

Generational change in agriculture:

Comparative analysis of businesses
run by young farmers
in selected EU countries



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Abstract

This study provides information on farm businesses of young farmers in Finland, Spain, Luxembourg and Poland. It examines EU and national measures supporting generational renewal under the CAP 2023–2027, alongside structural trends in the farming sector in the four Member States. The analysis highlights the role of integrated policy mixes and complementary national policies targeting financial liquidity, access to land and retirement.

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AUTHOR(S)

Arndt MÜNCH, Manon BADOUIX, ÖIR GmbH

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CONTACTS IN THE EUROPEAN PARLIAMENT

Coordination: Lapo NANNUCCI, Administrator responsible

Editorial assistance: Jana BERGMAN

Communication assistance: Stéphanie DUPONT

To give feedback or obtain copies, please write to: poldep-cohesion@europarl.europa.eu

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ARTIFICIAL INTELLIGENCE

ChatGPT 5.2 was used to broaden the range of sources available to the author and to support the review of elements of the CAP Strategic Plans. AI-generated input to this study has been reviewed by the authors.

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LIST OF ABBREVIATIONS

BISS	Basic Income Support for Sustainability
CAP	Common Agricultural Policy
CIS-YF	Complementary income support for young farmers
COOP	Cooperation support
CSP	CAP Strategic Plan
EAFRD	European Agricultural Fund for Rural Development
EAGF	European Agricultural Guarantee Fund
EU	European Union
FADN	Farm Accountancy Data Network
FSS	Farm Structure Survey
ha	hectare
INSTAL	Start-up aid
INVEST	Investment support
JRC	Joint Research Centre
KNOW	Knowledge exchange and advisory support
KOWR	Krajowy Ośrodek Wsparcia Rolnictwa National Support Centre for Agriculture (Poland)
KRUS	Kasa Rolniczego Ubezpieczenia Społecznego Agricultural Social Insurance Fund (Poland)
NUTS	Nomenclature des Unités Territoriales Statistiques Nomenclature of territorial units for statistics
PLN	Polish zloty
RISK	Risk management support
SO	Specific Objective
UAA	Utilised Agricultural Area

COUNTRY CODES

AT	Austria
BE	Belgium
BG	Bulgaria
CY	Cyprus
CZ	Czechia
DE	Germany
DK	Denmark
EE	Estonia
EL	Greece
ES	Spain
FI	Finland
FR	France
HR	Croatia
HU	Hungary
IE	Ireland
IT	Italy
LT	Lithuania
LU	Luxembourg
LV	Latvia
MT	Malta
NL	Netherlands
PL	Poland
PT	Portugal
RO	Romania
SE	Sweden
SI	Slovenia
SK	Slovakia

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EXECUTIVE SUMMARY

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.

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.

1. STATE OF GENERATIONAL RENEWAL IN EUROPE

KEY FINDINGS

Between 2010 and 2023 around 3,6 million farms exited the sector, with the number of holdings declining from 12 million to around 8,4 million holdings in 2023.

There were around 960.000 farmers below the age of 40 in the European Union in 2023. Of those around 52.000 were below the age of 25.

Patterns between the Member States are highly heterogeneous. On average 11% of farmers are below the age of 40 years. At Member State level, this share ranges between 4% in Cyprus to 25% in Austria.

Young farmers tend to manage larger farms than their older counterparts. They also tend to have more formal training.

1.1. Introduction

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 national and CSP policies and strategies applied by selected Member States to support young farmers. Furthermore, the study also provides evidence on the types of farm businesses operated by young farmers in four Member States – Finland, Spain, Luxembourg and Poland.

Within the Common Agricultural Policy (CAP) 2023–2027, generational renewal is identified as one of the nine specific objectives to be addressed through Member States' CAP Strategic Plans. The CAP provides a set of instruments, including 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.

Looking to 2040, the [Vision for Agriculture and Food \(COM\(2025\) 75 final\)](#) places generational renewal at the centre of the EU's agricultural strategy, linking it to food system resilience, climate objectives and rural vitality. The current 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*, set measurable targets, and report regularly on progress. The proposal for the regulation introduces a comprehensive *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 CAP 2023–2027 ([Regulation \(EU\) 2021/2115](#)), no explicit ringfencing of CAP funding for generational renewal is included in the regulatory proposals.

The [Strategy for generational renewal in agriculture \(COM\(2025\) 872\)](#) seeks to promote generational renewal in agriculture as a whole-of-government approach in the Multiannual Financial Framework 2028–2034, combining CAP measures with reforms and investments in land policy, access to finance, education and skills, rural services, and pension systems. As part of the strategy, the Commission recommends that at least 6% of ring-fenced agricultural expenditure be dedicated to generational renewal.

Approach of the study

The Member States selected for a closer analysis of their support of generational change in agriculture were Luxembourg, Finland, Spain and Poland. The four Member States were selected based on geographic distribution, presence of generational renewal measures and characteristics of the farming sector. The selection of Member States was guided by a review of indicators covering CAP expenditure data (by specific objectives and interventions), age structure of farmers as well as development of number of young farmers over time.

Several other Member States with good performance in terms of generational renewal trends have been analysed in recent publications by the European Commission and others, such as Czechia, France and Austria among others (European Commission, 2025a).¹ The choice of Member States in this report was made to complement other studies in this field. As such, the presented Member States in this study are not an exhaustive selection of good practice approaches.

The project team consulted the CAP Strategic Plans of the selected Member States for information on the types of interventions supporting young farmers. In addition, through a combination of desk review and consultation with Member State national authorities, the project team collected information on non-CAP measures supporting young farmers.

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 in the selected Member States. It is important to note that FSS and FADN data are reported in different time intervals: FADN data was requested for a period of ten years up to the most recent value (2022) and is available in annual increments; FSS data is available in three-to-four years intervals and covers a period between 2010 and 2023. There are also differences in the definition of age classes between these two data sources.² Presented time-series data on monetary amounts in this report were deflated to enable comparability over periods of time (please see the annex for more information).

1.2. Structural change and the state of generational renewal

Declining levels of generational renewal affect farms throughout the European Union. Between 2010 and 2023 around 3,6 million farms exited the sector, with total number of farm holdings declining from 12 million in 2010 to around 8,4 million in 2023, a decline of around 26%. By 2023, there were around 960.000 young farmers in the EU – i.e. those below 40 years of age – and approximately 52.000 farmers below the age of 25 years.

The decline of the number of young farmers has been pronounced and ongoing between 2010 and 2023 (see Figure 1). While overall, the number of farms declined by 26%, the number of farms managed by farmers below the age of 35 years³ declined by 47% from around 905.000 to 483.000 in 2023. Of these, the number of holdings managed by farmers below the age of 25 declined from close to 96.000 to around 52.000 in 2023. The number of holdings managed by farmers aged 65 years and above decreased by around 20%, from 3,6 million in 2010 to around 2,9 million in 2023.

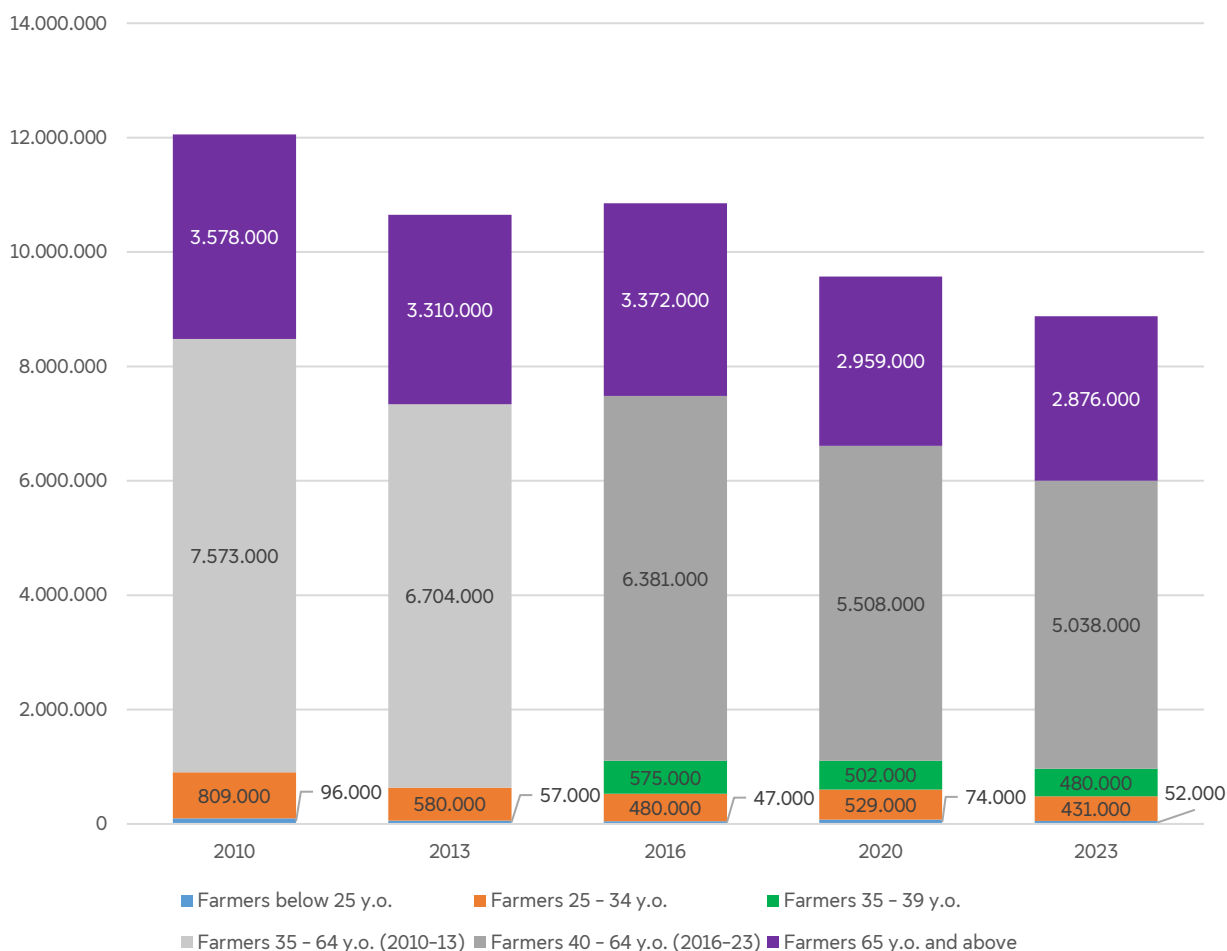
¹ The study assessed generational renewal approaches and characteristics in 11 Member States (BG, CZ, EE, IE, ES, FR, HU, MT, NL, AT, PT) covering well performing Member States and those with more substantial issues linked to generational renewal in agriculture.

² In addition, information on young farmers below the age of 40 is only provided via Eurostat FSS data from 2016 onwards with the newly introduced age group 35-39. In terms of differences between age classes, FADN data included the category "below 26 years"; FSS included the category "below 25 years".

³ Information on farmers in the age group 35-39 years is only available from 2016 onwards via Eurostat FSS data. As such, the numbers of young farmers are presented in terms of the categories "below 35 years" and "below 25 years" for more extensive periods in this section, such as between 2010 and 2023.

Young farmers tend to have higher levels of formal education compared to the rest of the farming population. In 2020, around 20% of young farmers (below 40 years of age) have received full agricultural training. In addition, they tend to manage larger farms than their older counterparts: with farms of young farmers covering – on average – a utilised agricultural area of around 25 hectares, compared to 20-hectare farms for farmers aged between 40 and 64, and below 10-hectare farms for those above 65 (European Commission, 2025b). These two metrics vary significantly between the Member States due to differences in agricultural structure and systems.

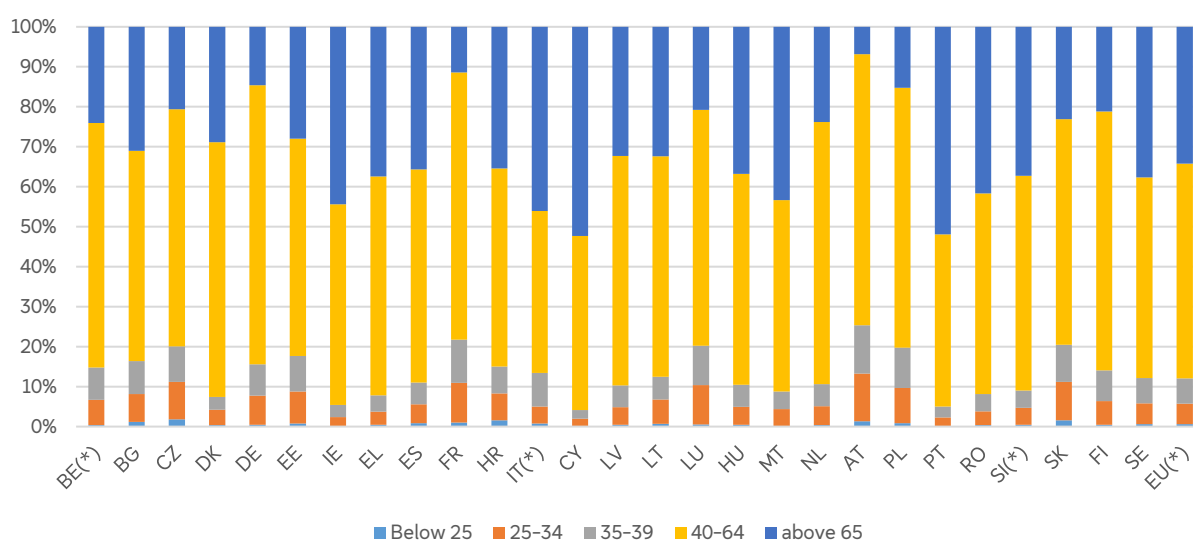
Figure 1: Number of holdings by age of farm managers in the EU



Source: ÖIR GmbH based on Eurostat and national statistics; Note: 2023 data was not available at the time of publication for Belgium, Italy and Slovenia. Missing data for 2023 were estimated based on historical trends (see annex). Information on farmers in the age group 35-39 was not collected before the 2016 census

The agricultural sector of the European Union is diverse in its structural characteristics. On average, only around 11% of all farmers were aged below 40 years in 2023 and around 1% were aged 25 years or younger (see Figure 2). The largest age group of farmers is between 40 and 64 at around 54% of all farms and around 34% of farmer were older than 65 years of age. At the level of the individual Member States, this figure varies. At the top end, in Austria and France, more than 20% of farmers were below 40 years of age, combined with relatively low numbers of farmers above the age of 65. Other Member States feature a relatively more aged farming sector, with a high share of farmers above the age of 65, particularly in Cyprus, Ireland, Portugal and Greece and corresponding small shares of farmers below the age of 40.

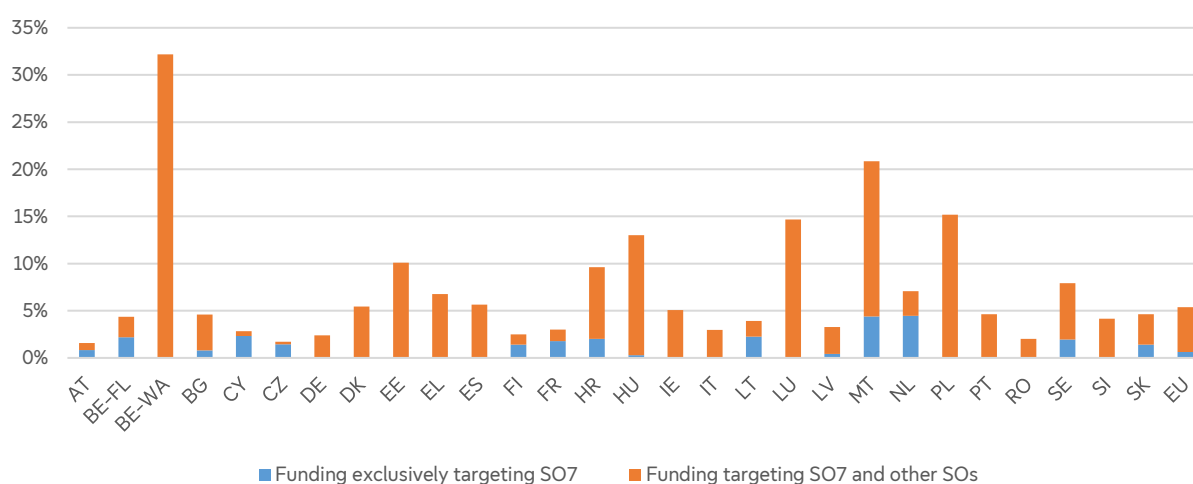
Figure 2: Age composition of farmers in 2023



Source: ÖIR GmbH based on Eurostat and national statistics; Note: 2023 data was not available or incomplete at the time of publication for Belgium, Italy and Slovenia (*). Missing data were estimated based on historical trends (see annex)

The CAP 2023–2027 foresees around EUR 17,1 billion in total public expenditure for interventions supporting generational renewal under specific objective 7 (SO7) “Attract young farmers and facilitate business development in rural areas”. Of that amount, around EUR 8,5 billion in total public expenditure are dedicated to supporting young farmers (European Commission, 2023). Member States are required to dedicate at least 3% of their direct payments to support young farmers. Available interventions include the complementary income support for young farmers from the EAGF (CIS-YF) and/or that start-up aid (INSTAL) under the EAFRD. Additional support may come from EAFRD interventions, such as investment support (INVEST) with specific provisions for young farmers, knowledge exchange and advisory support (KNOW), or from cooperation support (COOP).

