

Wednesday 17 January 2001

10. Young farmers in the Union

A5-0357/2000

European Parliament resolution on the situation and perspectives of young farmers in the European Union (2000/2011(INI))

The European Parliament,

- having regard to the study commissioned by the European Parliament which was completed in April 2000,
 - having regard to Rule 163 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development and the opinion of the Committee on Culture, Youth, Education, the Media and Sport (A5-0357/2000),
- A. whereas farmers, and especially young farmers, constitute the social group which will provide the future basis for the common agricultural policy and, if their activities are not promoted, farming would eventually be abandoned; whereas they also perform a very important role in the social life of villages and rural communities, promoting and maintaining the countryside and contributing to the economic, social and environmental needs of the community,
- B. whereas Articles 32-38 of the EC Treaty provide for the implementation of a common agricultural policy (CAP), which remains the foremost and biggest of the Community's common policies,
- C. whereas young farmers are undergoing severe economic difficulties, which are exacerbating problems of rural depopulation, desertification, decline in rural areas, as well as social and cultural problems; whereas the principle of subsidiarity means that only certain aspects of these problems come within the competence of the European Union; whereas complementary action by the EU, Member States and applicant countries is necessary to confront these problems affecting the long-term future of young farmers,
- D. whereas the European Union must address the problems of young farmers, of rural depopulation and of regional disparities in terms of social and cultural life,
1. Points out that there has been a continuous fall in farm holdings over the last decade, with the steepest decline (28 %) being experienced by farmers under the age of 35, and that the number of young farmers as a proportion of farmers is declining in nearly every Member State;
 2. Regrets that various EU Member States do not make use of the measures the European Union has put in place for young farmers; given the importance of young farmers in terms of innovation and renewal in agriculture, calls on the Council and the Commission to put an end to this situation;
 3. Notes that the chief problems faced by young farmers in the EU and applicant countries are high installation costs, uncertain economic prospects, the lack of availability of farms, problems in training and the general administrative burden, as well as the general problems of the economic malaise and the public's poor image of farming;
 4. Draws attention to specific problems stemming from land sale and rental prices, high cost of machinery and farm improvements, legal and fiscal barriers to new entrants, as well as the more general problem of decline in many rural areas, leading to degradation of the infrastructure and social life as well as rural depopulation;
 5. Points out that high installation costs lead to high indebtedness amongst young farmers, at a time when their prospects of a reasonable income from farming are poor;

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6. Points out that high agricultural land costs are influenced by EU-dominated factors such as the level of subsidies, quotas or other limitations on production and direct payments and also by the negative effects inherent in certain EU schemes, which can encourage speculative gains for commercial interests outside the farming sector; points out further that high land costs are influenced by nationally imposed factors and are likely to continue to be a feature of agriculture in the coming years unless steps are taken to identify and rectify contributory factors where possible;

7. Points out that there has been no thorough evaluation of EU measures either by the Member States or the Commission and believes that this deficiency should be reviewed urgently; calls on the Commission to undertake a rigorous and detailed evaluation of existing support measures for young farmers and to submit the relevant report next year; points out in this respect that the Committee on Agriculture and Rural Development of the European Parliament proposed increasing the budget line for the year 2001 in order to provide funds that could partly be used for an evaluation and inter-country comparison; stresses the urgency of this in view of the 2002-2003 spending review;

8. Suggests therefore that a comprehensive database be set up on the economic and social situation of young farmers in the European Union, into which data on the situation of young farmers in the applicant countries and the situation of women farmers should also be entered; calls on the Member States to make the relevant data available;

9. Calls on the Commission to develop a statistical system capable of recording the age and number of farmers taking retirement, the age and number of young farmers setting up and the sectors concerned, in order to create an instrument for forecasting retirements and business set-ups in the agricultural sector;

10. Takes the view that the EU should consider making it mandatory for the Member States to provide minimum levels of installation aid to young farmers;

11. Calls for installation aids and supplementary investment grants to be increased and, in view of the long term nature of farming investments, to be made available for a minimum of eight years after setting up; such investment aids should be further enhanced where there are tangible environmental benefits or where the farm is situated in a structurally less-favoured area that may contain deserted villages or holdings that have been abandoned owing to a cessation of activity, and where young farmers could revive the rural economy by developing new agricultural products of regional interest, repopulating the countryside, and increasing employment;

12. Calls also for Member States to reserve a certain proportion of their production rights and quotas for young farmers; takes the view that Member States should also ensure that production rights are transferred from non-producers to young farmers; Member States and the EU should also target the necessary measures and aid in particular at young farmers in countries and rural areas that are structurally disadvantaged owing to the ageing of their population;

13. Calls on the European Union, together with the Member States and farming organisations, to boost their efforts to assist young farmers wishing to set up in business and to offer comprehensive advice on the choice of sector, investment, schemes, taxation, laws of succession, etc.; also calls on farming organisations to actively promote farming as an occupation in the context of careers advice at schools and higher educational establishments;

14. Considers that, since eligibility for aid has been extended to include young part-time farmers, the Commission should reallocate sufficient resources to Article B1-401 of the Union budget (setting-up of young farmers);

