successive consequences of the COVID-19 pandemic and the war in Ukraine;
2. Recalls the objectives under Article 39 of the Treaty on the Functioning of the European Union, which include increasing agricultural productivity by promoting technical progress, ensuring a fair standard of living for farmers, and guaranteeing food security;
3. Considers that it is appropriate that the aforementioned objectives of the Union primary law are explicitly and prominently featured in the introduction to Heading 3 in the General Introduction of the 2025 budget;
4. Notes that spending under the common agricultural policy (CAP) significantly exceeds the climate and biodiversity mainstreaming targets and requests that this surplus be used to allocate funds that directly contribute to the primary objectives of the CAP;
5. Recalls that farmers and rural communities are key actors in the provision of high quality affordable food and the preservation of rural areas, especially their economic attractiveness; highlights the role that agriculture plays in achieving the Union objectives of food security, sustainable growth, social inclusion, as well as adaptation and mitigation of climate change, while helping to diversify agricultural production, preserve biodiversity and develop local economies; stresses that the 2025 Union budget should be aligned with the Union's international commitments;
6. Emphasises that people living in rural areas, including farmers, have particular mental health challenges associated with the risk of disconnection and lack of access to mental health services, with suicide rates among farmers being 20 % higher than the national average in some Member States; therefore calls for mental health supports for farmers to be specifically integrated into Union agricultural policies through the provision of long-term funding;
7. Deplores the ongoing negative cascade effects Russia's war against Ukraine has on agriculture and all farmers in the Union, especially those in Member States bordering Ukraine, such as high input prices, inflation or market disturbances and difficulties in monetising agri-food products; calls on the Commission and Member States to adjust

their funding accordingly; emphasises the urgent need for additional better-funded instruments for crisis management and for concrete measures to deal with market disturbances; recalls that while ongoing support for Ukraine is crucial when securing global food security, the competitiveness of farms in the Union should not be threatened; welcomes the application by the Commission of safeguard measures for commodities such as sugar, eggs, oats and groats;

8. Underscores that the 2 % deflator of the multiannual financial framework (MFF) does not compensate for the loss of value linked to inflation; notes that direct payments have significantly decreased in real terms due to inflation, while the administrative burden on farmers has increased due to the accumulation of restrictions, obligations and bureaucracy; highlights in that regard the fact that the CAP budget in the 2021-27 MFF is already lower, in real terms, than in the previous planning period; stresses that the preparations for the next MFF should address all these shortcomings;
9. Regrets that the same 2 % deflator has not been applied by the Commission to the budget allocations of the programmes of options specifically relating to remoteness and insularity (POSEI); stresses the vital importance of the POSEI scheme for maintaining agricultural activity and for the provision of food and agricultural products in the outermost regions; regrets that the levels of support offered by that scheme have not been revised to provide them with the necessary financial resources, which is exacerbated by the fact that their appropriations have not been adjusted in line with inflation, resulting in substantial losses in real terms; calls on the Commission to increase the amount allocated to the POSEI funds to cover for the increase of production costs and inflation of the last few years, and thus uphold the viability of agriculture in outermost regions;
10. Deplores the EAGF budget cut in the MFF mid-term review of EUR 440 million for the next three years; regrets in particular the cuts to the promotion of agricultural products and suggests that any availability identified under the EAGF sub-ceiling at the time of the Amending Letter could be used to mitigate such cuts by reinforcing the elements that had to be cut or severely restricted, in particular promotion “multi” programmes and technical support for the implementation of the CAP as these programmes increase awareness and recognition of Union quality schemes as well as the competitiveness of Union agricultural products by clearly easing Union producers’ access to third-country markets, especially for high quality and high value products; calls for maintaining an inclusive and strong promotion policy budget, at least at the level of 2024, to ensure that the policy continues to support all agricultural sectors, guarantee the competitiveness of agriculture and our food sovereignty and allow the creation of new international markets for Union agricultural products; stresses the growing interest in promotion programmes in 2024, which has seen an increase in project submissions; would like to see more resources allocated to the promotion of Union agri-food products and food education initiatives, with special reference to programs aimed at young citizens for increased fruit and vegetables consumption, reaffirming the importance of the Union's school fruit, vegetables and milk scheme, in that regard, invites the Member States to make full use of that scheme; calls for a substantial CAP budget increase in the next MFF to ensure food security, stability and a fair income for farmers;
11. Welcomes the recent CAP simplification package and notes it has no budgetary impact;

underlines that the simplification measures should serve as a basis for the next CAP reform; acknowledges the importance of the continuation of this package until the end of the current programming period and for additional measures and resources to address the causes of farmers' discontent across the Union with a focus on strengthening their position in the agri-food value chain; recalls in that context that farmers are structurally in a vulnerable position in the value chain and underlines that the improvement of their position is an essential condition to increase farmers' incomes and to help them face climate change consequences, in particular regarding its mitigation and adaptation; calls for an increase in the budget for investments in the distribution networks of agricultural producers in order to tackle the issue of speculation in agricultural products as well as for a revision of Directive (EU) 2019/633 of the European Parliament and of the Council¹ to ensure that farmers receive their fair share of the final price paid by the consumer for food; highlights the need to support farmers in implementing new obligations linked, among others, to biodiversity and climate actions, including specific funding and properly financed advisory services;