Figure 3: Funding dedicated to SO7 “Attract young farmers and facilitate business development in rural areas” as a share of total CAP allocation



Source: ÖIR GmbH, based on DG AGRI agri-food data portal (financial allocation to CAP specific objectives)

2. GENERATIONAL RENEWAL AND FARM BUSINESSES IN FINLAND

KEY FINDINGS

There were around 5.700 holdings managed by farmers below the age of 40 in Finland in 2023, an increase from the 4.400 holdings managed by young farmers in 2016.

Most farms in Finland are family farms, also among young farmers. Farm size in Finland is relatively large at 73 hectares – and on average 94 hectares for young farmers.

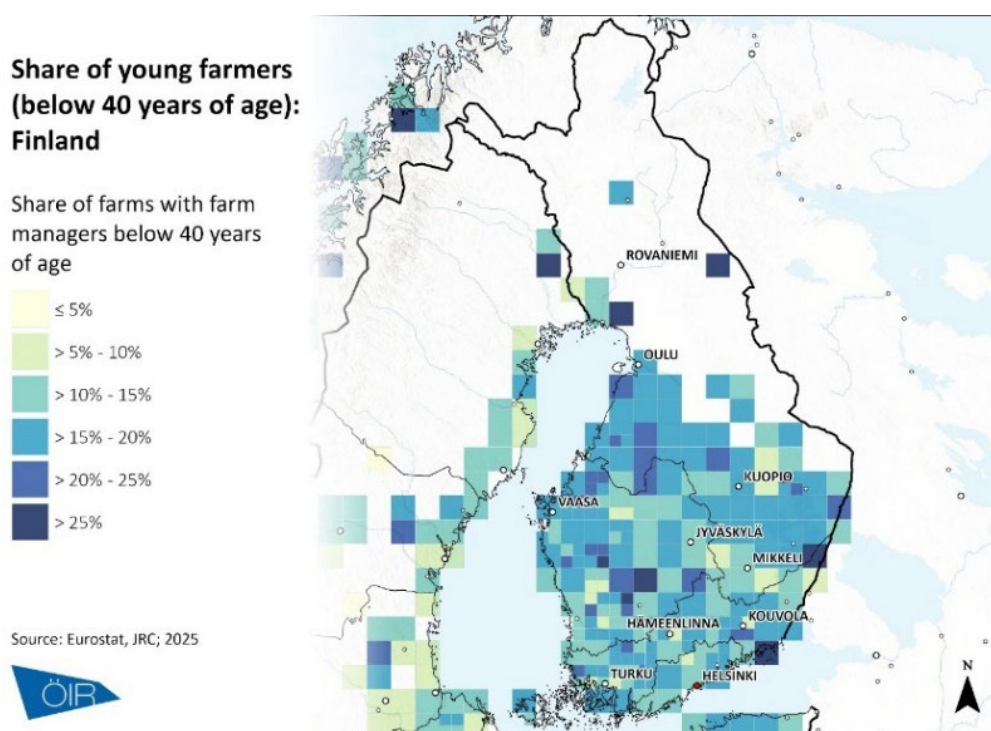
Young farmers are relatively more specialised in dairy and other grazing livestock, compared to the overall sector.

Main CAP tools to support generational renewal are CIS-YF and INSTAL which provide start-up aid and promote cooperation among farmers. CAP support is complemented by a set of national policies, including financial instruments for farmers to purchase farmland and support investments.

2.1. Businesses run by young farmers

Finland's agricultural sector is shaped by prevailing geographic and climatic conditions, with specialisation in livestock farming, including dairy, as well as arable crops adapted to comparatively shorter growing seasons. As visible in Map 1, farming activities in Finland are concentrated in more temperate and southern regions. These more southern regions largely feature also a higher share of young farm managers.

Map 1: Share of young farmers at regional level in Finland



Source: ÖIR GmbH, based on JRC and Eurostat

The number of all farm holdings has declined from around 63.800 holdings in 2010 to around 42.300 holdings in 2023 (see Figure 4). In total, there were around 5.700 holdings managed by farmers below the age of 40 by 2023. However, signs of ageing are visible in the Finnish farming sector: between 2010 and 2023, the number of holdings managed by those aged above 65 years increased from 5.590 to 8.940. At the same time, the number of holdings managed by those younger than 35 years declined from 5.460 to 2.700 in 2023.

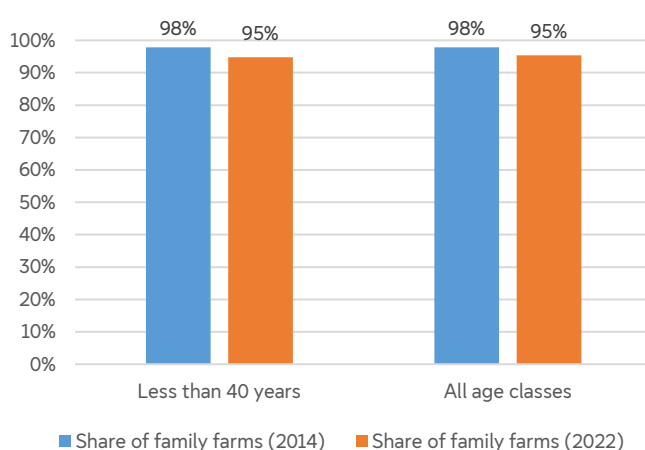
Figure 4: Evolution of number of farm holdings by age class



Source: ÖIR GmbH, based on Eurostat FSS data; Information on farmers in the age group 35–39 was not collected before the 2016 census

Family farms remain the most common type of farm in Finland for the general agricultural sector, but also for young farmers. As of 2022, 95% of all farms were family farms across all age classes in Finland. The share of family farms among farmers younger than 40 years was also around 95% in 2022. The share of family farms of all farms in the sector has marginally decreased since 2014, from 98% to 95%, with similar patterns for young farmers and the overall sector.

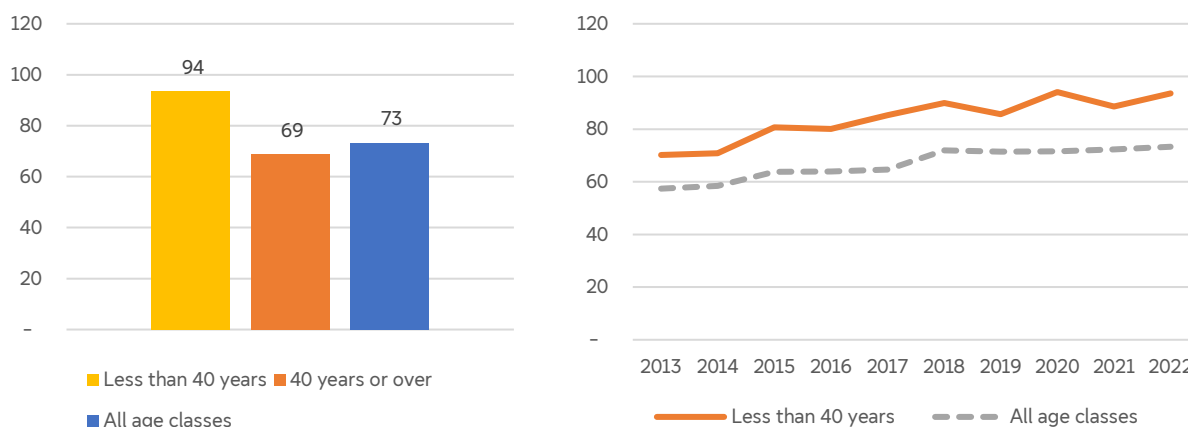
Figure 5: Share of family farms among young farmers (2014 and 2022)



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data on farmers below the age of 26

The average farm size in Finland is around 73 hectares in 2022. Between 2013 and 2022, farm size increased in Finland from 57 hectares of utilised agricultural area. Young farmers in Finland tend to operate larger farms than their older counterparts. On average, young farmers managed farms of around 94 hectares in utilised agricultural area in 2022, up from 71 hectares in 2013, compared to 69 hectares for farmers above the age of 40.

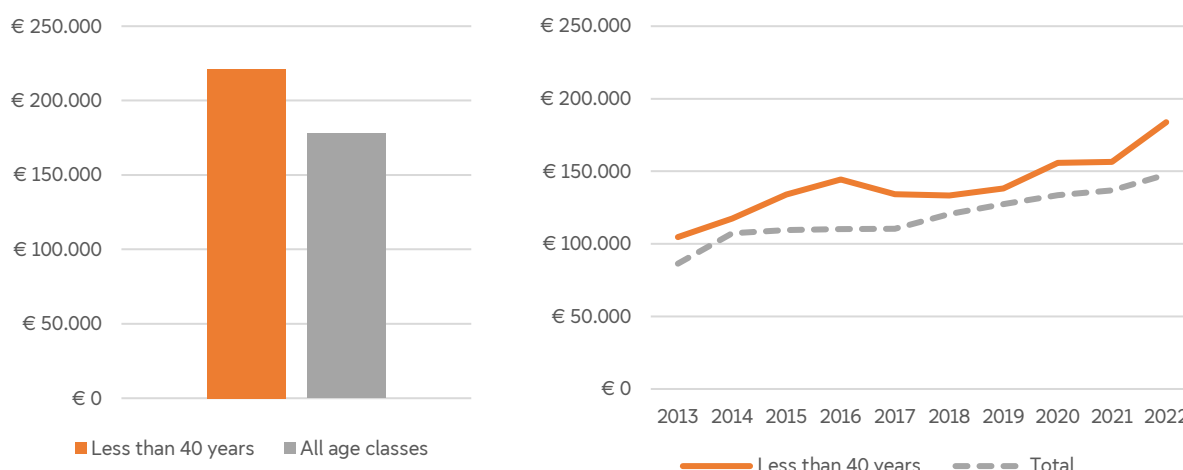
Figure 6: Average UAA (ha) by age classes in 2022 and over time



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26

In 2022, the average farm in Finland had a standard output of around EUR 178.000. Young farmers had larger farms at around EUR 221.000. Both age classes experienced a significant growth in standard output over the period 2013–2022 (see Figure 7), also when accounting for inflation. Farms managed by young farmers increased by 76% in terms of inflation-adjusted standard output. Among all age classes, the increase amounted to 71%. Please note that the figure to the right contains inflation-adjusted values, as such it may not be directly comparable to the figure on the left.

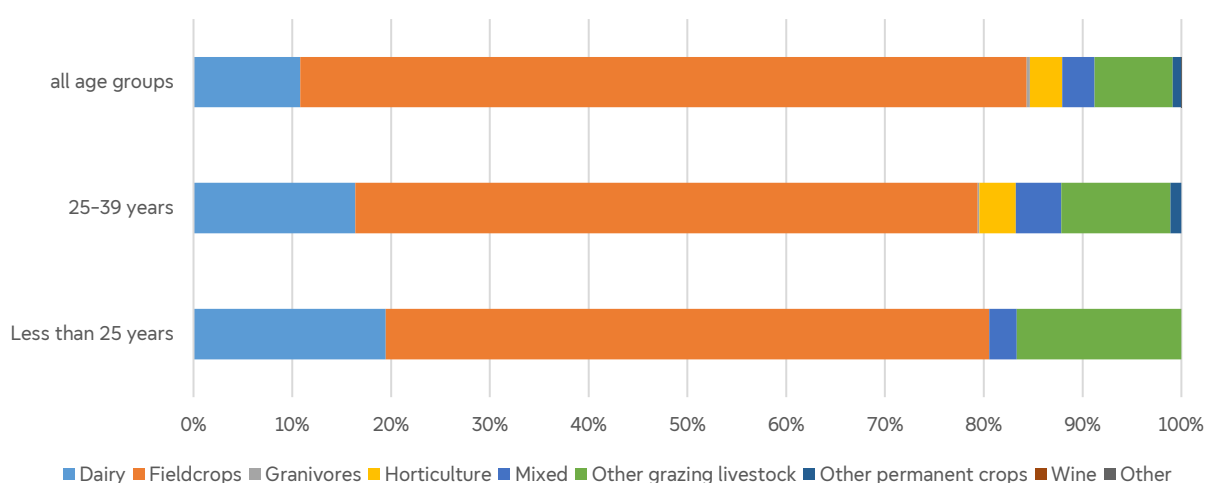
Figure 7: Average farm size (SO in EUR) by age classes in 2022 and over time



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26. The timeseries data (right; 2013–2022) is deflated to 2015 Euros, as described in the annex

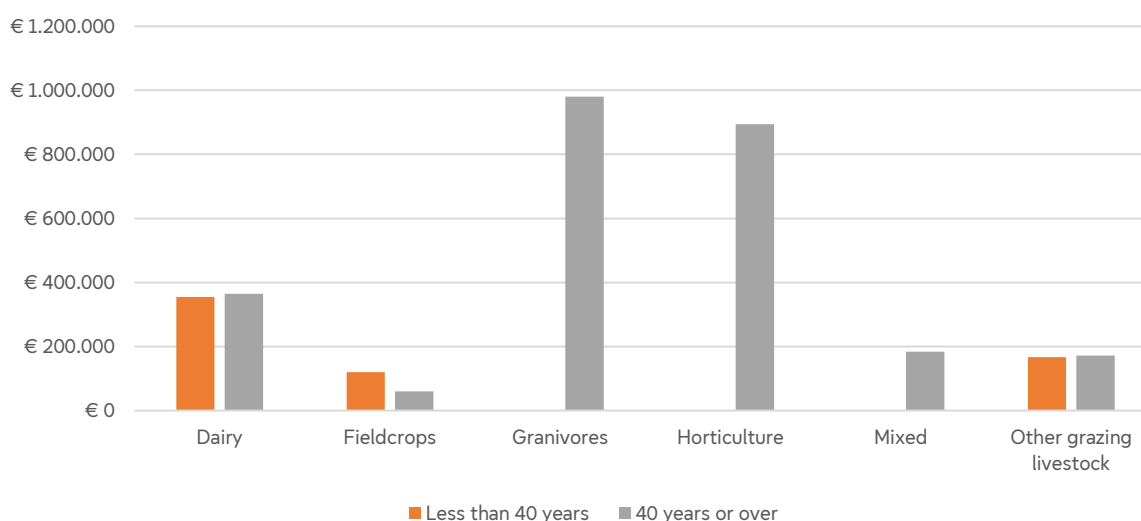
The most common type of farm specialisation in Finland are field crops (see Figure 8) at around 74% of all holdings, followed by dairy (11%) and other grazing livestock (8%), with a relatively low representation of mixed farms. Young farmers, both those below 25 years and those between 25 and 39 years are more commonly active in dairy and in other grazing livestock. Around 16% of farmers aged between 25 and 39 and 19% of farmers aged below 25 have specialised into dairy. Other grazing livestock is also overrepresented, particularly among the youngest age class, with around 17% of young farmers below the age of 25 active in that sector. Young farmers tend to operate relatively similarly sized farms as their older counterparts when accounting for the economic size of the farms by age class in most farm sectors (see Figure 9) other than field crops, where farm size is approximately twice as large for those below 40 compared to older farmers.