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15. Believes that the early retirement provisions of the EU should be improved, particularly in the case of farmers who pass on their farm to younger farmers, enabling them to create economically and socially viable units, and that further schemes should be considered to improve the incentive to retire; in addition the early retirement provisions should be regularly reviewed in the light of the various rates of inflation in different Member States; believes further that older, retired farmers should be permitted a degree of involvement which utilises their experience and protects their self-respect, without jeopardising their entitlement to the provisions of the scheme;

16. Considers that, in respect of any form of aid provided, where investments are made by young farmers, incentives must be provided in the form of lower interest rates;

17. Stresses that it is important that the benefit of the interest rate subsidy should go to the young farmers involved rather than the bank through which it is paid; calls for clear guidelines on interest rate subsidies to be established in this respect, which require the banks to demonstrate transparently that the interest rate subsidy is not contributing to their calculation of the interest rate applied;

18. Asks the Commission to examine the feasibility of all alternative methods of assisting farmers, including the use of rural credit guarantees, especially for young farmers, and to encourage alternative schemes, such as the development of organic production, agri-tourism and rural tourism, a source of wealth in many rural areas of the Union where tourism is a mainstay of the economy and contributes to sustainable and lasting development;

19. Calls on the European Union, in the context of equal opportunities, to encourage Member States to adopt fiscal measures aimed at developing the role of young women farmers, and in particular at supporting them during maternity leave and in bringing up farming families;

20. Urges the Commission to continue to promote sustainable, high-quality agricultural production, not only by enhancing existing mechanisms, such as designations of origin and support for organic farming and indigenous breeds of livestock, but also by creating specific support mechanisms for regional products of special quality as a way of creating agricultural markets with high value-added and ensuring new investment prospects for young farmers;

21. Urges the Commission to use every possibility afforded by the rural development pillar and by the Structural Funds to supplement Member States' efforts to support the creation and maintenance of basic infrastructure and a network of good-quality public services and to boost local and regional markets as a way of combating the depopulation of rural areas, ensuring adequate conditions for investment in the least-favoured rural areas and making it more attractive for young farmers to set up; points out that cultural initiatives to facilitate social life and promote education create an environment which is more conducive to young people remaining in rural areas and becoming involved in farming;

22. Believes that there is scope for developing schemes whereby both the established and the young farmer work together to develop the farm, each providing a combination of experience and innovation; points out that schemes such as share farming, (where the established farmer provides land and capital while the young farmer provides skills and labour) can be successful; points out, however, that such schemes can only be developed where there is a regulatory framework which ensures that neither party will be exploited by the other;

23. Notes that it is important for Member States to take steps to ensure that institutional landowners give preference to concluding leases — albeit on equal terms — with young farmers;

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24. Stresses the importance of further education and training, in order to raise the level of qualifications and skills applied to farming and considers that such skills must be geared in particular to the vocational training of women whose livelihoods are in rural areas; believes that the EU should fund programmes for farmers relating to the latest developments in the market, as well as new and alternative techniques; stresses also that all forms of education, including computer courses, which meet standards recognised in the Member States, and are provided by colleges, as well as courses run by private or state bodies, should be eligible for this funding;
 25. Stresses the importance of the development of the use of computer technology and the internet, particularly in the context of the e-Europe initiative;
 26. Considers that the Commission's Directorates-General for Agriculture and for the Information Society must undertake to study and submit to the European Investment Bank (EIB) a special investment programme for the acquisition and use of new information technologies and to make available appropriate funding in the context of the European Social Fund, for continuing education programmes; considers that the EIB, for its part, must undertake to set up a special 'young farmers' information desk' as part of the Innovation 2000 initiative or to strengthen any such facilities that exist and are geared to new technologies;
 27. Calls on the Commission to bring together in a single document all existing and future measures designed to help young farmers;
 28. Emphasises the importance of continued rural development schemes which have considerable benefits for the rural community as a whole, and benefit the agricultural sector in particular, and urges the EU to include rural development in the sectors to be reviewed in 2000-2003 so that assistance to young farmers will be the key element of rural development; calls on the Commission to study the feasibility of establishing new Community initiatives targeted specifically at young farmers;
 29. Proposes that, in order to counter farming's general loss of image and raise awareness amongst the general public of the problems associated with agricultural policy, public information campaigns on farming be included amongst CAP information measures, as well as an initiative for informing school pupils about studying agricultural sciences;
 30. Points out that EU enlargement will necessitate changes in the farm structure of the applicant countries and in the way the CAP will operate; demands that the requirements of young farmers be given priority by all concerned in the context of the overall limit of Sapard, which was fixed at the Berlin European Council;
 31. Believes that the EU should encourage applicant countries to target investment aid to young farmers, and introduce early retirement measures; believes that the EU should allow these countries to pay higher levels of installation aid during the immediate post-accession period;
 32. Considers that the Union should encourage, through its Socrates and Leonardo programmes, measures to strengthen education and training facilities for young farmers and allied trades and professions, in order to raise their skills to the required level, so long as adequate additional funding can be made available;
 33. Instructs its President to forward this resolution to the Council and Commission.
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