

# **Better targeting of income support in the Common Agricultural Policy**

Background to the CAP 2028-2034 proposal

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ANALYTICAL BRIEF N°11



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# Introduction

The Common Agricultural Policy (CAP) has been instrumental in supporting the European agricultural sector. In the current programming period (2023-2027), it is providing a **vital income safety-net for farmers** through direct payments, and other support tools (i.e., investment) that contribute to broader CAP objectives.

As the CAP continues to evolve, adapting to new challenges and opportunities, the need for a more **targeted and effective income support** system has become increasingly evident. The CAP 2028-2034 proposal acknowledges this requirement, outlining a vision for a fairer and more sustainable agricultural policy that provides the possibility for Member States to prioritise income support for those who need it most, in line with the policy objectives of ensuring food security, safety, quality, and sustainability for 450 million European citizens and maintain EU leadership in global markets, contributing to global food security.

With a minimum ring-fenced budget of €293.7 billion for income support proposed under the National and Regional Partnership Fund **for the period 2028-2034**, the proposed future CAP rules aim to contribute to the viability of the farming community, while also recognising that farm incomes differ considerably between sectors, farm sizes, age groups, and geographical areas.

Differentiation of support is at the core of the new model, allowing for a fairer distribution of income support and enhanced targeting, thereby increasing the effectiveness of public support, and addressing the specific challenges faced by different types of farms. In particular, the proposed CAP makes it easier for Member States to redistribute support to the benefit of small- and medium-sized farms and specific groups of farms or farmers, such as those in areas with natural or other specific challenges, young farmers, mixed farms (i.e. growing crops and raising grazing livestock), female farmers, and family farms, according to their specific needs.

To achieve this better targeting, the new CAP will combine different tools from the existing toolbox, such as the degressive area-based income support (DABIS), coupled support, support for investment, sectorial interventions, and agro-environmental support, to address both income needs and food security. The new model will rely on strategic targeting, allowing Member States to develop tailored approaches and allocate support based on local conditions and socio-economic challenges.

This analysis complements the policy factsheet on better targeting income support<sup>1</sup> by providing an analytical background to the considerations underlying the policy orientation of the CAP on targeting income support. It provides a better understanding of the economic viability of market-oriented farms and the economic circumstances of specific categories of farms or farmers, supporting the proposals for the CAP 2028-2034 which aims at a more effective and targeted income support policy.

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<sup>1</sup> (EC 2025) Factsheet on 'A fairer and better targeted income support for farmers'

# Highlights

The proposals for the new Common Agricultural Policy (CAP) for the 2028-2034 period encompass a renewed focus on better targeting of income support to ensure that support reaches those who need it most, in line with the policy objectives. This approach is based on the recognition that the economic viability of farms differs considerably between and within sectors, farm sizes, age groups, and geographical areas, and that allows for a tailored design of income support interventions.

The economic viability of EU farms is a cornerstone for ensuring the resilience and sustainability of the agricultural sector. An analysis of Farm Accountancy Data Network (FADN) data from 2021-2023, which categorises farms into four groups based on their degree of economic viability, provides a simplified representation of the disparity in farm income within specific classes or areas (such as economic size, farming types, and Member States). The analysis reveals that:

- **13% of EU-27 market-oriented farms are not economically viable**, with 6% of farms incurring a negative income even if depreciation is not taken into account, compared to 87% of farms that are economically viable.
- The **share of economically viable farms is lower among mixed crops and grazing livestock farms**, with only 22% of farms able to cover all costs, including imputed costs, compared to all other farms specialised farms.
- The **smallest farms in economic terms are the most vulnerable**, with 22% of farms with an economic size below EUR 8 000 experiencing negative income, compared to 10% of farms with an economic size above EUR 100 000.

