EUROPEAN COURT OF AUDITORS

EN

Press Release

Luxembourg, 29 June 2017

Support for young farmers must be better targeted, say EU Auditors

EU support for young farmers is too often poorly defined, with no results or impact specified, according to a new report from the European Court of Auditors. The auditors call for the support to be better targeted in order to foster effective generational renewal.

The audit focused on the four EU Member States with the most spending on young farmers (i.e. those under 40 years of age): France, Spain, Poland and Italy. The auditors found significant differences between the management of "Pillar 1" payments, which provide an additional 25 % to young farmers on top of direct payments, and "Pillar 2" payments made to young farmers setting up for the first time.

For Pillar 1, the aid is not based on a sound needs assessment, does not reflect the general objective of encouraging generational renewal, is not always provided to young farmers in need and is sometimes provided to holdings where young farmers play only a minor role. Member States do not coordinate Pillar 1 payments with Pillar 2 support to young farmers. Aid is provided in a standardised form which does not address specific needs other than additional income. The common monitoring and evaluation framework contains no result indicators.

While Pillar 2 is generally based on a vague needs assessment, its objectives do partially reflect the general objective of encouraging generational renewal. The aid addresses more directly young farmers' needs for access to land, capital and knowledge. The amount of aid is generally linked to needs and modulated as an incentive for specific actions (e.g. introducing organic farming, water- or energy-saving initiatives). Business plans are useful tools but were of variable quality across the Member States audited. Managing authorities did not always apply selection procedures that lent themselves to prioritising the best projects.

"*Effective support for young farmers is vital if farming is to be sustainable over the generations*," **said Janusz Wojciechowski, the Member of the European Court of Auditors responsible for the report**. "*But we found little evidence about the outcome of these measures and whether they actually help young farmers, mainly because of insufficient targeting and low quality indicators*."

Although selection criteria for projects were introduced late in the 2007-2013 period, they did not

The purpose of this press release is to give the main messages of the special report adopted by the European Court of Auditors.
The full report is on www.eca.europa.eu.

ECA Press

Mark Rogerson – Spokesperson T: (+352) 4398 47063 M: (+352) 691 55 30 63
Damijan Fišer – Press Officer T: (+352) 4398 45410 M: (+352) 621 55 22 24
12, rue Alcide De Gasperi - L-1615 Luxembourg
E: press@eca.europa.eu @EUAuditors eca.europa.eu

make it possible to prioritise the best projects because the minimum thresholds were either too low or non-existent. In some Member States, the budget was used up right at the start of the programming period, preventing farmers who set up later from receiving funds.

"*To make the aid effective, the EU and the Member States must first better define who they wish to support and what should be the expected result of the European assistance and then concentrate on measuring the progress achieved*," **added Mr Wojciechowski**.

The auditors recommend that the European Commission and the Member States:

- improve their intervention logic by reinforcing the needs assessment and defining objectives which reflect the objective of fostering generational renewal;

- better target measures through improved project selection and the use of business plans;

- improve monitoring and evaluation by drawing on best practices developed by Member States.

Notes to Editors

The overall number of farmers in the EU (excluding Croatia) fell rapidly in the last decade, dropping from 14.5 million in 2005 to 10.7 million in 2013. The number of young farmers fell from 3.3 million to 2.3 million over the same period. As the numbers decreased across all age groups, the percentage of young farmers remained relatively stable, at just over 20 %. However, significant differences exist between Member States.

The EU has allocated €9.6 billion in aid for young farmers for the period between 2007 and 2020 to enhance farms' competitiveness and to foster generational renewal in agriculture. Including co-financing from Member States for the Pillar 2 setting-up measure, total public support amounts to €18.3 billion. Almost 200,000 young farmers received EU support for setting up during the 2007-2013 period.

Special Report No 10/2017: "EU support to young farmers should be better targeted to foster effective generational renewal" is available on the ECA website (eca.europa.eu) in 23 EU languages.