Figure 8: Farms by type of production and age class (2023)



Source: ÖIR GmbH, based on Eurostat FSS data. Note: the Eurostat FSS types were recoded to correspond to FADN type to ease readability of the report

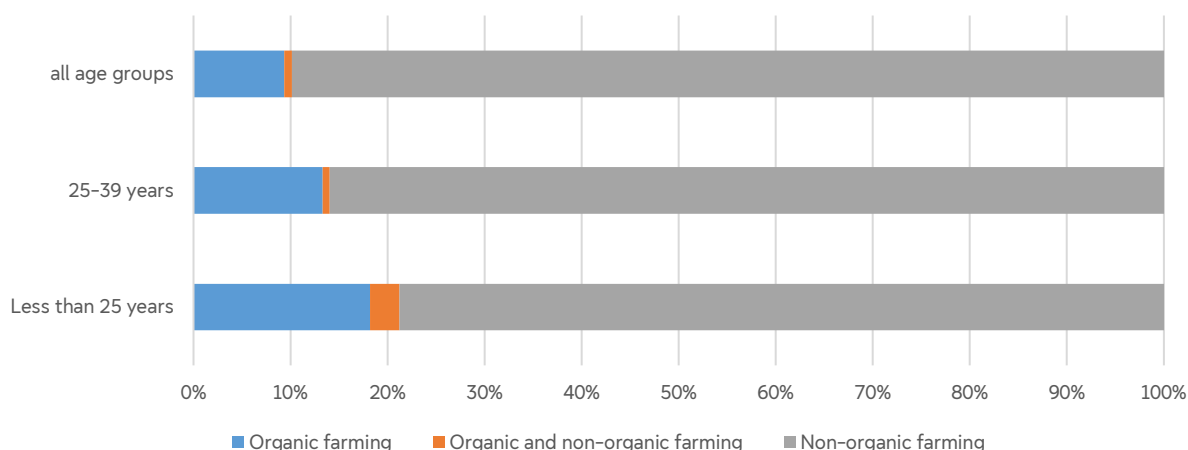
Figure 9: Average farm size by age class and type of farm (standard output, 2022)



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26

The uptake of organic production method is more common among young farmers compared to the overall farm sector in Finland (see Figure 10). Among all age classes around 9% of holdings have taken up organic methods and around 1% of holdings apply both organic and non-organic methods. This figure is higher for younger farmers, particularly for those below 25 years. Close to 20% of farmers below 25 years engage in either full organic or partial organic production. For those in the age range 25–39 years, the figure lies at around 14%.

Figure 10: Share of farm holdings by uptake of organic production methods (2023)



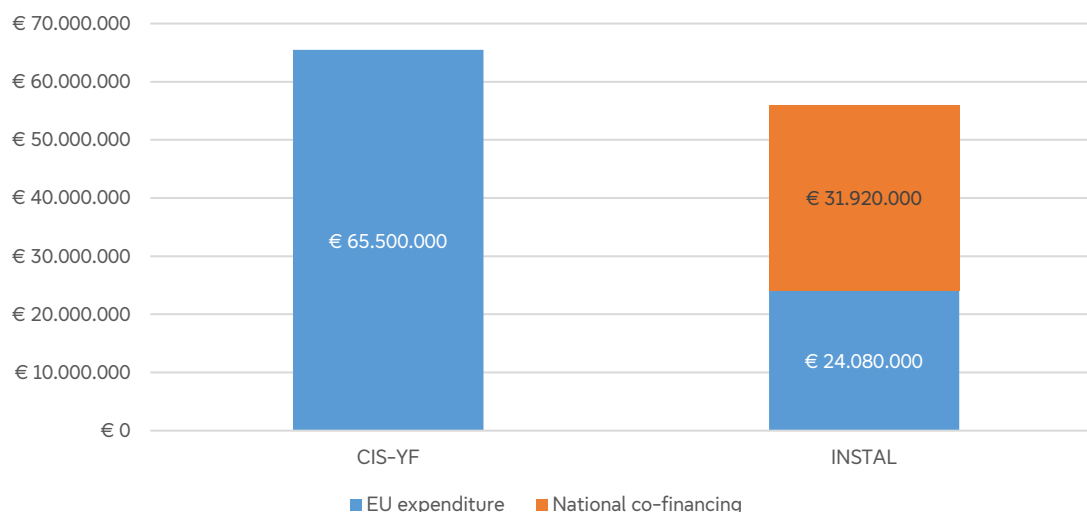
Source: ÖIR GmbH, based on Eurostat FSS data

2.2. Generational renewal policies

2.2.1. Support by the Common Agricultural Policy

In Finland, generational renewal supported via the CAP Strategic Plan concentrates on **complementary income support** (CIS-YF) and **start-up aid** (INSTAL) measures, complemented by support from COOP. The maximum age of young farmers is set at 40 years old. The challenge of ageing farmers is framed from a business and continuity of business angle as part of the CAP support.

Figure 11: CAP funding and interventions for generational renewal (total public expenditure)



Source: ÖIR GmbH, based on CAP Strategic Plan

Complementary income support for young farmers (CIS-YF, EUR 65,5 million) for leading a farm business for the first time is granted for the first five year after their takeover. The support is paid for a maximum of 150 hectares per farm⁴. Eligible farmers must be taking over the management of a farm for the first time as the main entrepreneur and meet the age (40 years old and below) and qualification requirements. Collectives or groups of natural persons are also eligible for this measure.

On the Finnish mainland, measures such as **start-up support (INSTAL, EUR 56 million)** offers several modes of support (grants, guarantees and similar) for beneficiaries. The maximum amount available for direct support is of EUR 40.000 and can be applied for twice. The support is paid in two instalments. Some variations in the implementation conditions exist for the autonomous region of Åland, without affecting the maximum sum available for the end beneficiaries.

Finally, **cooperation (COOP, EUR 25 million⁵)** measures also partially support young farmers besides other target groups. They aim, amongst other, at increasing cooperation and developing new solutions and facilitating generational and ownership changes in mainland Finland. Other goals of the measure are dedicated to the renewal and diversification of the rural economy, ensuring the continuity of agricultural production by promoting the establishment of new entrepreneurs and the scaling-up of innovations to new practices, products and services.

COOP support is given as a grant and can be subject to the use of the simplified cost procedure. The projects supported for young farmers under this measure are development projects that promote the entry of young farmers into the sector, the finding of solutions through cooperation as well as cooperation and practical research related to:

- generational change and ownership transfers,
- product development,
- the preparation and implementation of innovations, quality, logistics and cost-effectiveness,
- or cooperation and practical research that will improve production processes and market functioning.

Additionally, a preparation grant of EUR 5.000 (as a lump sum) can be granted if the applicant intends to implement a project related to the promotion of cooperation between young farmers and/or other rural businesses. Groups of young farmers can apply for support via COOP, although they are not the only targeted beneficiaries of the intervention. Other private and public parties can engage in such projects. Young farmers are however part of the final target group that should benefit from the results.

2.2.2. National policies and strategies

As per a consultation with the Finnish Ministry of Agriculture and Forestry, the CAP plays an important role in the Finnish approach of generation renewal in the agricultural sector, with national policies complementing the CAP generation renewal measures (Ministry of Agriculture and Forestry Finland, 2026a, 2026b).

The CAP's direct support to young farmers (CIS-YF) and the start-up support (INSTAL) builds the basis of the Finnish policy mix. They are accompanied by other more indirect national and CAP interventions aiming at making rural areas more vibrant and attractive for young people in agriculture and rural areas (via infrastructure, advisory organisations and others). National policies targeting generational renewal

⁴ Previously, the limit was 90 hectares per farm. The change is intended to ensure that young people have sufficient incentive to start farming even on farms that are larger than average.

⁵ Of which around EUR 10,75 million are provided by EU-means.

in Finland mostly aim to reinforce the CAP interventions via support the form of interest-rate subsidies for loans, state guarantees⁶ or tax exemptions for inheritances or gifts.⁷ Partial to complete tax exemptions on gift and inheritance taxes are offered in the event of generational change if the taxable gift includes a farm and the beneficiary will continue to engage in agriculture. Central and northern regions further subsidise young farmers with a national aid per hectare, as a top-up of CIS-YF.

An example of this complementary delivery between CAP and national policies is the design of INSTAL support. The intervention allows for the combination of several forms of support per beneficiary: the EU co-financed grant, a national grant, a state guarantee on a loan, an interest-subsidy on a loan, an exemption from tax transfer.

The **interest-subsidy loan** is a subsidy to cover the interest costs of a loan. The loan is granted for a maximum of 50% of the approved costs of the entire project, and the interest subsidy is limited to a maximum of 5% of the approved costs.⁸

A farmer may apply for a **state guarantee** in the context of an investment aid for agriculture or a start-up aid for a young farmer. The current system allows the state guarantee to cover up to 80% of the amount of the guaranteed loan, for up to EUR 800.000.⁹

In addition, the Finnish social system which also actively targets the agricultural sector and underpins a replacement service for farmers on parental leave, in need for an annual leave or sick leave. The yearly amount for pensions and benefits paid out by the farmers' social insurance institution *Mela* amounts to around EUR 1 billion.¹⁰

2.2.3. Needs of young farmers

Overall, the factors influencing young farmers' decision to take over farm businesses, as identified in the Finnish CAP Strategic Plan¹¹, are linked to the attractiveness of the agricultural sector. The main aspects of the sector's attractiveness are related to the ratio of producers' income to that of employees in other sectors, as well as the difficulty of accessing finance and developments. Therefore, measures that relieve the work burden for young farmers and ensure access to finance, thereby ensuring profitability for farm businesses, are considered helpful for generational renewal in Finland.

⁶ Described in Finnish CAP Strategic Plan, version 5.2 pp. 939-940 and 950-951 and in Maatalousyrittäjien eläkelaitos Mela. (2025, December 29). *Legislation – Waiver systems*. Maatalousyrittäjien Eläkelaitos Mela <https://www.mela.fi/tietoa-melasta/toimintaperiaatteet/>.

⁷ Tax administration of Finland. (2026, January 13). *When can a tax relief be granted for a generational transfer?* vero.fi. <https://www.vero.fi/henkiloasiakkaat/omaisuus/lahja/sukupolvenvaihdos-ja-huojennus-lahjaveroon/>. No total amounts allocated to this national measure could be retrieved.

⁸ Described in Finnish CAP Strategic Plan, version 5.2 pp. 939-940 and 950-951 and in Ministry of Agriculture and Forestry Finland. (2026, January 9). *Generational renewal in agriculture*. Maa- Ja Metsätalousministeriö <https://mmm.fi/en/rural-areas/competitiveness-of-agriculture/generational-renewal-in-agriculture>. No total amounts allocated to this national measure could be retrieved.

⁹ Ibid.

¹⁰ The Farmers' Social Insurance Institution Mela. (2019, August 21). *Farmers' holiday and stand-in scheme*. Maatalousyrittäjien Eläkelaitos Mela <https://www.mela.fi/en/agricultural-entrepreneurs/farmers-holiday-and-stand-in-scheme/>.

¹¹ Common Agricultural Policy strategic plan 2023-2027 for Finland, version 5.2: <https://maaseutu.fi/wp-content/uploads/2025/10/Suomen-CAP-suunnitelma-06102025.pdf>.

3. GENERATIONAL RENEWAL AND FARM BUSINESSES IN SPAIN

KEY FINDINGS

Spain experiences structural change in the farming sector, with the number of farms declining by 15% between 2010 and 2023, down to 838.000 farms. Of those, around 81.000 were managed by young farmers.

Most farms remain family farms in Spain, also among young farmers. Farms managed by young farmers are slightly above average at around 51 hectares compared to 47 hectares for the national average.

Young farmers are more often specialising into non-dairy grazing livestock and horticulture than other farmers. Young farmers are also not as commonly producing non-wine permanent crops.

The CAP remains the most important instrument to support young farmers and is highly regionalised, with differences in design of INSTAL and COOP interventions between the regions. However, complementary national policies ease access to capital via the use of financial instruments and promote skills transfer among young farmers.

3.1. Businesses run by young farmers

The Spanish agricultural sector is shaped by Mediterranean climatic conditions, water availability and irrigation infrastructure, resulting in high specialisation, export orientation and regional diversity. It features a relatively high degree of regional diversity in production systems, accounting for climatic and socio-economic differences at regional level. As visible in Map 2, young farmers are relatively more prevalent in coastal areas of Andalusia, Asturias and Cantabria, as well as close to the Pyrenees.

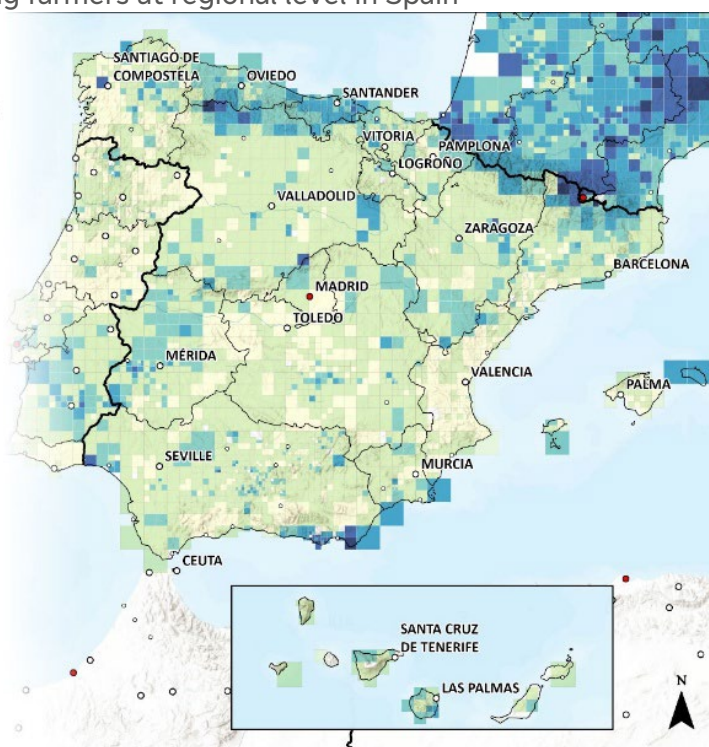
Map 2: Share of young farmers at regional level in Spain

Share of young farmers (below 40 years of age): Spain

Share of farms with farm
managers below 40 years
of age



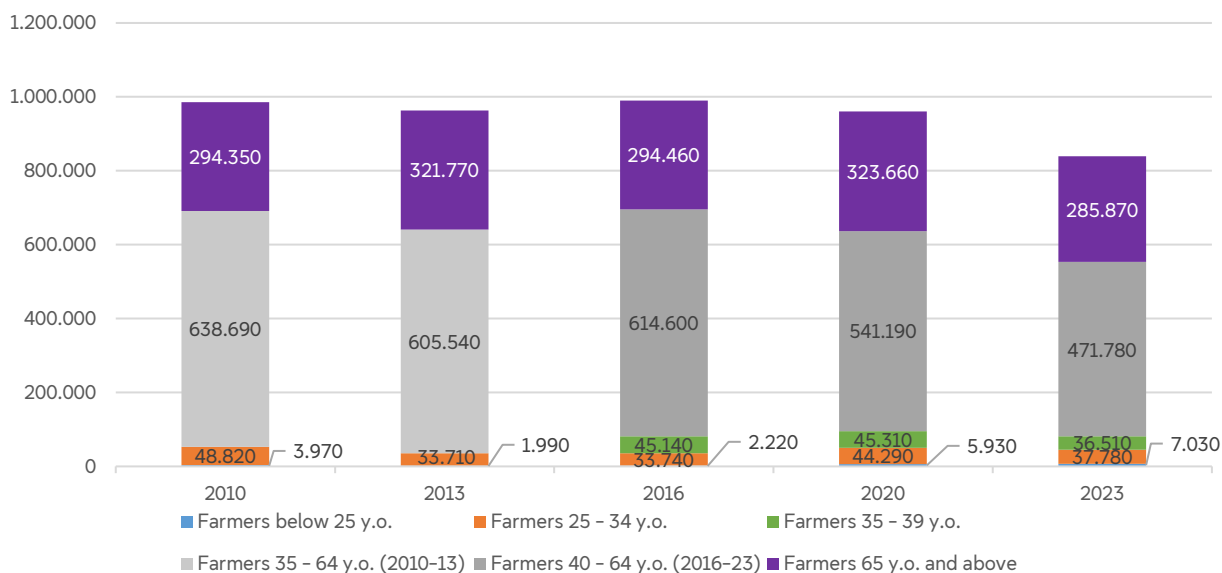
Source: Eurostat, JRC; 2025



Source: ÖIR GmbH, based on JRC and Eurostat

As of 2023, there were around 838.000 farms in Spain, down from approximately 986.000 in 2010, a decline of around 15%. The number of farm holdings managed by young farmers (below the age of 40) stood at around 81.300 in 2023. Around 7.030 holdings in 2023 were managed by farmers below 25 years (see Figure 12). Between 2010 and 2023 the number of holdings managed by farmers aged 65 years and above remained relatively stable, declining by 3% from 294.000 to 286.000. The number of farms managed by farmers below the age of 35 declined by 23%, from 48.800 in 2010 to 37.700 in 2023. However, the number of holdings managed by farmers below the age of 25 increased by 77% from 3.970 to 7.030.