The analysis also examines the income levels and economic viability of specific farm categories that may require income support (or have been identified as in need). These categories include:

- **Farmers in areas with natural constraints (ANC)**, who have **an average farm income per worker** of 26 200 EUR in 2021-2023, which is **26% lower** than the average income of farmers in non-ANC areas.
- **Young farmers**, who have an average farm income per worker of 27 600 EUR in 2021-2023, which is **14% lower** than the average income of older farmers.
- **Mixed farms**, which combine both crop and livestock production, have an average farm income per worker of 24 600 EUR in 2021-2023, which is **25% lower** than the average income of specialised farms.
- **Female farmers**, who have an average farm income per worker of 21 300 EUR in 2021-2023, which is **37% lower** than the average income of male farmers.
- **Family farms**, which have an average income per worker of EUR 24 800 EUR, which is **47% lower** than that of other farms.

Additionally, a comparative analysis of the economic viability of these specific categories of farmers and farms reveals a diverse range of economic situations within these categories and across the EU. In spite of its methodological limitations, the analysis is appropriate to justify the need for flexibility to be provided to Member States, enabling them to design income support interventions that consider the underlying structural, economic, or environmental factors contributing to the income vulnerability of these farms, thereby ensuring that support is tailored to their specific needs.

By creating such an enabling environment for Member States to better target support, including for these specific categories of farmers and farms, the CAP can help maintain food security, promote local food systems, sustain employment and preserve the environment, in line with the overall policy objectives and the objectives specific for each Member State.

This approach recognises that such farms can be key to supplying high-quality food, promoting genetic and ecological diversity, and mitigating climate change. Their preservation can contribute to vibrant rural communities, where local traditions and knowledge are maintained, ultimately ensuring viable, resilient and sustainable food systems that benefits the EU and its economy.



# 1. Economic viability of market-oriented<sup>2</sup> farms

The economic viability of EU farms is a cornerstone for ensuring the resilience and sustainability of the agricultural sector. Our analysis provides insights into the current economic viability of EU farms, leveraging Farm Accountancy Data Network (FADN) data from 2021-2023<sup>3</sup>. The analysis classifies farms by their economic viability, and identifies the groups of farms that are the most vulnerable in economic terms at the EU and Member State levels, and by type of farming and economic size of farms.

The analysis, based on FADN data, focuses exclusively on market-oriented farms, excluding subsistence and semi-subsistence farms. This scope allows for a detailed examination of farms primarily engaged in commercial agriculture, yet it inherently limits the breadth of insights regarding the entire spectrum of farming operations within the EU. By not accounting for off-farm income, the analysis does not capture additional revenue streams that can significantly influence the economic stability and resilience of farming households, potentially overlooking a key component of financial viability. Moreover, the analysis does not encompass the broader aspects of farm sustainability, such as environmental and social dimensions, limiting its interpretation on the long-term sustainability of farms.

For the purpose of this analysis, economic viability is a farm's capacity to generate sufficient income to sustain operations and cover costs, including imputed costs of own labour, land, and capital<sup>4</sup>. Farms are categorised into four groups based on their farm net income relative to costs:

1. **Group 1 (most economically viable):** these farms are positioned to cover all costs, including imputed ones. They have the capacity not only to sustain operations but also to save and invest, ensuring potentially long-term growth and resilience.
2. **Group 2 (still viable):** farms in this group generate positive income but fall short of covering imputed costs. While they remain operational, they are likely to face limitations in growth potential and may require strategic support to enhance viability.
3. **Group 3 (non-viable):** these farms experience losses, however, they retain the potential for positive income if depreciation is delayed. This group highlights the need for

targeted interventions to stabilise their economic health and prevent further decline.

4. **Group 4 (most inviable):** farms in this group are under severe financial distress, experiencing losses with no prospect of positive income even if depreciation is deferred. These farms are the most vulnerable, requiring immediate attention and support to address structural issues and improve economic sustainability.

[Graph 1](#) shows the evolution of farm net value added per work unit over time (dots, right axis). Farm net value added (FNVA) is calculated as gross farm income minus depreciation costs. It is used to remunerate the fixed factors of production (labour, land and capital), whether they be external or family factors. This allows agricultural holdings to be compared regardless of whether family or non-family factors of production used.

