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Generational Renewal Strategy: Recommendations from European landowners

The European Landowners' Organization (ELO), representing land managers, farmers, foresters and other rural stakeholders across Europe, is happy to contribute to the European Commission's initiative for a Strategy for Generational Renewal in Agriculture. The four barriers identified by the Commission - skills, credit, rural services, and access to land - offer a sound foundation for future action.

However, we believe the starting point must be clear: **there is no sustainability without profitability**. If young people are to build a future in farming, they must be able to make a decent living from it. Economic viability is not a technical detail; it is the basis on which every social and environmental ambition rests. This principle should guide the strategy throughout. Indeed, any future strategy on generational renewal needs to be centred on **fostering agricultural entrepreneurship and not as an attempt to reverse the decline in the number of farmers**, which has been an inevitable trend, that the CAP makes slower.

In what follows, we offer reflections on each of the four barriers identified by the Commission. In doing so, we point to a structural opportunity that deserves greater attention: **the role of farm succession** in securing access to land, continuity of knowledge, and long-term stewardship.

Skills and knowledge transfer: The agricultural sector today demands a level of competence and adaptability far beyond what was required in the past. Land managers are expected to not only run a diverse business, but to be environmental stewards and report on it, be innovative and technology users, on top of dealing with biological processes in a fast-changing climate. ELO therefore fully supports measures to enhance continuous training opportunities, knowledge sharing and built partnerships for innovation. In this regard, we welcome the AKIS role within the CAP.

Credit: Young farmers face severe credit constraints. While some support schemes exist, the high-level risk of the sector, lack of legal stability, and the difficult structural problems of the sector, with farmers mostly sandwiched between big players both upstream and downstream make it more difficult to access credit. Even those with capital face financial hurdles. They must invest in modernising the farm, adjusting to market pressures, and complying with increasingly complex environmental and animal welfare regulations. It is therefore vital that credit support mechanisms are not just designed around the initial

start-up but are tailored to long-term transition and business consolidation. There is also a need for better coordination among different financial instruments.

We also see an attempt to create a market for carbon and nature through credits, thus recognising the market failures around these public goods. However, while there is a big political hype around these new financial opportunities they seem far from being a viable option.

Rural services

The importance of well-functioning rural services, such as healthcare, education, transport, and broadband connectivity, cannot be overstated. These are essential not only for the attractiveness of rural life, but also for the operation of a modern farm business. However, policy efforts to revitalise rural services should not be seen in isolation from the economic context.

Today, farms across Europe often face limited profitability doubled by raising requirements. Farming also suffers from low social prestige, which further discourages young people from staying or returning to agriculture. If we want generational renewal to happen, we must confront these realities directly. The strategy must focus more clearly on competitiveness. No amount of support will keep young people in farming unless the sector is economically viable. That means they need access to enough land, specialised crops, diversified income models, and fair markets. Mindsets must shift from just protecting vulnerable farms to enabling high-performing, committed farmers to thrive.

Access to land and the structural importance of succession

Among all the barriers, access to land stands out as the most structurally complex. Europe is a highly urbanised continent with a long history that has implications for its rural landscapes and farm structures, making it much different from other parts of the world, including its main competitors. The latest agriculture census confirms that almost two-thirds of the EU's farms were less than five hectares in size, with many semi-subsistence farms, and with most farms in the EU being **"family farms"** (Eurostat. 2014). There are many different types and structures of rural businesses in Europe. The fundamental principles underlying these enterprises are secure private property rights and intergenerational management.

Succession is thus key. Young people take over from retiring generations, and the knowledge, investment, and care embedded in that land is preserved. The long-term mindset that succession encourages is one of the best foundations for sustainable land use. It is also a more resilient model. Empirical studies show that farmers who enter through succession are more likely to stay in agriculture during periods of economic or environmental stress. Those without such backing are statistically more likely to abandon farming when confronted with hardship. They lack not only the security of land ownership,

but also the support networks and gradual learning process that succession provides. Despite this, succession remains under-prioritised, receiving insufficient support in fiscal policies.

The ELO welcomes the setting up of an **EU land observatory** to improve transparency and understanding of land use rights and transactions, price trends and market behaviour, transfers of rights and land use changes. We hope this supports Member States with their cadastres, particularly dealing with cases of restitution, public ownership and where the owner is “not identified”.

ELO urges the European Commission to adopt a holistic, yet economically grounded, strategy for generational renewal - one that supports skills, capital, and rural infrastructure, but that recognises farm succession as the linchpin of structural continuity in European agriculture. If succession is enabled, a large part of the access to land challenge is resolved. If successors are supported to be competitive, the profession gains in attractiveness. And if these transitions are based on merit and responsibility, public support will yield durable results.

ELO remains at the Commission’s disposal to contribute further to this process and to offer

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