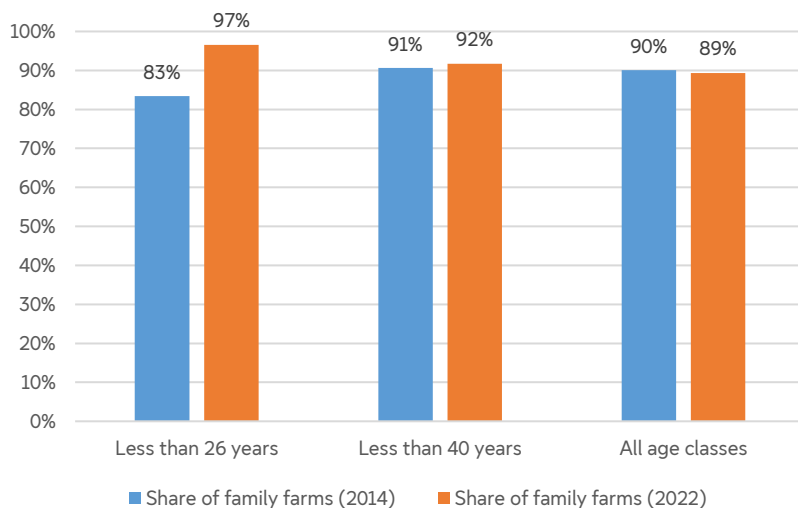
Figure 12: Evolution of number of farm holdings by age class



Source: ÖIR GmbH, based on Eurostat FSS data; Information on farmers in the age group 35-39 was not collected before the 2016 census

Across all age groups, around 90% of farms are family farms (see Figure 13). This share has remained relatively stable since 2014 according to FADN data. There is a comparable share of family farms represented among young farmers below the age of 40. For the youngest group, i.e. those below the age of 26, the proportion of family farms in 2022 was 97%, up from 83% in 2014.

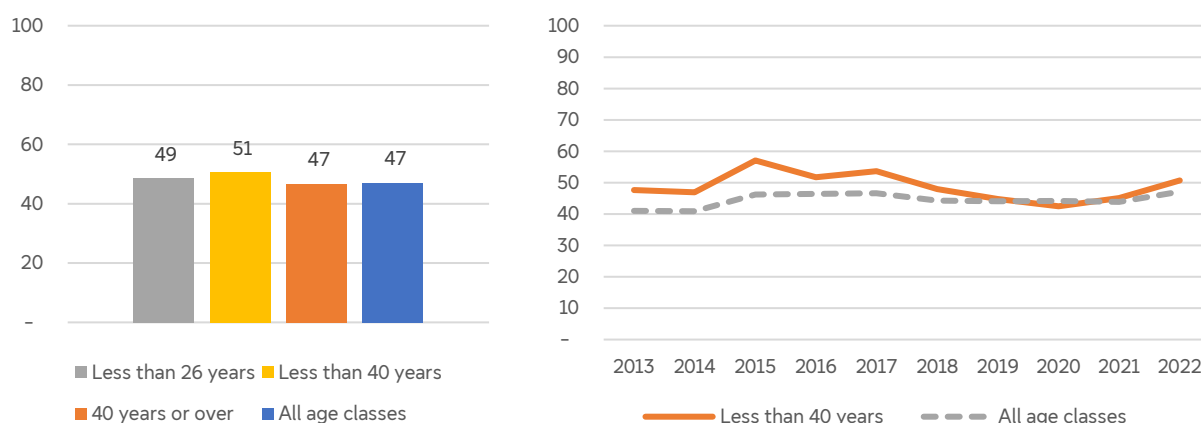
Figure 13: Share of family farms among young farmers (2014 and 2022)



Source: ÖIR GmbH, based on FADN data

On average, Spanish farms covered a utilised agricultural area of around 47 hectares in 2022, up from 41 hectares in 2013 (see Figure 14). Farms managed by young farmers (younger than 40 and younger than 26) were larger than those managed by older farmers at, respectively 51 and 49 hectares. In general, the period 2013 to 2022 also saw growing farm sizes among the younger age classes.

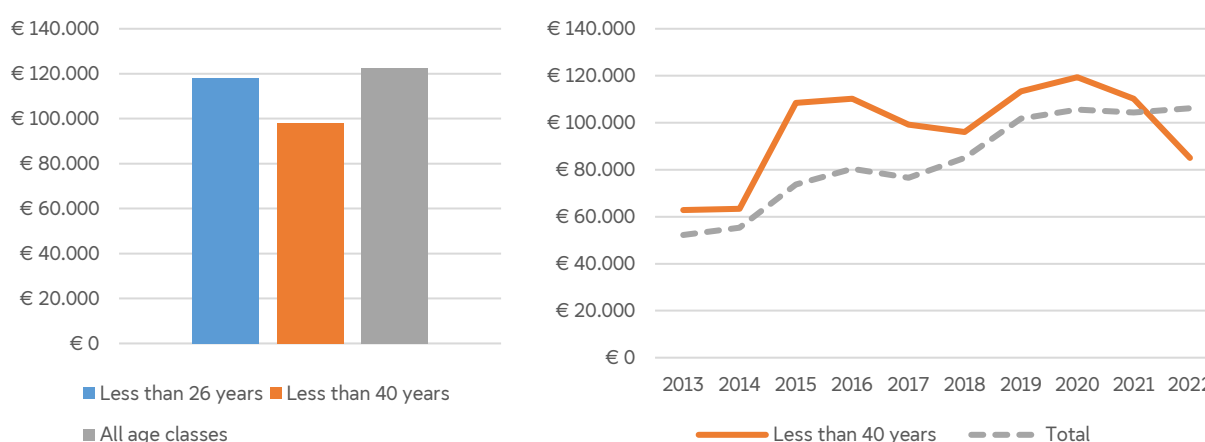
Figure 14: Average UAA (ha) by age classes in 2022 and over time



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26

In terms of economic characteristics, the average Spanish farm had a standard output of around EUR 123.000 in 2022. In 2022, the farm sizes of younger farmers (below 26 and below 40) were below average, potentially reflecting a temporary downturn, as inflation-adjusted standard output for young farmers was mostly above-average between 2013 and 2022 (see Figure 15). Between 2013 and 2022, standard output grew by an inflation adjusted 103% for all age classes and by around 35% for farmers below 40 years. Please note that the figure to the right contains inflation-adjusted values, as such it may not be directly comparable to the figure on the left.

Figure 15: Average farm size (SO in EUR) by age classes in 2022 and over time



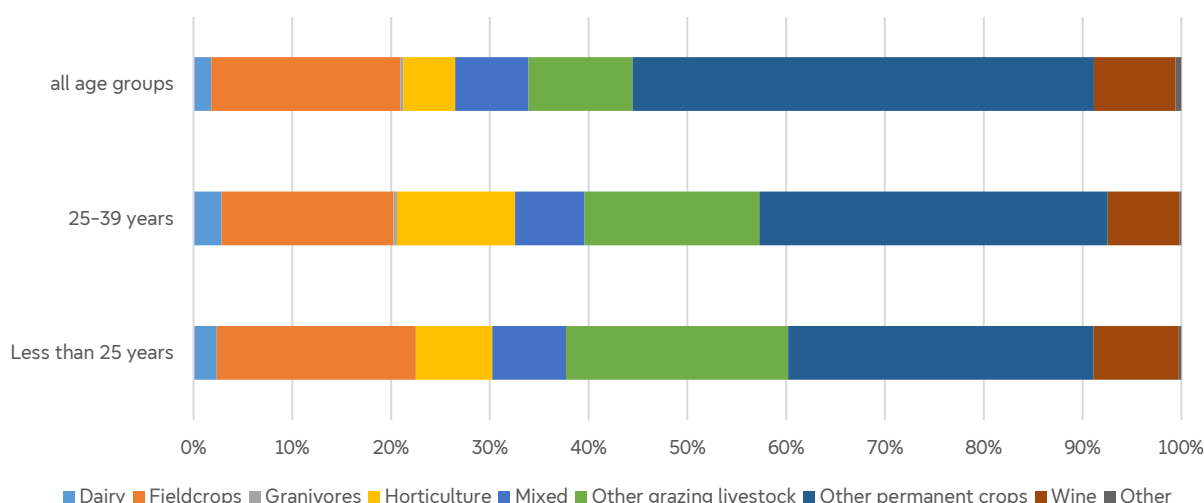
Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26. The timeseries data (2013-2022; right) is deflated to 2015 Euros, as described in the annex

Spain's agricultural sector is characterised by a high share of farms in permanent crops (47% of holdings) as well as wine, field crops and non-dairy grazing livestock (respectively 19% and 11% of all

holdings; see Figure 16). In contrast, young farmers are more likely to specialise into non-dairy grazing (18% of holdings managed by those aged between 25 and 39, as well as 23% of holdings for those below 25 years), as well as horticulture (12% for the farmers between 25 and 39 years and 8% for young farmers below 25 years).

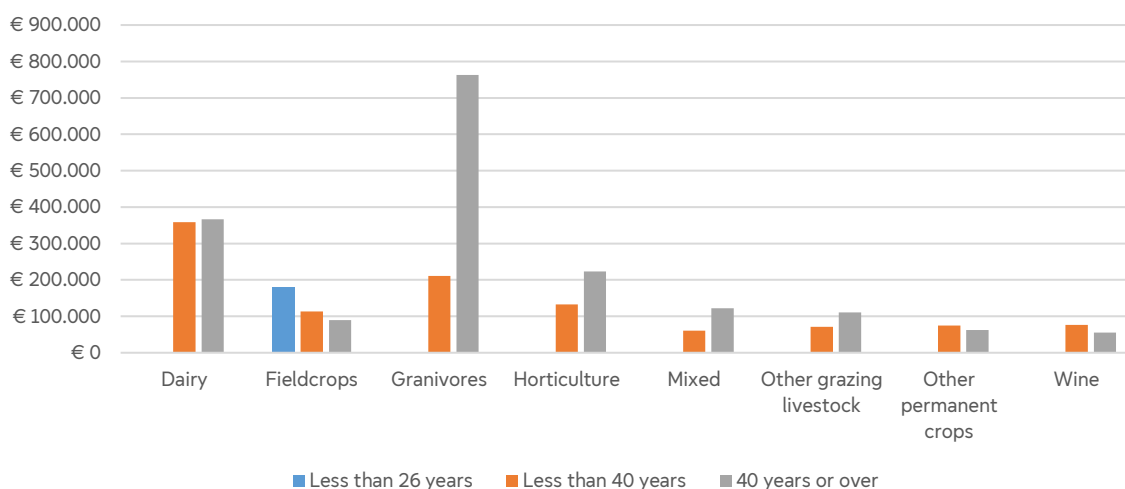
Farm size of young farmers, measured by standard output, was lower than for older farmers also for most farm types (see Figure 17). Young farmers managing farms specialised into field crops had – on average – larger farms than those aged above 40 years. For other sectors, average farm size was comparable among younger farmers and older farmers.

Figure 16: Farms by type of production and age class (2023)



Source: ÖIR GmbH, based on Eurostat FSS data. Note: the Eurostat FSS types were recoded to correspond to FADN type to ease readability of the report

Figure 17: Average farm size by age class and type of farm (standard output, 2022)

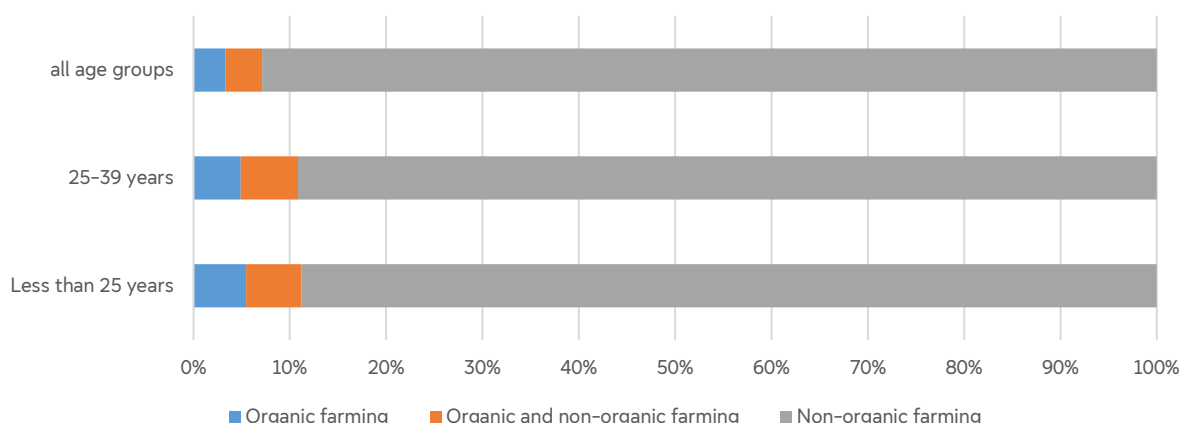


Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26

As of 2023, around 3% of all holdings applied organic production methods and another 4% applied both organic and non-organic farming methods in Spain – for a total of 7% of all holdings. Younger farmers

apply organic farming methods at slightly higher rates: a total of around 11% of young farmers (both in the age range less than 25 years and in the age range 25 to 39 years) apply either organic or mixed methods.

Figure 18: Share of farm holdings by uptake of organic production methods (2023)



Source: ÖIR GmbH, based on Eurostat FSS data

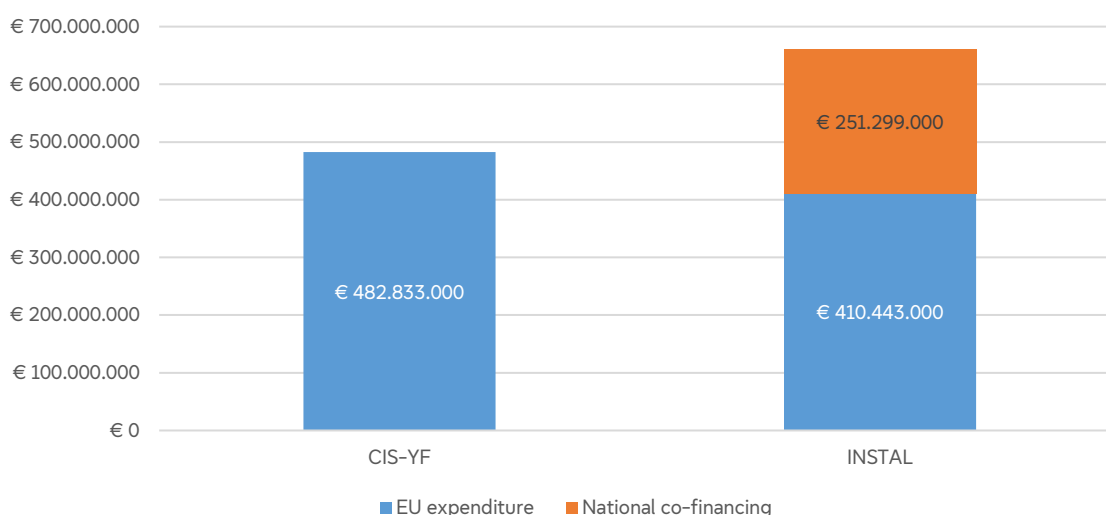
3.2. Generational renewal policies

3.2.1. Support by the Common Agricultural Policy

The main support avenues provided by the CAP includes **complementary income support** (CIS-YF) and **start-up aid** (INSTAL; see Figure 19). Together they amount to a total of EUR 1,14 billion in total public expenditure. These are flanked by other CAP interventions, such as INVEST and COOP which provide specific support for young farmers.

