

# Generational change in agriculture: comparative analysis of businesses run by young farmers in selected EU countries



The study **“Generational change in agriculture: comparative analysis of businesses run by young farmers in selected EU countries”** seeks to provide the Members of the AGRI Committee with an overview of Common Agricultural Policy (CAP) and national policies and strategies applied by Finland, Spain, Luxembourg and Poland to support young farmers. Furthermore, the study also provides evidence on the types of farm businesses operated by young farmers in those Member States.

## Main findings of the study

Structural change continues to affect the farm sector in Europe. Overall, the number of young farmers continues to decline – from around 1,1 million in 2016 to 960.000 in 2023. In 2023, around 11% of European farmers were below the age of 40 and only around 1% were below the age of 25. Against the backdrop of structural change and the impacts of demographic decline in the farming sector, the CAP 2023–2027 provides around EUR 8,5 billion in public expenditure to support young farmers. This includes dedicated support from a set of instruments, such as complementary income support for young farmers (CIS-YF), start-up aid for young farmers and new entrants (INSTAL), higher aid intensities for investments (INVEST), and other support via advisory services, training and cooperation targeted at young farmers.

The present document is the executive summary of the study on **“Generational change in agriculture: comparative analysis of businesses run by young farmers in selected EU countries”**. The full study, which is available in English can be downloaded at: <https://bit.ly/4b88LTu>.



This study analysed generational renewal approaches and farm businesses in selected Member States. Luxembourg, Finland, Spain and Poland implement specific support to young farmers. Apart from Poland, the four analysed Member States feature relatively large and specialised farms. Luxembourg, Finland and Poland have high shares of young farmers when compared to the European average.

In **Finland**, on average at around 94 hectares, farms managed by young farmers are larger than of farmers above 40 years (on average 69 hectares). The Finnish farming sector is characterised by a relatively high degree of specialisation, particularly in field crops, dairy and other grazing livestock. Young farmers operate similar farm businesses as the overall sector, albeit with a comparatively higher specialisation in dairy and other grazing livestock.

Young farmers in **Spain** manage farms which are – on average – larger than those of older farmers: 51 hectares compared to 47 hectares. Spain's agricultural sector is characterised by a high share of farms in permanent crops, wine, field crops and non-dairy grazing livestock. Spanish young farmers are more likely to specialise in non-dairy grazing farms and horticulture and slightly less specialised into permanent crops.

**Luxembourgish** young farmers manage farms of on average 109 hectares, compared to 93 hectares for older farmers. Luxembourgish farms specialised into dairy, other grazing livestock, as well as field crops and wine. Young farmers tend to be more represented in dairy farming compared to the overall farming sector.

**Polish** young farmers operate farms with a similar size as their older peers (on average 21 hectares). They are active in similar sectors (field crops and dairy) with lower numbers of mixed farms compared to the overall farm sector.

In the analysed Member States, the **CAP plays a central role in supporting young farmers**, particularly using complementary income support (CIS-YF) and start-up aid (INSTAL), but also other interventions, such as dedicated investment support (INVEST) and cooperation (COOP) to foster exchange or land transfer. They also implement complementary national policies supporting young farmers, such as with specific schemes to improve access to finance for farm investments and land for young farmers. Finland, Spain and Poland improve access to finance and land with financial instruments. Luxembourg leans heavily on the CAP implementation structure by applying a high degree of national co-financing for generational renewal schemes, with a specific attention placed on human capital improvements.

Farm exit, retirement and inheritance is generally addressed outside of CAP support. Member States with positive generational renewal dynamics, such as Luxembourg and Finland, apply tax exemptions and feature provisions in inheritance laws to promote farm exit and transfer. Poland's separate social insurance fund for farmers can also ease farm exit by reducing the reliance on farm receipts for income-related needs later in life.

The analysed interventions in the four Member States place a focus **on supporting farms and intergenerational transfer between family members**. However, women as young farmers are not always explicitly targeted in CAP Strategic Plans. Women are underrepresented as young farmers: In 2020, only 26% of farmers below the age of 40 were women. Women face additional barriers when entering the farming sector or taking over a farm, including weaker bargaining power, difficulties balancing farm and family duties and negative stereotypes ([European Commission, 2025a](#)).

Competitiveness and profitability remain pressing needs in the European agriculture sector. Integrated CAP and national support to farm modernisation and human capital improvements can improve the overall vitality of the sector and make it more attractive for young farmers. However, the complexity of the administrative processes underpinning support to young farmers and policy fragmentation can be a hindering factor in promoting synergies between national and EU support.

Besides supporting young farmers directly, wider support is needed to safeguard quality of life, maintain essential services and sustain the economic fabric in rural areas. This includes the availability and accessibility of essential services and transport infrastructure. Declining quality of life due to demographic change, structural economic change and loss of essential services risks worsening the framework conditions necessary for an attractive farming system.

## Policy options

Generational renewal and approaches to attract young and new farmers are emphasised in the proposals and strategies accompanying the discussion of the Multiannual Financial Framework 2028-2034. The proposal for the CAP 2028-2034 ([COM\(2025\) 560 final](#)) require Member States to develop national strategies on generational renewal within the new *National and Regional Partnership Plans*. This includes new measures, such as the *Starter Pack for Young Farmers*, covering set-up aid, investment support, financial instruments and advisory services, accessible through a single package. In contrast to the current CAP 2023-2027 ([Regulation \(EU\) 2021/2115](#)), no explicit budgetary ringfencing for generational renewal is foreseen at the level of the proposed regulation.

The following recommendations were developed based on the analysis of CAP and national young farmer support implemented by the four Member States and literature.

- **Generational renewal** can be supported through **integrated policy** mixes that combine CAP support with national policies to target needs, especially access to land, which are traditionally outside of the CAP.
- **Simplified and one-stop shop application procedures** for young farmers should be mainstreamed, especially to consolidate national and EU support.
- Specific attention is recommended to **mitigating disincentives** on farm exit of elderly farmers due to national legislation and policies, such as tied to inheritance taxes and laws or the pensions system.
- **Financial instruments** can leverage private capital via preferential loans, state guarantees and interest subsidies to finance capital and land investments. These tools can complement core CAP delivery approaches (such as INSTAL and CIS-YF).
- **Support to young farmers** should be flanked by general support to improving **quality of life** in rural areas, especially by supporting essential services and the economic fabric (also beyond farming) of those areas.
- **National and EU support** to young farmers should account for **the specific needs** of women as young farmers to improve attractiveness of the sector.

## Methodological approach

The study analysed the CAP Strategic Plans of Finland, Spain, Luxembourg and Poland for information on the types of support to young farmers. Additional information on national policies was collected by means of desk review and information requests from national authorities. This study makes use of data from the Eurostat farm structure survey (FSS) and from the farm accountancy data network (FADN) for the analysis of EU trends, as well as for the analysis of businesses operated by young farmers.

## Further information

This executive summary is available in the following languages: English, French, German, Italian, Spanish and Polish. The study, which is available in English, and the summaries can be downloaded at: <https://bit.ly/4b88LTu>.

More information on Policy Department research for AGRI: <https://research4committees.blog/agri/>.

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CASP/AGRI/2025-21