



# **Commission simplifies Common Agricultural Policy to support farmers and enhance competitiveness**

Brussels, 14 May 2025

To simplify the Common Agricultural Policy (CAP) and boost farmers' competitiveness, the European Commission is presenting today a large package of measures targeting the administrative burden, controls, implementation, crisis response and investment needs of the sector. The changes could save up to  $\leq 1.58$  billion annually for farmers and  $\leq 210$  million for national administrations, while making payments, certain requirements, and crisis tools more flexible and easier to manage. This initiative is part of a broader simplification effort aligned with the <u>EU's Competitiveness Compass</u> and supports the competitiveness, resilience and digitalisation of the agricultural sector, as well as young and organic farmers specifically.

Farmers across the EU are subject to heavy administrative obligations that often fail to reflect the realities on the ground. This regulatory burden is time consuming and generates costs for farmers and national administrations. It leads to lower acceptance of obligations and may also discourage investment.

To address these challenges, the Commission is now proposing targeted solutions through a set of concrete legislative changes based on operational experience and extensive feedback from stakeholders and Member States.

### Simplified payment scheme for small farmers

To make it more attractive, the annual lump-sum payment – that is, a single, annual disbursement – limit for small farmers will be increased from  $\leq 1,250$  to  $\leq 2,500$ . The purpose of these payments for small farmers is to promote a more balanced distribution of support, strengthen the vitality of rural areas where small farms play a key economic role, and reduce administrative burdens for both farmers and authorities. These farmers will also be exempted from certain environmental rules (conditionality) while they may benefit from payments that reward eco-friendly farming (eco-schemes).

# Simplified environmental requirements and controls

The simplification package aims to better accommodate diverse farming practices and local conditions, while reducing overlap with existing national rules.

For example, certified organic farms will automatically be considered as meeting some of the EU's environmental requirements for funding.

For some of the more demanding requirements, farmers may benefit from incentives to protect peatlands and wetlands, as set out under Good Agricultural and Environmental Condition 2 (GAEC 2). This support will also help them comply with national rules that go beyond EU standards, ensuring fair compensation for their efforts.

To reduce the administrative burden of controls, controls will be streamlined through the use of satellite and technology. In addition, a new principle will be introduced: only one on-the-spot check per year per farm.

# Strengthened crisis management and simpler procedures for national administrations

EU farmers affected by natural disasters or animal diseases will be better supported thanks to new crisis payments available under CAP Strategic Plans and thanks to more flexible and accessible risk management tools.

Member States will benefit from greater flexibility in adapting their CAP Strategic Plans, with prior

approval from the Commission required only for strategic amendments. This will have a positive impact on the farmers who will benefit faster from the changes introduced.

# Enhanced competitiveness and digitalisation

Small farmers will find it easier to get financial support through a new simple funding option offering up to €50,000 as a lump-sum to help improve the competitiveness of their farms.

National administrations will be further encouraged to develop interoperable digital systems. Following the "report once, use multiple times" principle, the aim is that farmers will only have to submit their data once, through a single system, saving time, cutting administrative costs, and improving farm management.

# Next steps

The legislative proposal will now be submitted to the European Parliament and the Council for adoption.

Alongside changes to the main CAP rules, the Commission will also propose later this year further simplification measures, including from areas outside agriculture, aimed at reducing reporting and control burden and facilitating uptake of the new flexibilities offered by the CAP simplification omnibus. These steps are outlined in a <u>roadmap</u>.

# Background

During the current mandate, the Commission is tackling, as matter of priority, overlapping, unnecessary, or disproportionate rules that place an undue burden on EU businesses and prevent development. The Commission is setting a new course towards simplifying EU rules to make the EU economy more competitive and more prosperous. The Commission has a clear target to deliver an unprecedented simplification effort by achieving at least 25% reduction in administrative burdens, and at least 35% for SMEs until the end of this mandate, without undermining related policy objectives. The first 'Omnibus' package adopted in February covered a far-reaching simplification in the fields of sustainable finance reporting, sustainability due diligence, carbon border adjustment mechanism, taxonomy, and European investment programmes.

In agriculture, this means enhancing the competitiveness of EU farms while reducing the administrative burden for both farmers and public authorities and taking account of the diverse situations and needs of EU farmers.

Today's agricultural package builds on the simplification measures already introduced by the European Commission in 2024 It is part of a broader process that will continue later this year with a cross-cutting legislative simplification package, targeting other policies impacting farmers, agri-food businesses, and administrations.

The simplification package is a key deliverable from the <u>Vision for Agriculture and Food</u> presented by the Commission in February 2025.

# For more information

Questions and Answers on the Common Agricultural Policy simplification package

Common Agricultural Policy simplification package

Roadmap for simplifying the CAP legal framework to reduce burden on farmers and national administrations

Staff Working Document accompanying the Common Agricultural Policy simplification package

Study on simplification and administrative burden for farmers and other beneficiaries under the CAP

EU actions to address farmers' concerns - European Commission

<u>Commission presents its roadmap for a thriving EU farming and agri-food sector - European</u> <u>Commission</u>

IP/25/1205

Quote(s):

"The package presented today opens up new opportunities for farmers. Our goal is to intervene in the current programming to deliver concrete results in a short time. We want to act immediately, with determination and effectiveness. We are listening to the needs of the agricultural sector and responding in a targeted way to their demands, to put them in the best conditions to work, strengthen the sector's competitiveness, and offer European citizens a modern, efficient agriculture focused on the product—not on bureaucracy."

Raffaele Fitto, Executive Vice-President for Cohesion and Reforms - 14/05/2025

"This comprehensive package of measures to support Europe's agriculture sector is another significant step forward in delivering our simplification agenda. We need to support Europe's farmers with rules that are simpler, more proportionate, and better tailored to their needs. Our measures will help save nearly €1.6 billion per year for Europe's farmers while making rules and supports easier to navigate. Cutting red tape will move the focus to what matters most - farming, not forms." Valdis Dombrovskis, Commissioner for Economy and Productivity; Implementation and Simplification - 14/05/2025

"We are bringing back pragmatism in the Common Agricultural Policy. Our proposals today strike a balance between the need to have a policy fit for the realities on the ground while safeguarding a certain stability for all agricultural stakeholders. The Commission is on farmers' side, and we are doing our best to cut the bureaucracy so they can focus on what they do best; producing food for all of us while protecting our natural resources. I am confident that these measures will deliver concrete results on the ground. I call on co-legislators to adopt this proposal by the end of the year so changes can already reach farmers in 2026." Christophe Hansen, Commissioner for Agriculture and Food - 14/05/2025

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#### Related media

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Read-out of the weekly meeting of the von der Leyen Commission by Raffaele Fitto, Executive Vice-President of the European Commission, Valdis Dombrovskis, and Christophe Hansen, European Commissioners, on simplifying the Common Agricultural Policy to support farmers and enhance competitiveness