To be considered eligible as beneficiaries, Spanish farmers need to be younger than 40 years old when applying. The young farmer must have completed an agricultural training or education of minimum 150 hours. If not fulfilled at the time of application, the condition needs to be completed in the 36 months following the time of establishment of the new farm. On top of these technical requirements, a series of registrations to special schemes and systems must be provided as well.

Figure 19: CAP funding and interventions for generational renewal (total public expenditure)



Source: ÖIR GmbH, based on CAP Strategic Plan

Complementary income support to young farmers (CIS-YF, approx. EUR 483 million) takes the form of a single decoupled annual payment per hectare. It doubles the regional average value per hectare of the basic payments for each beneficiary. Women starting a farming business benefit from a 15% supplementary top-up.¹² This supplementary payment for women is capped at 100 hectares and will be paid out for the five years following the first application.

The intervention **establishment of young farmers (INSTAL, approx. EUR 662 million)** is applied at regional level with region-specific implementation rules. It can take the form of a grant, financial instrument or a combination of both. Overall, the maximal amount for this intervention is of EUR 100.000, paid in at least two instalments. The amount of aid can vary depending on quality of content of the business plan. In addition to fulfilling the requirements linked to the status of young farmers, applicants to this intervention have to be older than 18 years old and present a sound business plan proving the viability of their farming business.

While interventions for **investments (INVEST, approx. EUR 681 million¹³)** are not directly targeting young farmers, young farmers benefit from eased requirements facilitating their application for such support (e.g., no requirement to be a holder or co-holder of the farm, replacement of a proof of registration by the submission of economic feasibility report or an improvement plan for their holding). Furthermore, young farmers applying for this intervention can get support for up to 80% of the eligible costs, whereas other farmers get supported at a rate between 25% and 65% of the eligible costs. As for the intervention INSTAL this support is granted as a grant, a financial instrument or a combination of both.

Similarly, support under the intervention **cooperation (COOP, approx. EUR 22 million¹⁴)** contributes to generation renewal in the agricultural sector. It supports farm transfer, with a similarly regionalised implementation. The intervention supports farmers already retired or meeting the requirement for retirement and wishing to transfer their agricultural holding to another farmer and who is not a first degree relative. In these cases, a public body takes charge of the reassignment, mediating the sale or lease to the farmer taking over the holding. For example, support promoting cooperation for the succession of agricultural holdings implemented on the Balearic Islands support succession projects between farmers below 41 years of age and farmers in pension or preparing their pension.

3.2.2. National policies and strategies

Spain complements CAP support to young farmers by a series of national policies, aiming at improving access to finance, land and promote the transfer of skills. These include the use of financial instruments for young farmers and training schemes. However, these schemes are small in terms of allocated budget compared to CAP support.

Access to finance is supported by the ICO-MAPA-SAECA YOUTH Line, a financial instrument aiming to improve liquidity in the farm and fishery sector.¹⁵ This state-aid scheme is implemented by MAPA (Ministry of Agriculture, Fisheries and Food), ICO (Instituto de Crédito Oficial), and SAECA (a state agricultural guarantee company). It provides a subsidy equivalent to 15% of the loan principal, capped at EUR 100.000. In addition, SAECA can provide loan guarantees for farmers. Overall, a maximum of EUR 27 million in funding is made available to this scheme, including EUR 7 million for the guarantee.

¹² This measure has been introduced to compensate part of the gap between the average basic payments gained by women and the overall average basic payments.

¹³ Total public expenditure, of which approx. EUR 381 million as EU expenditure and approx. EUR 300 million national co-financing.

¹⁴ Total public expenditure, of which respectively approx. EUR 11 million as EU expenditure and as national co-financing.

¹⁵ Ministry for Agriculture, Fishery and Food. (2026, January 30). *Línea ICO-MAPA-SAECA JÓVENES*. Ministry for Agriculture, Fishery and Food <https://www.mapa.gob.es/es/ministerio/servicios/analisis-y-prospectiva/financiacion-fiscalidad-costes-energia/medidas-apoyo-subsvenciones-financiacion/lineas-financiacion/linea-jovenes>.

The Spanish CULTIVA programme¹⁶ seeks to promote the transfer of skills and knowledge among young farmers by organising practical training stays on model farms. The programme is a state-training instrument and financed through the national budget. It complements CAP measures by addressing needs tied to skills, management capacity and innovation uptake among young farmers. The budget allocated to this measure in 2025 was of approx. EUR 1,2 million.¹⁷

3.2.3. Needs of young farmers

Overall, the factors influencing young farmers' decision to take over farm businesses in Spain, as identified in the Spanish CAP Strategic Plan¹⁸, are closely linked to the economic viability and perceived prospects of the agricultural sector. Key aspects shaping the sector's attractiveness include the level and stability of farm income compared to other activities, the high initial investment costs linked to farm installation, and difficulties in accessing land, credit and adequate guarantees. Consequently, measures improving farm profitability, facilitating access to land and finance, and supporting investment and professionalisation are considered helpful to make farm succession more attractive for young farmers in Spain. In Spain, most farm transfers occur with the new farm manager being older than 40 years, impacting knowledge transfer to farmers below the age of 40.

¹⁶ Ministry for Agriculture, Fishery and Food. (2026, January 30). *El Programa CULTIVA*. Ministry for Agriculture, Fishery and Food <https://www.mapa.gob.es/es/desarrollo-rural/temas/relevo-generacional/visitas-formativas>.

¹⁷ Ministry for Agriculture, Fishery and Food. (2025, April 2). *El Ministerio de Agricultura, Pesca y Alimentación convoca las ayudas del programa Cultiva 2025 por 1,2 millones de euros*. Ministry for Agriculture, Fishery and Food https://www.mapa.gob.es/es/prensa/ultimas-noticias/detalle_noticias/el-ministerio-de-agricultura--pesca-y-alimentacion-convoca-las-ayudas-del-programa-cultiva-2025-por-1-2-millones-de-euros/c297a9cd-0ce7-4780-9658-953f4f022487?utm_.

¹⁸ Common Agricultural Policy strategic plan 2023-2027 for Spain, version 3.3: <https://www.mapa.gob.es/dam/mapa/contenido/reforma-de-la-pac/plan-estrategico-pac-post-2020/documentos/pepac-33.pdf>.

4. GENERATIONAL RENEWAL AND FARM BUSINESSES IN LUXEMBOURG

KEY FINDINGS

There were around 2.000 farm holdings in Luxembourg in 2023. Young farmers under the age of 40 make up around 20% of holdings, at 360 farms. The number of young farmers has increased since 2016.

Average utilised agricultural area of farms managed by young farmers is around 109 hectares, larger than the average farm (96 hectares). Farms managed by young farmers are also more productive, at around EUR 460.000 compared to EUR 360.000 for all age classes.

Young farmers are active in relatively similar farming activities as the overall agricultural sector in Luxembourg: dairy, other grazing livestock and wine remain common farm types. Horticulture is more commonly taken up by young farmers.

Luxembourg places an emphasis on CAP interventions when supporting young farmers, with only limited application of standalone national policies. Relatively high national co-financing increases the overall amount of funding available to beneficiaries.

4.1. Businesses run by young farmers

The farm sector in Luxembourg is characterised by a relatively small number of larger holdings and limited availability of land due to high degrees of urbanisation. Farms tend to be specialised in relatively capital-intensive sectors, such as livestock farming. The Member State has a relatively high share of young farmers, with more notable concentration of young farmers close to the Belgian border (see Map 3).

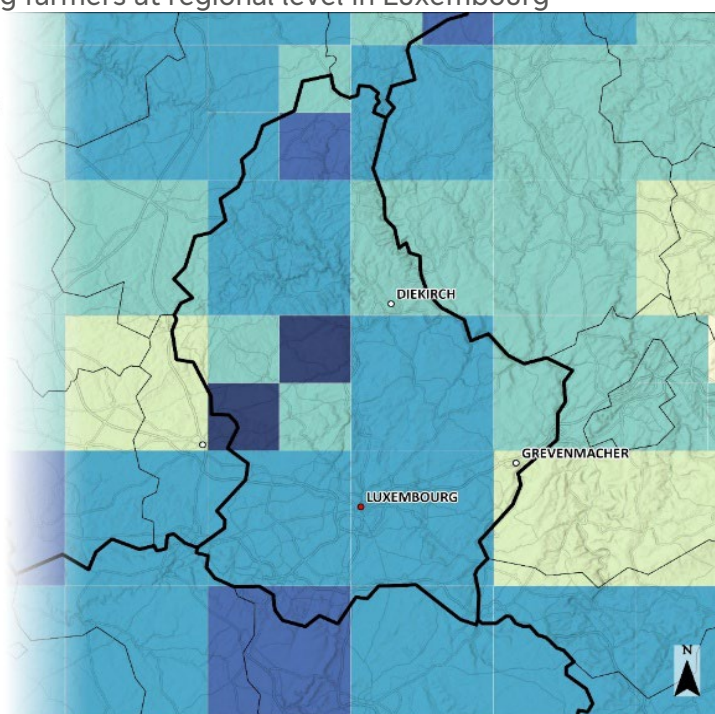
Map 3: Share of young farmers at regional level in Luxembourg

Share of young farmers (below 40 years of age): Luxembourg

Share of farms with farm
managers below 40 years
of age



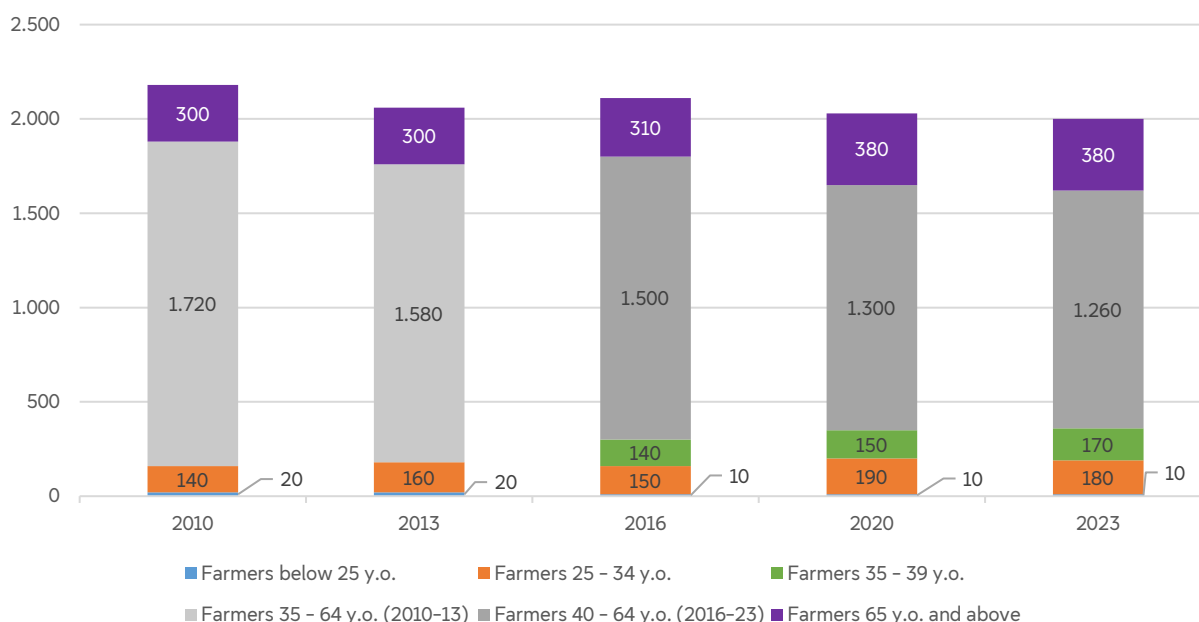
Source: Eurostat, JRC; 2025



Source: ÖIR GmbH, based on JRC and Eurostat

As of 2023, there were around 2.000 farm holdings in Luxembourg, down from 2.200 in 2010 (see Figure 20). By 2023, there were around 360 holdings managed by farmers below the age of 40 years. Between 2010 and 2023 the number of holdings managed by farmers below the age of 35 increased from 160 to 190. The number of holdings managed by farmers below the age of 25 remains very limited throughout the timeframe – varying at around 10 to 20 holdings. Despite the relatively stable or growing numbers of holdings managed by young farmers in Luxembourg, signs of demographic change are also visible: the number of holdings managed by older farmers (above 65 years of age) increased from 300 to around 380 between 2010 and 2023.

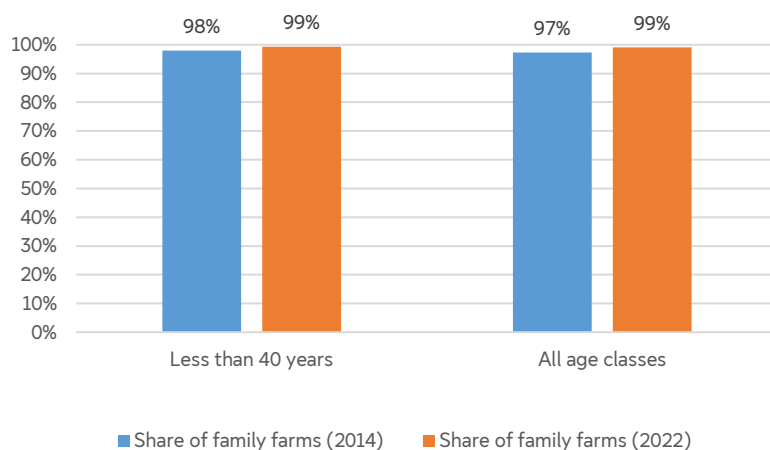
Figure 20: Evolution of number of farm holdings by age class



Source: ÖIR GmbH, based on Eurostat FSS data; Information on farmers in the age group 35–39 was not collected before the 2016 census

Most farms in Luxembourg are family farms (Figure 21), increasing slightly to 99% between 2014 and 2022. The share of family farms among farms managed by those aged below 40 is comparable to the rest of the sector, with around 99% holdings classified as family farms.

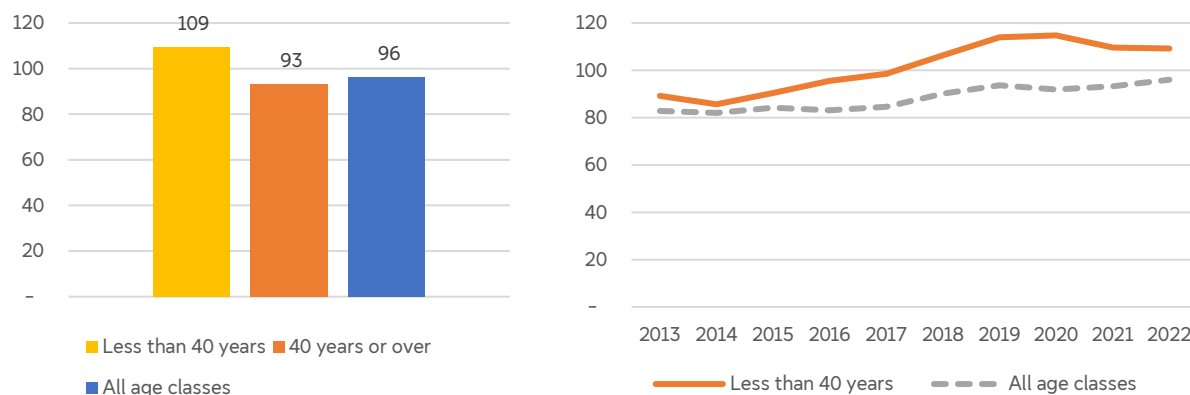
Figure 21: Share of family farms among young farmers (2014 and 2022)



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26

The average farm covered a utilised agricultural area of approximately 96 hectares in Luxembourg (see Figure 22). Farms managed by young farmers tend to be larger, covering around 109 hectares compared to 93 hectares for those above 40 years. Between 2013 and 2022, there was steady growth in farm sizes, especially for farms managed by farmers below the age of 40.