12. Underlines that young farmers have the potential to be a driving force in sustainable farming; calls therefore for the strengthening of support measures and a higher budget for young and new farmers, including female entrepreneurs, and for the improvement of their access to land and credit, as well as the facilitation of knowledge transfer from older people to the younger generation in order to increase the confidence of young people to start the farming profession; welcomes in that regard that the Commission has prioritised increasing access to land for young farmers in the upcoming CAP reform as gaining access to land is one of the main obstacles for young people attempting to enter the agricultural sector; calls for the reduction of bureaucratic measures in accessing Union funds to ensure generational renewal; recalls the importance of providing young farmers with access to quality training opportunities and asks for a greater involvement of women through aimed funding programmes as well as legal and political measures to increase their access to the profession;
13. Recalls the importance of EAFRD funding in rural areas, not only for farmers, but for other rural actors supportive of farmers; recalls that a strong budget for those actions is also needed in 2025; highlights the central role played by community-led local development initiatives in keeping and restoring living and thriving local rural economies, and the need to keep a sufficient level of funding for the LEADER programme; calls on Member States to make full use of LEADER's capacities;
14. Notes the amount of EUR 450 million for the agricultural reserve and recalls that EUR 516,5 million was necessary in 2024; calls on the Commission to allocate adequate and consistent funding for the agricultural reserve to mitigate the economic impact of climate change on farms and safeguard food security and autonomy, while ensuring that direct payments are not affected and exploring the possibility of mobilising funds outside the CAP, as well as allowing the use of margins to finance that reserve; highlights that the agricultural reserve was only deployed for the first time in 2022 and has become since then a more widely used tool; insists on Parliament's role in the use of

¹ Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain (*OJ L 111*, 25.4.2019, p. 59, *ELI*: <http://data.europa.eu/eli/dir/2019/633/oj>).

the reserve and calls on the Commission to follow objective and transparent criteria in the allocation of the funds;

15. Stresses the need for a fair distribution of CAP support among and within Member States;
16. Stresses the need for a fair distribution of CAP support to ensure that its funding is distributed in a fair manner between small, medium and big enterprises since smaller and medium-sized farms are more vulnerable to market fluctuations, crises and inflation;
17. Calls for an increase in the Horizon Europe research budget for agriculture; emphasises the vital role of innovation for more competitive and sustainable agriculture, as well as the importance of digital transformation in agriculture and rural areas to allow for more precise, efficient and sustainable agricultural systems in the Union, as well as to increase the attractiveness of employment in agriculture and rural communities for younger generations and boost tourism; draws attention to the importance of funding for research and development of biotechnology technologies in the light of the upcoming regulations, such as new genome editing techniques, thus securing Union's leading position in agricultural innovation and its global long-term competitiveness, while contributing to the Union's objective of strategic autonomy, as recognised in the political guidelines for the next Commission; underlines the need to invest in precision farming solutions, such as robotics, smart water systems or drones that can boost farms competitiveness and productivity, without forgetting integrated pest management in order to optimise productivity while reducing inputs, costs and emissions; stresses that farmers need to be involved in the research and recalls the significance of ensuring that research results reach farm level and are translated into accessible farm advisory services; underlines the role of stronger agricultural knowledge and innovation systems (AKIS), as well as the Farm Sustainability Data Network (FSDN) to encourage innovation projects and to diffuse their use;
18. Stresses the need to find long-term support measures to reduce the impact of climate change while better addressing, via adequate funding and specialised instruments for farmers, the impact of floods, droughts and wildfires as well as other climate-related hazards on primary production, food security and farmers' income, that are key for the resilience of the farming sector; points out the inconsistency between the Commission goals to protect large carnivores while concomitantly supporting extensive grazing of livestock; recalls that sufficient funding, via a designated fund, should be made available to Member States in order to enable farmers to protect their livestock and adequately compensate them for their losses caused by wildlife and large carnivores;
19. Stresses that the management and availability of water resources is fundamental to the competitiveness of Union agriculture; highlights the importance of water management structures and their use by farmers to ease their access to water; underlines that access to Union funds for water storage facilities remain difficult although they can help farmers to have access to water in dry periods, increase productivity and yields; emphasises that these infrastructures are multi-purpose and are essential to support farmers but also perform other functions such as water reserves to fight wildfires, tourism, biodiversity reservoirs or reservoirs of drinking water, especially for large

agglomerations; calls for the removal of Union and national legal and administrative barriers, in particular those of the CAP, that prevent access to public funds for the construction of those infrastructures; encourages the creation of public-private partnerships for the development of such infrastructure in the Union; stresses the strategic role of farmers and rural communities in areas characterised by high seismic and hydrogeological risk that need specific support from the CAP, as well as small islands; recalls that increasing water resilience and adaptive capacity and supporting measures is necessary to mitigate the threat of climate change to farming systems; calls for an adequately funded Union plan for water use, reuse, storage and smart sharing as well as to safeguard water quality;