This average value facilitates comparisons, but it does not reveal differences among farms. To provide a more nuanced understanding, farm net income is used for the economic viability analysis. It is calculated as the total receipts (i.e., the output generated by the farm and public support, including EU/CAP and national subsidies) minus the costs (encompassing intermediate consumption, depreciation, external factors and imputed costs of own factors). In the graph, the bars represent the distribution of farms in a given year (or for a given category in others similar graphs presented in this document), based on their capacity to cover costs and generate profit with their farm net income. This means that the receipts of each farm are compared to its costs, and it is not an absolute income level. For instance, two farms with the same farm net income may be classified in different viability groups if one relies heavily on external factors and the other on its own factors with imputed costs. Despite having the same income, they could possibly be assigned to different groups. Moreover, being economically viable (Group 1 and Group 2) does not necessarily mean that farming is attractive as the average income in agriculture is lower than wages in the broader economy.

FNVA per annual work unit (AWU) and farm net income, which is used to classify farms based on their economic viability, are two distinct metrics to evaluate farm income. FNVA/AWU is used for comparisons, irrespective of the ownership of production costs (external versus own factors). In contrast, farm net income considers the costs of external factors, and, for the viability analysis purpose, also imputed costs of own factors are taken into account. Due to these differing approaches, FNVA/AWU and farm net income can lead to varying results and conclusions regarding the economic health of a farm.

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<sup>2</sup> In FADN, market-oriented farms are defined based on their economic size, which is measured by the Standard Output (SO). The SO is a statistical measure that reflects the economic size of a farm, taking into account the value of its agricultural production. Each Member State sets out a minimum economic threshold above which a farm will be considered market-oriented. The FADN sample represents 97% of the total EU agriculture standard output, on average, in 2021-2023.

<sup>3</sup> Data for 2023 are preliminary and do not include data for Malta (currently unavailable for 2022 and 2023). Data for 2021 and 2022 for Romania remain preliminary.

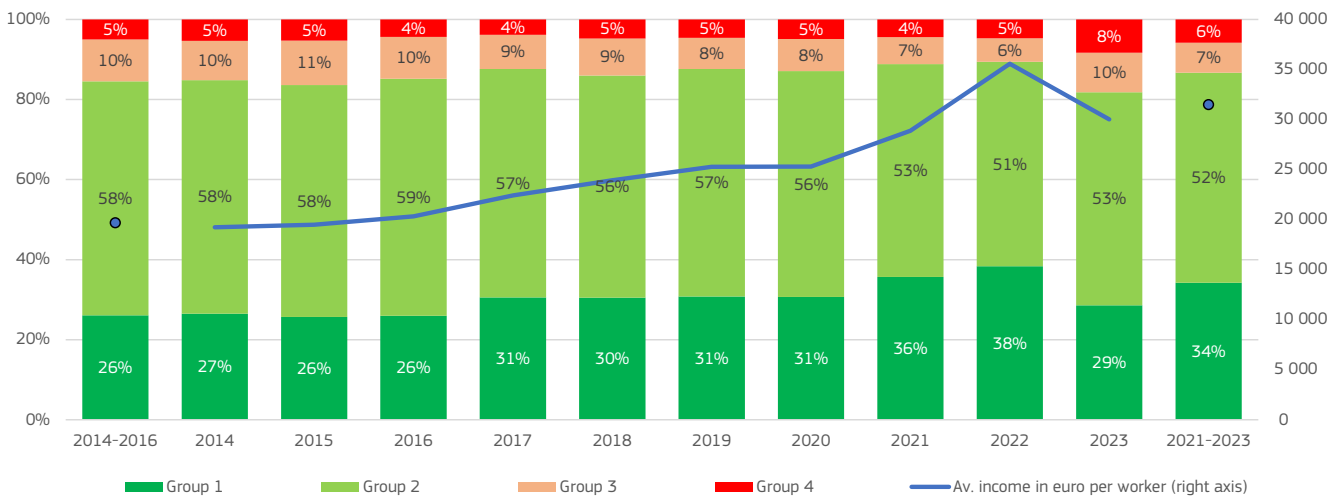
<sup>4</sup> For this analysis, imputed costs refer to the use of resources that a farm already owns. These costs are estimated by observing similar farms in FADN, using