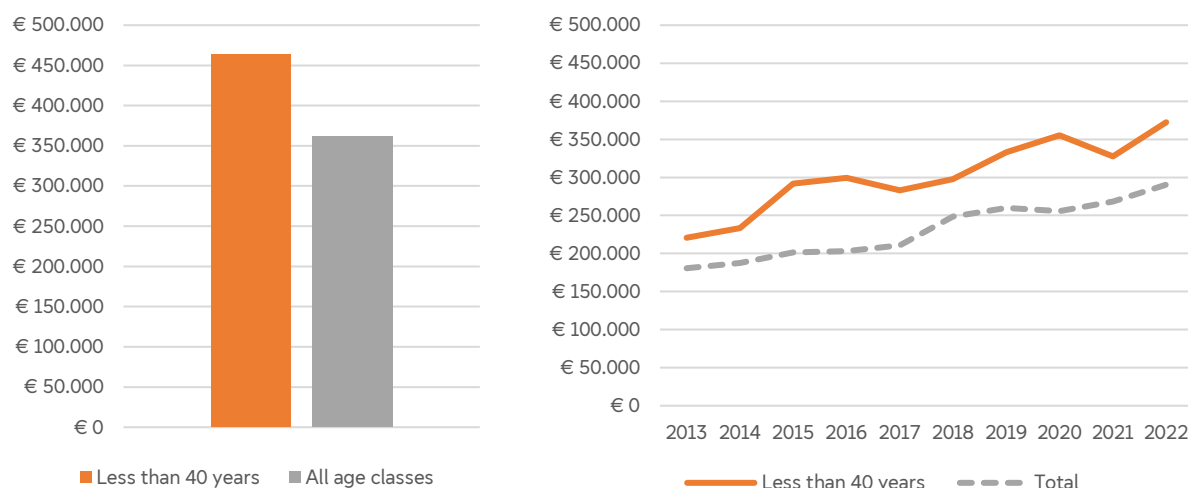
Figure 22: Average UAA (ha) by age classes in 2022 and over time



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data on farmers below the age of 26

Luxembourgish farms are highly productive by European standards, with average farm size in standard output standing at approximately EUR 361.000 in 2022 (see Figure 23). Farms managed by younger farmers were larger than average, with a standard output of EUR 464.000 in 2022. Since 2013 farm size (in standard output) has steadily increased, especially for farmers below the age of 40 years. Overall, standard output grew by an inflation adjusted 71% over that time period and 76% for the age class below 40 years. Please note that the figure to the right contains inflation-adjusted values, as such it may not be directly comparable to the figure on the left.

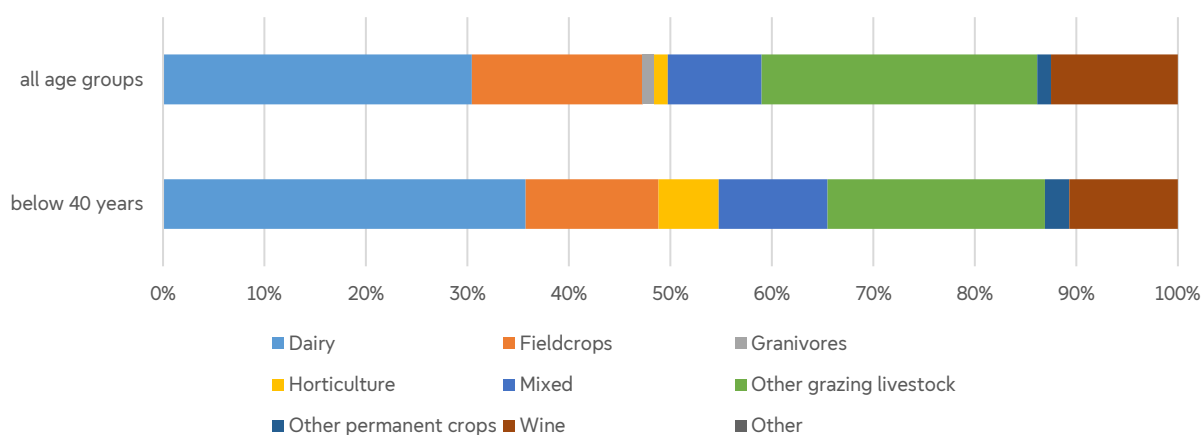
Figure 23: Average farm size (SO in EUR) by age classes in 2022 and over time



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data on farmers below the age of 26. The timeseries data (2013-2022; right) is deflated to 2015 Euros, as described in the annex

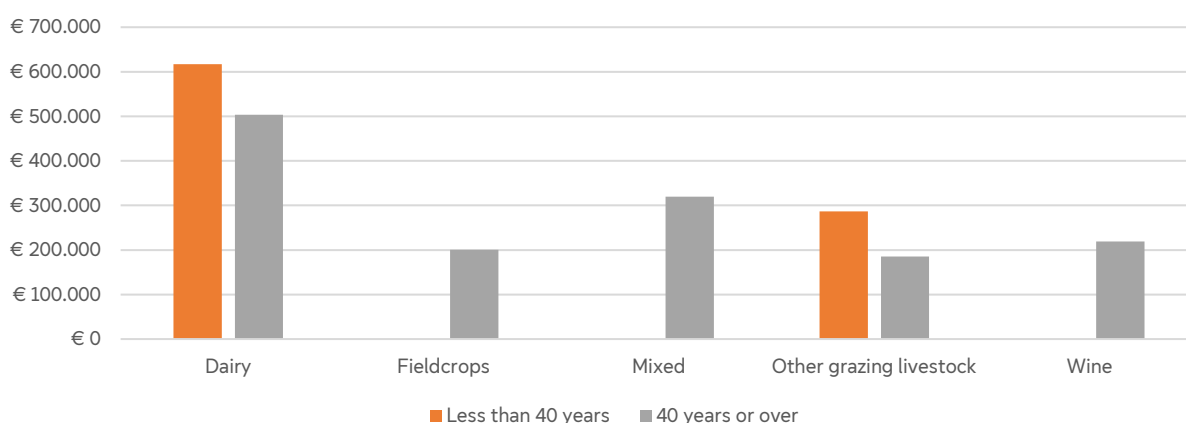
Luxembourgish farms specialised into dairy (around 30% of all holdings), other grazing livestock (25% of holdings), as well as field crops and wine (respectively 17% and 13% of holdings) (see Figure 24). Among younger farmers, a relatively larger specialisation into dairy is visible for those young than 40 years (36% of holdings) with relatively fewer farms in field crops. Average farm sizes (in standard output) of farms managed by young farmers in dairy and other grazing livestock are larger than for farms managed by individuals older than 40 years (see Figure 25).

Figure 24: Farms by type of production and age class (2023)



Source: ÖIR GmbH, based on Eurostat FSS data. Note: the Eurostat FSS types were recoded to correspond to FADN type to ease readability of the report

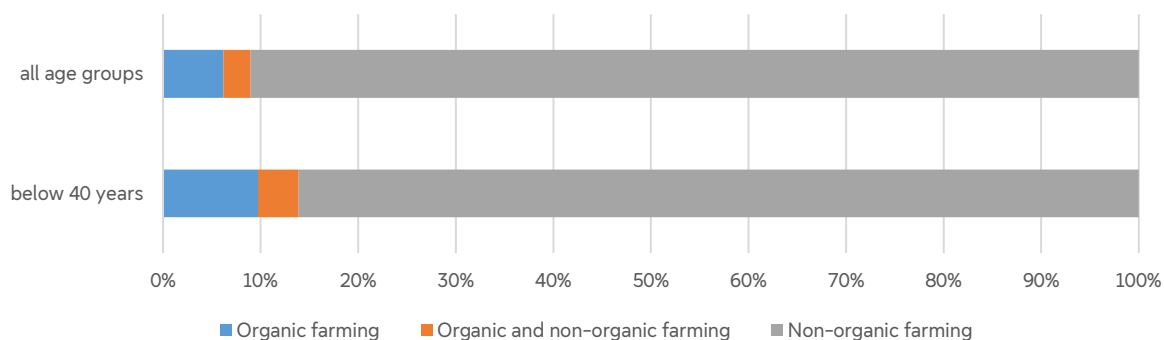
Figure 25: Average farm size by age class and type of farm (standard output, 2022)



Source: ÖIR GmbH, based on FADN data. Note: Some data categories are not available if fewer than 15 observations are available in the FADN base sample. This limits the availability of data for farmers below the age of 26

Around 6% of farm holdings in Luxembourg apply organic production methods and another 3% apply both organic and non-organic methods (see Figure 26). Among young farmers, the share of holdings applying organic and mixed production methods is higher: around 10% of farms managed by individual below 40 years apply organic methods, another 4% apply mixed production methods.

Figure 26: Share of farm holdings by uptake of organic production methods (2023)



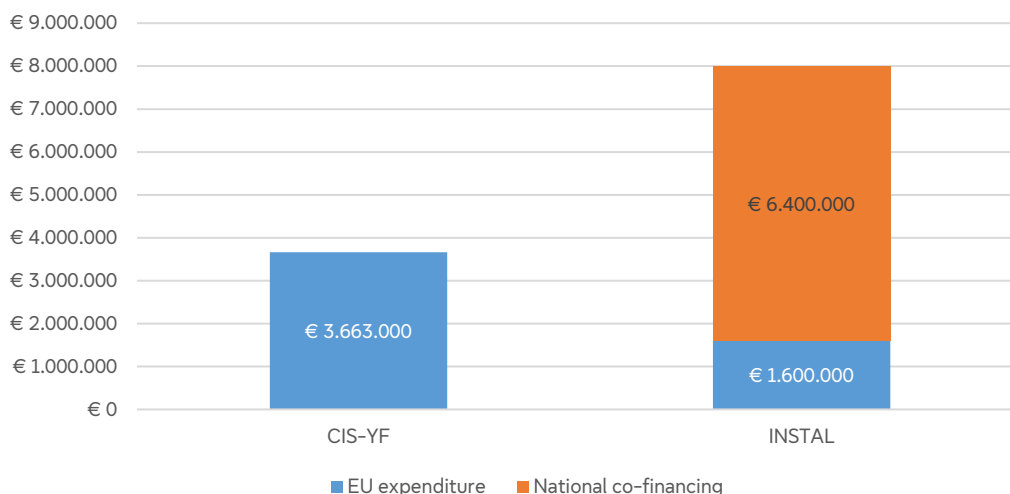
Source: ÖIR GmbH, based on Eurostat FSS data

4.2. Generational renewal policies

4.2.1. Support by the Common Agricultural Policy

The Luxembourgish CAP interventions supporting generation focus on **complementary income support** (CIS-YF) to young farmers and **starting aid for the settlement** (INSTAL) of their businesses (see Figure 27) for a sum of around EUR 11,6 million in total public funding over the 2023–2027 period. Additionally, young farmers can also obtain higher financing via investment support (INVEST).

Figure 27: CAP funding and interventions for generational renewal (total public expenditure)



Source: ÖIR GmbH, based on CAP Strategic Plan

The farmers eligible for these measures must be active farmers in Luxembourg, i.e. have to be managing a minimum holding size¹⁹ and work fewer than 20 hours outside of their agricultural holding. They also are to exercise effective and have sustainable control over an agricultural holding and cannot be older than 39 years of age on the final date for submission of their first application.

Complementary income support for young farmers (**CIS-YF, approx. EUR 3,7 million** in total public funding) takes the form of a flat-rate and is not capped, as it was in the previous period. It corresponds to a lump-sum payment of EUR 6.660 and can be allocated to more than one young person per holding.

¹⁹ In Luxembourg, a beneficiary is considered an active farmer if he or she manages a holding of at least 3 hectares of agricultural land, 50 hectares of nurseries, 30 hectares of orchards, 25 hectares of market gardening or 10 hectares of vineyards.

Should the claims for this scheme be higher than the foreseen demand (125), the payment would be reduced proportionally. This grant is provided in addition to the common basic income support for sustainability.

Start-up aid (INSTAL, EUR 8 million) supporting the establishment of young farmers and new farmers takes the form of a grant. The grant is structured around a basic amount which can be topped up according to the level of education or training completed by the beneficiary. It starts at EUR 60.000 and can be increased by up to EUR 10.000 for young farmers with a university degree. The grant can be further increased by EUR 30.000 if the young farmer completed an agricultural traineeship for at least six months abroad. This grant is paid in two instalments. In addition to the conditions given by the definition of young farmers, the applicants have to provide a sound business plan to be eligible for this support.

In addition to this measure, young farmers in Luxembourg can also benefit from an aid of 45% (instead of 40% for regular farmers) when investing in movable or immovable capital for their setting-up of a farm under **investment support (INVEST, around EUR 57,1 million²⁰)**.

4.2.2. National policies and strategies

In Luxembourg, the CAP acts as a basis for young farmers' income and start-up support with the aim to compensate the additional cost the creation or up-take of a farm builds. National policies complement this support by providing high national co-financing for the setting-up of farms by young farmers, rewarding particularly international practical exchanges and university degrees (Die Regierung des Grossherzogstums Luxemburg, 2023). National cofinancing amounts to EUR 6,4 million or 80% of the EUR 8 million in total public support foreseen under INSTAL. In the case of INVEST, national cofinancing also makes up 80% of total public expenditure.

Another national measure to support accession to land by farmers is the possibility to obtain a full reimbursement of the farm holding registration fees. While facilitating the accession to land for young farmers, this measure is not reserved to this age category. Furthermore, Luxembourg will reinforce its mission of farmers by launching a one-stop shop for farmers in 2026, specialised between others on farm take over procedures.²¹

4.2.3. Needs of young farmers

The factors influencing young people's decision to enter agriculture in Luxembourg, as identified in the Luxembourg CAP Strategic Plan²², are the relatively higher attractiveness of other economic sectors and the structural conditions affecting farm succession. Factors include high capital requirements for setting up or taking over a farm, driven by high land prices and increasing competition for land linked to urbanisation, as well as farm incomes that remain low compared to other economic sectors in Luxembourg. At the same time, access to the sector is facilitated for successors within family farms, which are generally well-structured and capitalised, while entry remains more difficult for non-family new entrants.

²⁰ Of which around EUR 11,42 million are provided by EU-means. This intervention also targets other groups and needs than young farmers.

²¹ Information based on exchanges with the Ministry for Agriculture, Food and Viticulture of the Grand Duchy of Luxembourg.

²² Common Agricultural Policy Strategic Plan of Luxembourg – Version 4.2:
<https://agriculture.public.lu/de/veroeffentlichungen/agrarpolitik/gap-2023-2027/psn-pac-2023-2027.html>.

5. GENERATIONAL RENEWAL AND FARM BUSINESSES IN POLAND

KEY FINDINGS

The Polish farm system is characterised by a high number of relatively small family-holdings. As of 2023, there are around 1,3 million farms in Poland, 232.000 of which are managed by farm managers younger than 40 years. The number of farm holdings has been decreasing in Poland since 2010. However, farm size has remained relatively stable.

Farm size in terms of utilised agricultural area is comparable between young farmers and older farmers. However, standard output tends to be lower for younger farmers.

Young farmers are more likely to be active in dairy and other grazing livestock in comparison to the general farm sector. However, the differences are not major between the age classes.

The CAP functions as an important source of funding for young farmers. National support complements CAP funding using financial instruments for land purchases, restricted tenders for land access and a dedicated social insurance and pension scheme for farmers.

5.1. Businesses run by young farmers

The Polish farming system is characterised by many small, generally family-managed holdings. While many farms are specialised into field crops (particularly grains and oil crops), Poland still retains a relatively high share of non-specialised farms. As visible in Map 4, the share of young farmers is higher in parts of central and northern Poland.