20. Calls for appropriate investments to facilitate the transition to more sustainable farming practices through innovation and investment, without reducing Union agricultural production and while avoiding a situation where farmers from the Union face unfair competition from imports that do not meet Union standards; recalls that free trade agreements can represent a major challenge for farmers from the Union in that regard, should they not meet those standards and calls for the inclusion of concrete mirror clauses and financial provisions in the Union budget to provide necessary support to Union farmers facing expected loss of competitiveness from the potential future implementation of trade agreements; underlines the need to ensure a level playing field between Union and third-country producers;
21. Insists that any revenue to the Union budget deriving from any assigned revenues or repayments of irregularities from agriculture should remain under the agriculture component of Heading 3;
22. Asks the Commission that any environmental fund in the future shall not involve financial resources shifted from the CAP;
23. Calls on Member States to provide more support to the cooperative sector, especially by promoting and incentivising the establishment and development of agri-cooperatives;
24. Notes with concern that the production costs of agricultural goods are increasingly often higher than the selling price;
25. Stresses that enough funding should be made available to support Member States to efficiently tackle transmissible animal diseases such as the avian flu or the African swine fever;
26. Encourages Member States to develop agricultural credit guarantee instruments to enable farmers, agricultural associations and small and medium-sized enterprises to obtain easier access to secure, consistent and predictable working capital;
27. Stresses that food accessibility and farmers' incomes are still major concerns and calls on the Commission to take them into account in the future;
28. Calls on the Commission and the Member States to focus on projects that promote and enhance the safeguarding of existing jobs in the agricultural sector and the creation of quality jobs with full rights, stable and fair pay and decent working conditions including health and safety at work, as well as effectively and decisively combating poverty and

social exclusion in rural areas.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur for the opinion received input from the following entities or persons in the preparation of the opinion, prior to the adoption thereof in committee:

Entity and/or person
Copa-Cogeca

The list above is drawn up under the exclusive responsibility of the rapporteur for the opinion.

Where natural persons are identified in the list by their name, by their function or by both, the rapporteur for the opinion declares that he has submitted to the concerned natural persons the European Parliament's Data Protection Notice No 484 (<https://www.europarl.europa.eu/data-protect/index.do>), which sets out the conditions applicable to the processing of their personal data and the rights linked to that processing.

INFORMATION ON ADOPTION BY COMMITTEE ASKED FOR OPINION

Date adopted	4.9.2024
Result of final vote	+: 37 -: 6 0: 3
Members present for the final vote	Arno Bausemer, Sergio Berlato, Stefano Bonaccini, Mireia Borrás Pabón, Daniel Buda, Waldemar Buda, Gheorghe Cărciu, Asger Christensen, Barry Cowen, Carmen Crespo Díaz, Valérie Deloge, Salvatore De Meo, Paulo Do Nascimento Cabral, Herbert Dorfmann, Sebastian Everding, Luke Ming Flanagan, Maria Grapini, Martin Häusling, Céline Imart, Elsi Katainen, Stefan Köhler, Camilla Laureti, Norbert Lins, Cristina Maestre, Dario Nardella, Maria Noichl, Gilles Pennelle, Alvis Pérez, André Rodrigues, Katarína Roth Neved'álová, Bert-Jan Ruissen, Arash Saeidi, Eric Sargiacomo, Christine Singer, Raffaele Stancanelli, Anna Strolenberg, Pekka Toveri, Jessika Van Leeuwen, Veronika Vrecionová, Thomas Waitz, Maria Walsh
Substitutes present for the final vote	Wouter Beke, Benoit Cassart, Esther Herranz García, Ilia Lazarov, Nicolae Ștefănuță, Francesco Ventola

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

37	+
ECR	Sergio Berlato, Waldemar Buda, Bert-Jan Ruissen, Francesco Ventola, Veronika Vrecionová
NI	Katarína Roth Neved'alová
PPE	Wouter Beke, Daniel Buda, Carmen Crespo Díaz, Salvatore De Meo, Paulo Do Nascimento Cabral, Herbert Dorfmann, Esther Herranz García, Céline Imart, Stefan Köhler, Ilia Lazarov, Norbert Lins, Pekka Toveri, Jessika Van Leeuwen, Maria Walsh
PfE	Mireia Borrás Pabón, Valérie Deloge, Gilles Pennelle, Raffaele Stancanelli
Renew	Benoit Cassart, Asger Christensen, Barry Cowen, Elsi Katainen, Christine Singer
S&D	Stefano Bonaccini, Gheorghe Cărciu, Maria Grapini, Camilla Laureti, Cristina Maestre, Dario Nardella, André Rodrigues, Eric Sargiacomo

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The Left	Sebastian Everding, Arash Saeidi
Verts/ALE	Martin Häusling, Nicolae Ștefănuță, Anna Strolenberg, Thomas Waitz

3	0
ESN	Arno Bausemer
S&D	Maria Noichl
The Left	Luke Ming Flanagan

Key to symbols:

+ : in favour

- : against

0 : abstention