average wages, rents, and interest rates. Imputed costs of labour are calculated by multiplying the average wage by the time worked by farmers and their families, who typically provide unpaid labour. This figure represents the expense the farm would incur if it had to hire workers instead of relying on unpaid family labour. Imputed costs of land are determined by multiplying the average rent per hectare by the number of hectares owned by the farm. This amount reflects the cost the farm would face if it needed to rent the land rather than use land it already owns. Imputed costs of capital are evaluated based on the average interest rate. This cost represents what the farm would pay to borrow funds instead of utilising its own capital.

## Key findings

The analysis of EU-27 market-oriented farms reveals a nuanced picture of economic viability over the recent period ([Graph 1](#)). The share of farms that can be considered economically viable grew from 85% in 2014-2016 to 87% in 2021-2023 (average), with more than 34% of market-oriented farms having an income higher than imputed costs of own factors pointing to strong economic viability, and more than 52% having an income lower than the imputed cost of own factors pointing to a weaker economic viability. This is a dampened development compared to the 2020-2022 average, as the preliminary 2023 data depict a decline of the share of economically viable market-oriented farms, following years of continued improvement.

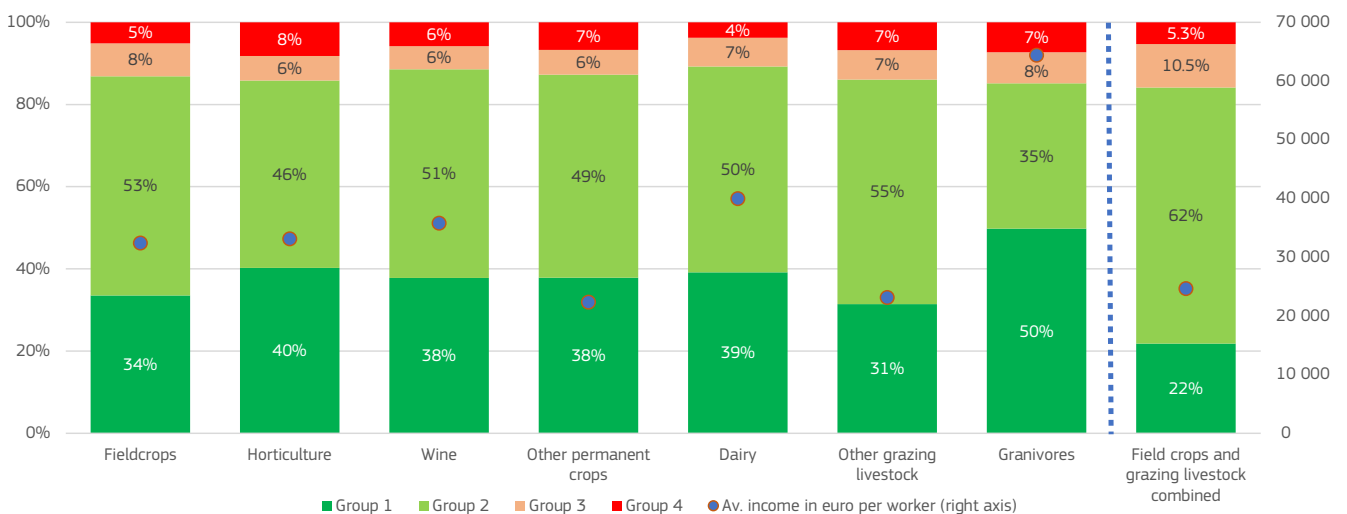
**GRAPH 1 – Proportion of farms by viability group and average FNVA/AWU in EUR, in EU27, in 2014-2023**