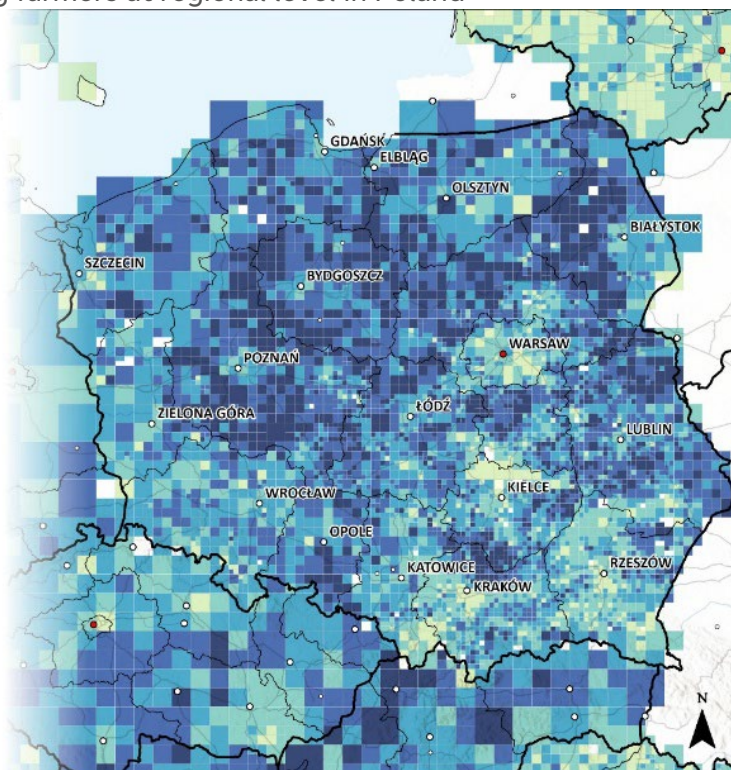
Map 4: Share of young farmers at regional level in Poland

Share of young farmers (below 40 years of age): Poland

Share of farms with farm
managers below 40 years
of age



Source: Eurostat, JRC; 2025

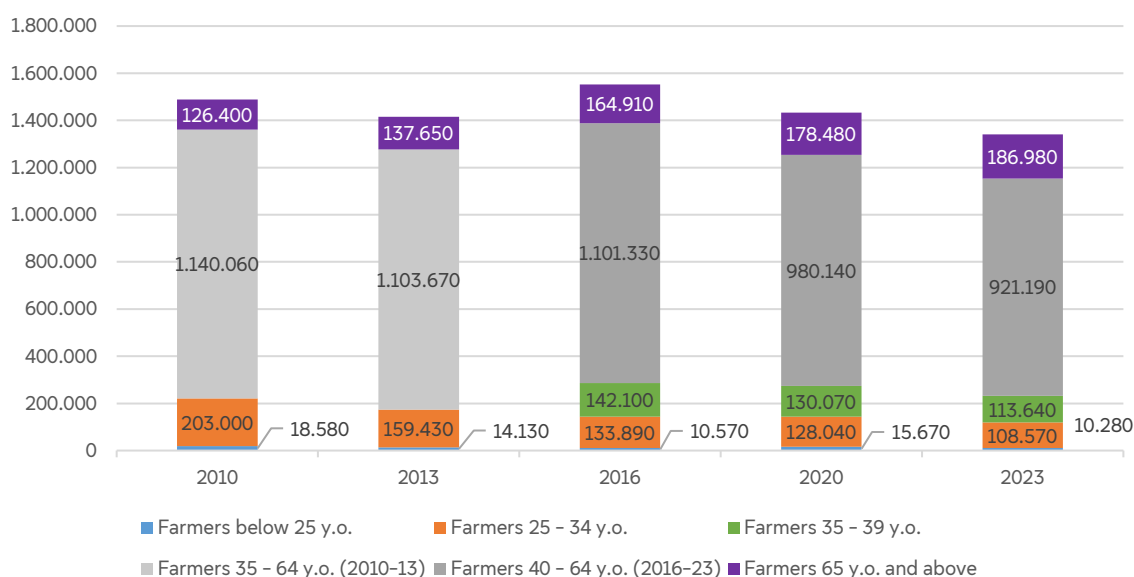


Source: ÖIR GmbH, based on JRC and Eurostat

As of 2023, there were around 1,3 million farms in Poland. This marks a decline of from around 1,5 million holdings since 2010, or around 19% (see Figure 28). However, Poland still retains a relatively high share of young farmers (below 40 years of age) at close to 20% of all farmers in combination with a low share of active farmers aged 65 and above. In 2023, around 232.000 holdings were managed by young farmers (below 40 years) and around 187.000 by farmers above the age of 65.

There are signs of ageing, despite the relatively low share of older farmers in relation to the overall age composition of the farming sector. In 2010, around 126.000 holdings were managed by farmers aged 65 and above – this increased by 48% to approximately 187.000 in 2023. In the same period, the number of holdings managed by farmers younger than 35 years of age decreased by 46% from around 222.000 to approx. 119.000.

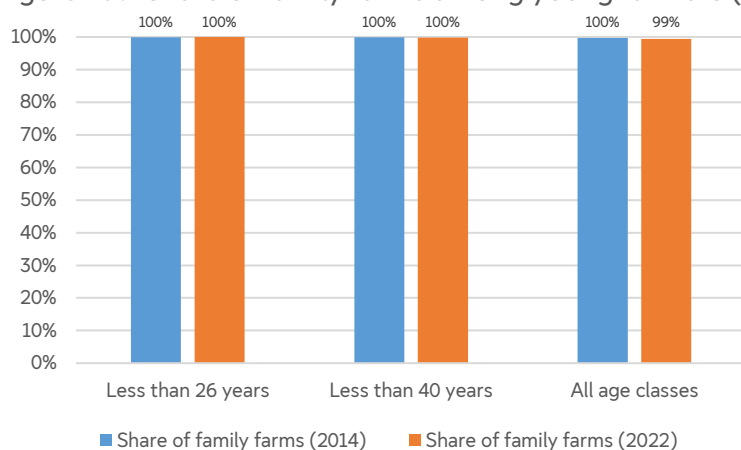
Figure 28: Evolution of number of farm holdings by age class



Source: ÖIR GmbH, based on Eurostat FSS data. Information on farmers in the age group 35-39 was not collected before the 2016 census

The Polish farming sector is characterised by a high share of family farms (see Figure 29), with the majority of farms being family farms, also for farms managed by younger farm managers. This high share of family farms has remained stable between 2014 and 2022, as estimated from FADN data.

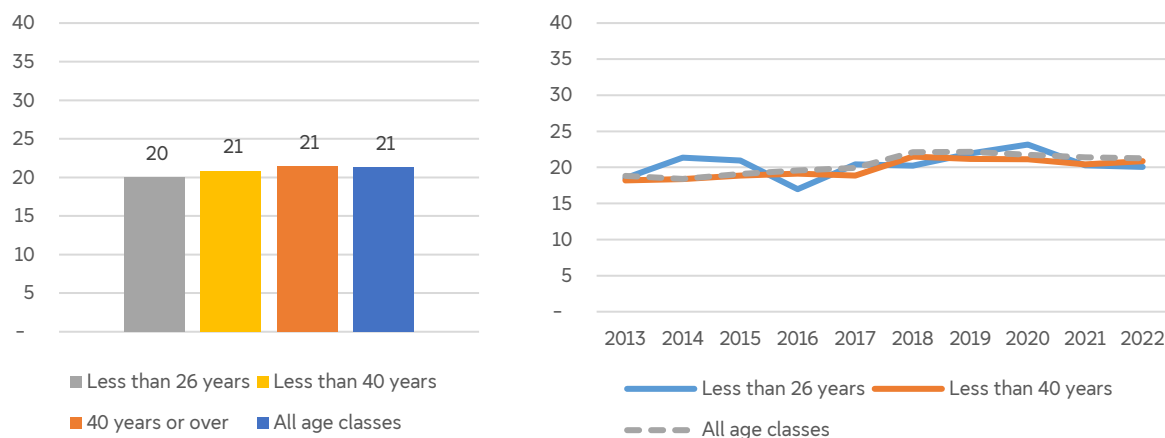
Figure 29: Share of family farms among young farmers (2014 and 2022)



Source: ÖIR GmbH, based on FADN data

The typical farm in Poland covered around 21 hectares of utilised agricultural area in 2022 (see Figure 30). There are relatively minor differences in terms of average farm size between the age classes, even for younger farmers. In addition, average farm size remained relatively stable between 2013 and 2022 at around 20 hectares of utilised agricultural area.

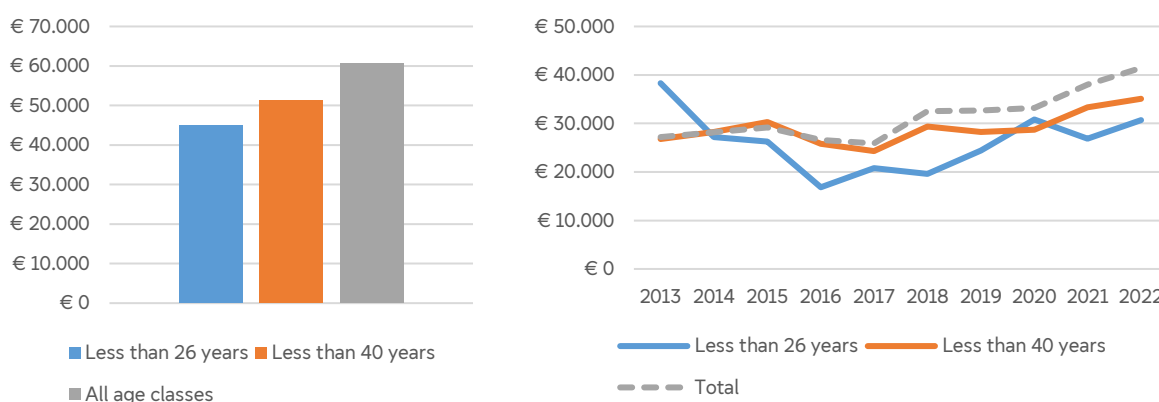
Figure 30: Average UAA (ha) by age classes in 2022 and over time



Source: ÖIR GmbH, based on FADN data

Average farm size (measured in standard output) is smaller for younger farmers than for the average farm holding (see Figure 31). By 2022, the average farm size was around EUR 60.000, compared to EUR 51.000 for farmer below 40 years and EUR 45.000 for farmers below 26 years. Between 2013 and 2023, standard output grew by 31% for young farmers below 40 years compared to a decline of 20% for farms managed by farmers below 26 years (inflation adjusted). Standard output increased by 52% for all farms. Please note that the figure to the right contains inflation-adjusted values, as such it may not be directly comparable to the figure on the left.

Figure 31: Average farm size (SO in EUR) by age classes in 2022 and over time



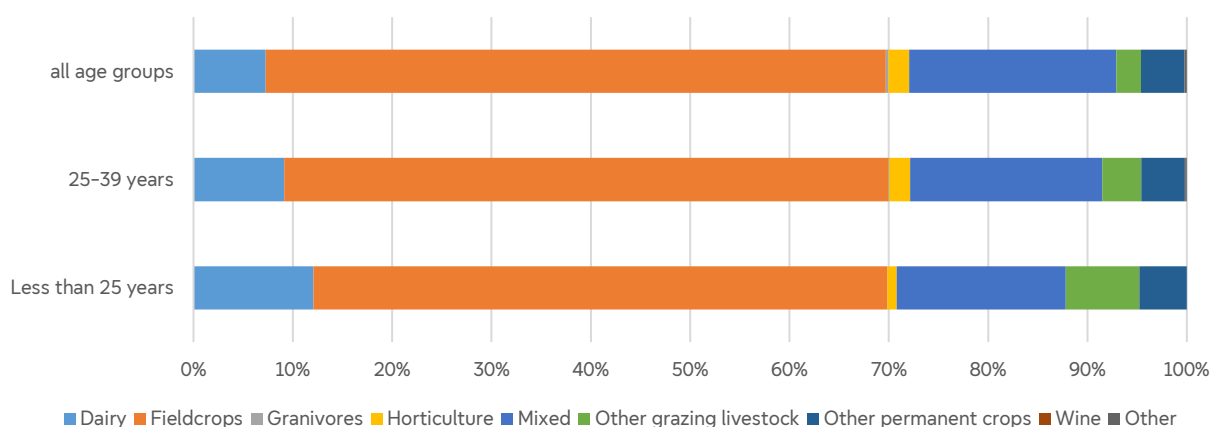
Source: ÖIR GmbH, based on FADN data. The timeseries data (2013–2022; right) is deflated to 2015 Euros, as described in the annex

The largest share of farm holdings has specialised into field crops (62% of all holdings), followed by around 7% of holdings which have specialised into dairy and another 2,5% producing other grazing livestock. Around 21% of holdings are not specialised.

These overall patterns are relatively stable for younger farmers (Figure 32), albeit with a slightly higher share of specialisation (noted by a decline in mixed farming) and relatively more dairy and other grazing livestock production.

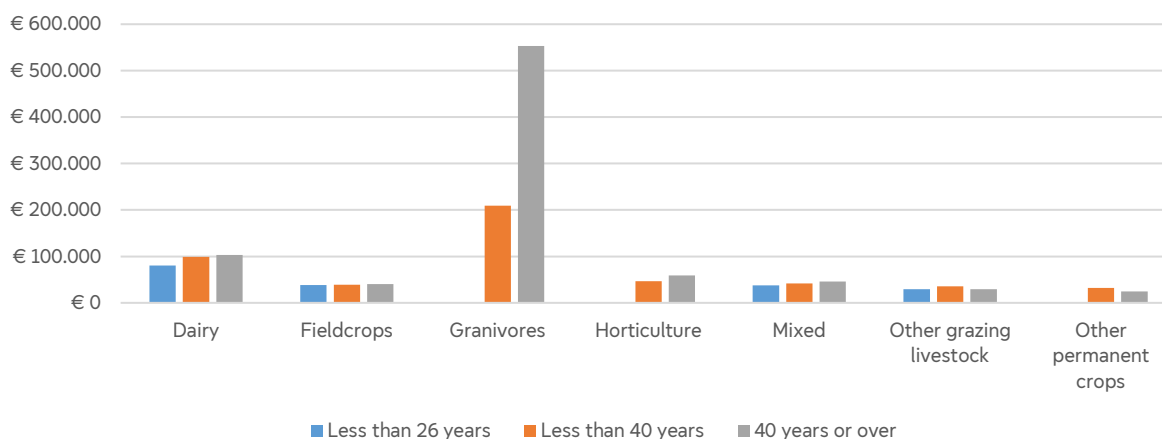
Differentiated by sector, average economic farm size of young farmers is comparable to older age classes (see Figure 33). Except for farms specialised into granivores, younger farmers tend to operate farms close to older farmers in terms of standard output.

Figure 32: Farms by type of production and age class (2023)



Source: ÖIR GmbH, based on Eurostat FSS data. Note: the Eurostat FSS types were recoded to correspond to FADN type to ease readability of the report

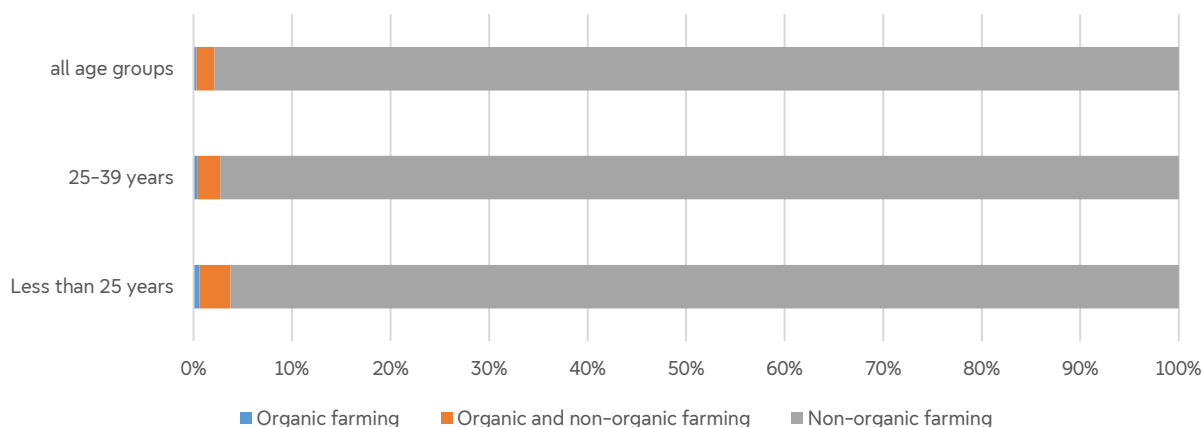
Figure 33: Average farm size by age class and type of farm (standard output, 2022)



Source: ÖIR GmbH, based on FADN data

Conversely, the uptake of organic production methods of young farmers is comparable to the rest of the farming sector (see Figure 34). Approximately 2% of all holdings apply mixed production methods. Young farmers below the age of 25 see a relatively higher uptake, with around 1% of holdings applying organic production methods and another 3% applying mixed production methods.

Figure 34: Share of farm holdings by uptake of organic production methods (2023)



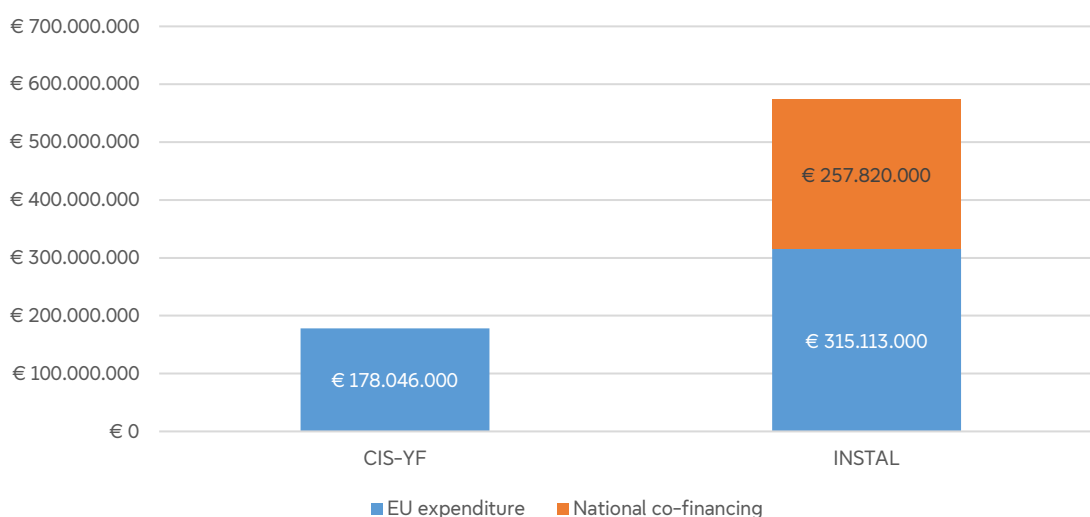
Source: ÖIR GmbH, based on Eurostat FSS data

5.2. Generational renewal policies

5.2.1. Support by the Common Agricultural Policy

The Polish CAP Strategic Plan makes use of **complementary income support for young farmers (CIS-YF)** and **start-up aid (INSTAL)** to support generational renewal in the farming sector. These two interventions account for around EUR 751 million in total public funding. In addition, parts of the funds dedicated to the interventions COOP, INVEST, KNOW and RISK also contribute to the support of young farmers. The Polish CAP Strategic Plan defines a young farmer as a farmer of maximum 40 years, who is fully responsible for a farm holding and has completed an agricultural training or can prove experience in agriculture of at least three years as an employee.

Figure 35: CAP funding and interventions for generational renewal (total public expenditure)



Source: ÖIR GmbH, based on CAP Strategic Plan

Complementary income support for young farmers (CIS-YF, around EUR 178 million) is granted for five years to young farmers on top of the basic income support (BISS) and for the same surface of land. It takes the form of an annual direct payment.

Start up support for young farmers (**INSTAL, approx. EUR 573 million**) is targeted at agricultural holdings producing unprocessed agricultural products (i.e., no breeding activities or fur animals) and covers costs of construction, the purchase of agricultural land, livestock, equipment necessary to the holding's production. This intervention favours young farmers taking over at least an entire holding and based on their qualifications and skills, their participation in quality schemes, their gender (women farmers being favoured to encourage their participation in agricultural work). The support takes the form of a lump sum of PLN 200.000 (around EUR 47.500 at current exchange rates), which is paid in two instalments. Further conditions are tied to the receipt of this support in Poland.

Further interventions such as investment support (INVEST), cooperation (COOP), risk management (RISK) and knowledge exchange (KNOW) provide dedicated support to young farmers beyond other target groups. For example, under the intervention KNOW, a sub-measure is dedicated to the professional development of mentoring for young farmers. Overall, the knowledge exchange intervention foresees around EUR 200,9 million in total public funding (thereof EUR 110,5 million in EU-means). While not solely targeting young farmers, measures under the intervention RISK (insurance guarantee and reciprocity fund) also intend to minimise risks for young farmers that might be more vulnerable to livestock disease for example at the beginning of the business. Planned support amounts to EUR 105,9 million in total public funding (including around EUR 58,3 million in EU funding). Young farmers can benefit from preferential terms within the scope of investment support (INVEST). This includes a high aid intensity compared to older farmers. The INVEST intervention foresees approx. EUR 1,87 billion in total public funding, of which around EUR 1 billion are EU-means.

5.2.2. National policies and strategies

Poland operates several policies complementing interventions implemented under the CAP Strategic Plan to support young farmers and promote generational renewal in agriculture. This includes a combination of tools, such as preferential credits with partial repayment for young farmers buying land, land market governance and access arrangements, as well as a social insurance and pension framework to ease exit of older farmers from the sector.

Preferential credits for land purchases of young farmers are implemented via dedicated support from the Agency for Restructuring and Modernization of Agriculture (*"Prezesa Agencji Restrukturyzacji i Modernizacji Rolnictwa"* – **ARiMR MRcsk**).²³ With the help of financial instruments, this programme supports investments by young farmers. It combines market-based bank lending, with public subsidies to interest payments as *de minimis* schemes to support investments. The programme supports the acquisition of land with subsidising a portion of the loan, i.e. reducing the amount to be repaid by the young farmer. Beneficiaries are not able to transfer or lease the land for a duration of five years without authorisation. A maximum of PLN 5 million (around EUR 1,8 million at current exchange rates) was provided in subsidy funds for the partial repayment of capital on loans for the purchase of agricultural land by young farmers in 2025.

Access to (new) farmland is influenced by the **National Support Centre for Agriculture** (KOWR) which leases and sells state-owned agricultural land. KOWR runs restricted tenders for leases and sales of state land, along pre-defined criteria.²⁴ The restricted tenders allow farmers to participate if they fall within the following criteria: individual farmers intending to expand their family farm who live in the municipality where the land is tendered, people with agricultural training intending to start a farm or

²³ Prezesa Agencji Restrukturyzacji i Modernizacji Rolnictwa. Please see [here](#) for more information on the preferential loans and guarantees supported by the agency.

²⁴ Krajowy Ośrodek Wsparcia Rolnictwa (KOWR). Please see [here](#) for more information on tendering criteria.

employees of liquidated state agricultural enterprises intending to start a farm, amongst others. The tendering criteria place an emphasis on protecting family-farm structures in Poland.

Poland also operates a separate pension scheme for elderly farmers. The **Agricultural Social Insurance Fund** (KRUS) operates outside of the general Polish social insurance system.²⁵ The scheme provides social insurance coverage to farmers and their household members. This includes old-age and disability pensions, accident, sickness and maternity benefits, survivors' pensions, health insurance contributions. Farmers' contributions to the social insurance scheme are mostly flat-rate and only marginally linked to farm size. A size-related surcharge applies solely to farms exceeding 50 hectares. Eligibility of the scheme is linked to engagement in agricultural activities, land ownership and low off-farm income. As a state-financed scheme, its annual expenditure is linked to the state budget. In the financial year 2024 the Polish government supported this scheme with around PLN 24,2 billion (around EUR 5,7 billion at current exchange rates).

5.2.3. Needs of young farmers

The factors influencing young people's entry into agriculture in Poland, as identified in the Polish CAP Strategic Plan 2023-2027²⁶, are closely linked to the economic viability of farming and to structural barriers affecting the start-up phase. High volatility of income for farm business and the need to diversify farm income were also highlighted as hindering factor for entry into the sector. Entrants from non-family backgrounds also face additional challenges in relation to training and lack of specialised knowledge.

²⁵ Kasa Rolniczego Ubezpieczenia Społecznego (KRUS). Please see [here](#) for mor information on the scheme and [here](#) for more information on the budget allocation.

²⁶ Common Agricultural Policy Strategic Plan of Poland – Version 5.1: <https://www.gov.pl/web/rolnictwo/dokumenty-ps-wpr>.

6. CONCLUSIONS AND POLICY OPTIONS

Structural change continues to affect the farm sector in Europe. While overall the number of young farmers continues to decline – from around 1,1 million in 2016 to 960.000 in 2023 – some Member States also show upwards trends and growing entry into the sector. Young farmers tend to manage larger and more specialised farms; they also tend to have higher levels of training (European Commission, 2025b).

This study assessed the characteristics of farm businesses of young farmers in four Member States with positive generational renewal dynamics, Luxembourg, Finland, Spain and Poland²⁷. The four Member States implement specific support to young farmers and cover a variety of production systems.

In **Finland**, at around 94 hectares on average, farms managed by young farmers are larger than of farmers above 40 years (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 slightly larger than those of older farmers: on average 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 around 21 hectares). They are active in similar sectors (field crops and dairy) with lower numbers of mixed farms compared to the overall farm sector.

The four analysed Member States implement complementary national policies supporting young farmers, such as with specific schemes to improve access to finance for young farmers, as well as a strong emphasis on business continuity. 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. Poland operates a dedicated social security system for farmers, alleviating income-needs among older farmers. The analysed national policies in the four Member States vary in their transferability: while financial instruments supporting land and capital acquisitions can be set up subject to sufficient financial liquidity and technical knowledge, reorganising or restructuring social security systems to account for specificities of generational renewal in the farm sector is comparatively complex.

The proposals and strategies accompanying the discussion of the Multiannual Financial Framework 2028–2034 emphasise the importance of supporting generational renewal in farming. 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,

²⁷ The selection of Member States for this analysis was done considering the Member States covered in other recent publications covering, such as by the European Commission (European Commission, 2025a). As such, the presented Member States in this study are not an exhaustive selection of good practice approaches.

financial instruments and advisory services, accessible through a single package. In contrast to the CAP 2023–2027 ([Regulation \(EU\) 2021/2115](#)), no explicit ringfencing of CAP funding for generational renewal is included in the regulatory proposals. The *Strategy for generational renewal in agriculture* ([COM\(2025\) 872](#)) seeks to promote generational renewal in agriculture as a whole-of-government approach. As part of the strategy, the Commission recommends that at least 6% of ring-fenced agricultural expenditure be dedicated to generational renewal.

- **Policy option 1:**

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.

In the analysed Member States, the **CAP plays a central role in supporting young farmers**, particularly through the use of complementary income support (CIS–YF) and start-up aid (INSTAL), but also other interventions, such as dedicated investment support (INVEST) and cooperation (COOP). However, access to land and finance remain important needs of young farmers which are often under-addressed by CAP means (European Commission, 2025a; European Commission, 2025b). The analysed Member States complement CAP support by implementing specific national instruments to target these needs.

- **Policy option 2:**

Simplified and one-stop shop application procedures for young farmers should be mainstreamed, especially to consolidate national and EU support.

The **complexity of the administrative processes** underpinning support to young farmers can be a hindering factor in promoting synergies between national and EU support (European Commission, 2025a). In addition, fragmentation of support schemes and high degree of regionalisation in more decentralised Member States, such as France or Spain (*ibid*), can increase the administrative complexity of the support. Initiatives, such as the proposed *Starter Pack for Young Farmers* (SWD(2025) 872 final) can contribute to reducing administrative burden for farmers and in promoting a more synergistic delivery. The starter pack combines various modes of support (setting-up aid, investment support, financial instruments tax measures) and makes it accessible via a single-entry point.

- **Policy option 3:**

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.

Farm exit, retirement and inheritance is generally addressed outside of CAP support. However, the proposed CAP regulatory framework for 2028–2034 requires that Member States phase out area-based payments for retired farmers by 2032 (COM(2025) 560 final). Member States with positive generational renewal dynamics, such as Austria, Czechia, Luxembourg and Finland apply a mix of **tax exemptions, retirement and inheritance laws to promote exit and farm transfer**.²⁸ Poland's separate social insurance fund for farmers can also ease farm exit by reducing the reliance of elderly farmers on farm receipts for income-related needs in old age.

²⁸ More information on Austria and Czechia, amongst others, is available in a European Commission study (2025a).

- **Policy option 4:**

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).

Competitiveness and profitability remain pressing needs in the European agriculture sector (European Commission, 2025a; Beck et al., 2024). An economically dynamic and competitive farming sectors can improve the attractiveness to young farmers. The use of national financial instruments for **capital and land investments**, such as in Finland, Poland and Spain can contribute to more competitive farm businesses by alleviating financing constraints. Conversely, supporting the **accumulation and transfer of skills and knowledge among new entrants** – such as in Spain and Luxembourg – can contribute to the competitiveness of the new business.

- **Policy option 5:**

Support to young famers 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.

Demographic change, structural economic change and loss of essential services risks negatively affecting quality of life in rural areas (Muench, A; Dwyer, Mantino, F; Gorny, H et al, 2024). Supporting investments into essential service, the regional economic fabric and their accessibility are important avenues to maintain quality for life in rural areas.

- **Policy option 6:**

National and EU support to young farmers should account for the specific needs of women as young farmers to improve attractiveness of the sector.

The analysed interventions in the four Member States place a focus on supporting family farms and intergenerational transfer between family members. Women as young farmers are explicitly targeted in the Spanish and Polish CAP Strategic Plan among the analysed Member States. Women remain underrepresented as young farmers. In 2020, only 26% of farmers below the age of 40 were women (European Commission, 2025b). 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).

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ANNEX

A.1. Data sources

Due to data gaps at EU level in the data available from the FSS, additional data had to be retrieved from national statistical institutes for selected Member States on the number of holdings by age classes. Variations in the time series can also be attributed to differences in statistical methodologies used between individual years and between Member States.²⁹ In several cases (partially Belgium, Italy and Slovenia) the missing data had to be estimated based on historical data using the approach highlighted in annex A.3.

It is important to note that FSS data is provided in three-to-four-year intervals and is not available for each given year. As such, there is not always a clear alignment with FADN data, which was available at the time of drafting this report for the time period 2013 to 2022. Presented timeseries data on monetary amounts was inflation adjusted using Member State specific *annual output price indices* as available via Eurostat. The monetary values were adjusted to the 2015 price level to ensure comparability. In addition, the 2016 agricultural survey underpinning FSS data introduced the age class of young farmers below 40 years. In prior editions, the census collected information on farmers up to 34 years and for the age range 35 to 44 years separately. As such, presented timeseries data on the evolution of holdings managed by young farmers below the age of 40 only goes back to 2016.

Table A.1: Data sources

Data	Source
Age structure of farm managers – EU and Member States [ef_fsi_agesex]	Eurostat FSS
Age structure of farm managers – Belgium [2023]	Statbel
Age structure of farm managers – Denmark [2023]	Statistics Denmark
CAP Strategic Plan funding data (by specific objective and intervention)	Agri-Food Data Portal
Organic farming by age, sex and training of farm manager and NUTS 2 region – EU and Member States [ef_mp_manorg]	Eurostat FSS
Average economic size of farms by standard output, farm type and age of farm manager – EU and Member States [ef_fsi_ecsz]	Eurostat FSS
Price indices of agricultural products, output – annual data [apri_pi15_outa, agri_pi10_outa]	Eurostat
Average UAA (SE025) Average output (SE131) Average output (SE131) by type of production Share of family farms	FADN data for LU, ES, PL, FI by age class

²⁹ More information is available via [Eurostat](#).

A.2. Deflation of timeseries data

Presented information on timeseries monetary amounts was deflated to enable comparison over the period 2013–2022. Deflation was done using the Eurostat agricultural output prices, which are available at national level, enabling a differentiation between the analysed Member States.

Agricultural output price indices published by Eurostat are provided using different base years and do not form a single continuous time series. To obtain a consistent deflator for the period 2013–2022, agricultural output price indices (2010 and 2015 indices) were chain-linked across base years. The series with base year 2015 (=100) was used as the reference, and earlier and later observations were rescaled using overlapping years.

A.3. Estimation of missing values

The analysis of the evolution of young farmers under the age of 40 at EU-27 level required a complete set of national observations for 2023. The FSS reports data for most Member States. Identified gaps for Belgium and Denmark (for 2023) were partially remedied by means of desk research. Data for Italy and Slovenia were unavailable at the time of analysis. Data for Belgium was reported using the pre-2016 FSS age classes, thus missing information on the age range 35–39 years.

Ordinary least squares regression was estimated separately for Belgium, Italy and Slovenia, using observed historical values. The fitted models were then used to predict the missing value for 2023 by extrapolating the linear trend – based on past years – to the year 2023.

The estimated 2023 values for Belgium, Italy and Slovenia were used for aggregation and visualisation at EU-27 level, notably for constructing time-series charts illustrating the evolution of young farmers over the last decade and for the composition of age classes.

This study provides information on farm businesses of young farmers in Finland, Spain, Luxembourg and Poland. It examines EU and national measures supporting generational renewal under the CAP 2023–2027, alongside structural trends in the farming sector in the four Member States. The analysis highlights the role of integrated policy mixes and complementary national policies targeting financial liquidity, access to land and retirement.

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