Source: FADN

Compared to 89% of economically viable market-oriented farms in 2022, the share dropped to 82% in 2023, with only 29% of market-oriented farms being able to cover all their costs, including imputed costs (down from 38%). Additionally, 18% of market-oriented farms reported losses – the highest level of the decade – with 8% experiencing negative income even if depreciation had been excluded from the costs. These figures highlight the growing economic pressures on farms, underscoring the need for targeted support and interventions to bolster economic resilience. The analysis of market-oriented farms across various specialisations reveals significant disparities in economic viability ([Graph 2](#)). Farms specialised in pigs, poultry, sheep and goats had still the largest share of most economically viable farms, while other livestock farms exhibited lower economically viable operations, having the smallest share of farms able to cover all costs, including imputed costs. Particularly striking is the situation for field crops and grazing livestock farms, where only 22% are deemed most economically viable (group 1), a figure considerably lower than other farm types.

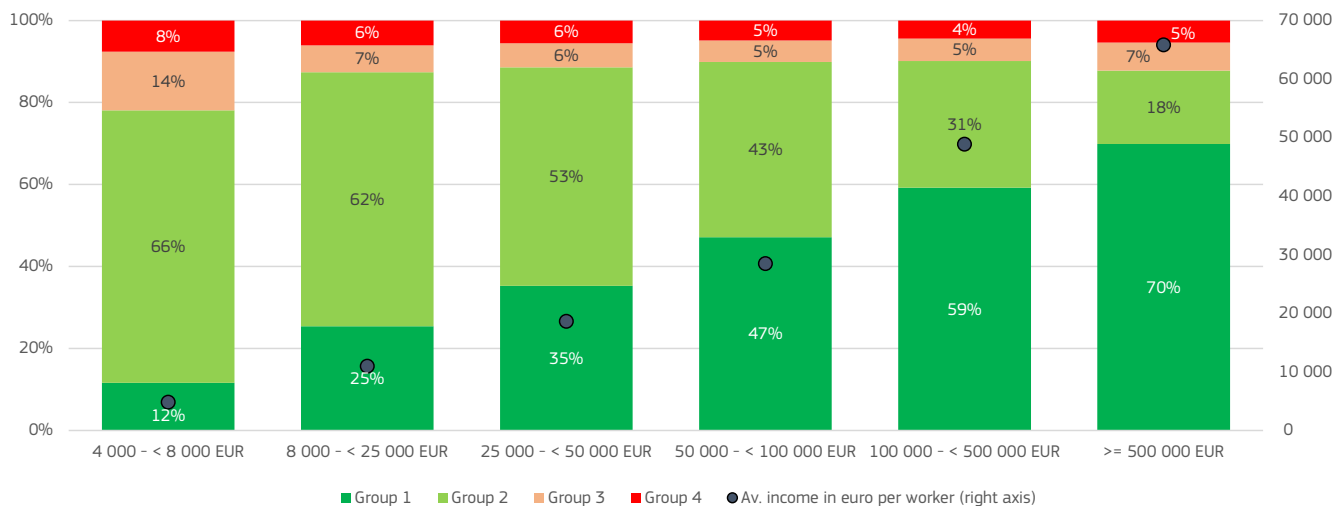
**GRAPH 2 – Proportion of farms by viability group by type of farming and average FNVA/AWU in EUR, in EU27, average 2021-2023**



Source: FADN

Irrespective of the sector, farm economic size<sup>5</sup> plays a significant role when it comes to income: the higher costs per hectare of larger farms are compensated by higher production value, resulting in greater overall profitability<sup>6</sup> (*Graph 3*, right axis). Economic size also plays a critical role in viability. The largest farms, in economic terms, were the most viable in 2021-2023 (between 88% and 90% of the farms above EUR 100 000 belong to group 1), demonstrating the capacity to cover their imputed costs, benefiting from economies of scale and operational efficiencies. In stark contrast, the smallest economic size class (below EUR 8 000) was notable for having the largest proportion of non-viable farms, with 22% of farms experiencing negative income – indicative of the economic vulnerabilities faced by those farms. Other economic size classes showed lower non-viable farm percentages, ranging from 10% to 13%, highlighting the relative stability larger farms tend to have.

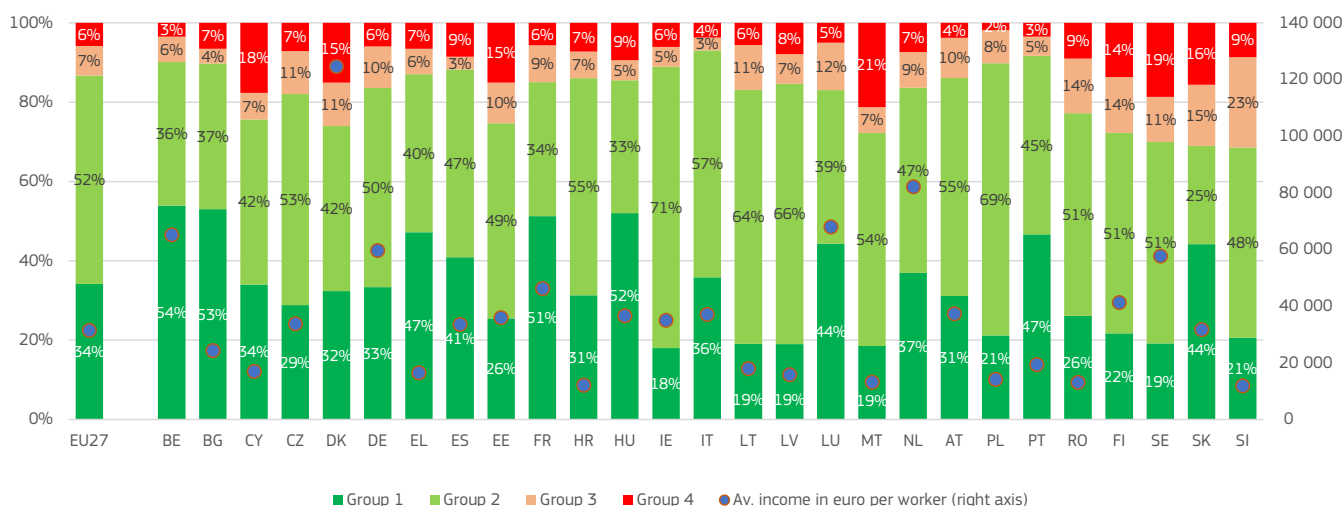
**GRAPH 3 – Proportion of farms by viability group by economic size class and average FNVA/AWU in EUR, in EU27, average 2021-2023**



Source: FADN

Geographically (*Graph 4*), Belgium, Hungary, France and Bulgaria stand out with the highest shares of economically viable market-oriented farms, where over half had positive income and could cover their imputed costs. On the opposite end, Slovenia, Slovakia and Sweden reported the highest shares of economically non-viable farms (Groups 3 and 4), with 30% of farms or more experienced losses in 2021-2023. These regional disparities underscore the need for tailored policy interventions to address specific challenges and enhance the economic resilience of farms across different Member States.

**GRAPH 4 – Proportion of farms by viability group by Member State and average FNVA/AWU in EUR, average 2021-2023**



Source: FADN

<sup>5</sup> Economic size classes are based on farms' standard output, which is defined as the average monetary value of agricultural output at farm-gate prices, expressed in euros per hectare or per head of livestock.

<sup>6</sup> EC (2025), *Explore farm incomes in the EU- Key developments in 2023, Farm economics overview based on 2023 FADN data*, July 2025.

## 2. Economic performance of specific categories of farmers and farms

The Vision<sup>7</sup> for agriculture and food highlights the imperative for a fairer and more sustainable agricultural policy, emphasising the need to prioritise support for those who need it most. Through analysis of FADN data from 2021 to 2023, certain farm categories have been identified as requiring substantial income support due to lower income levels and economic non-viability. These farms face significant financial hurdles that threaten their sustainability and potential for modernisation, adaptation or growth. Lower farm income can be indicative of several underlying issues, such as poor market access, limited economies of scale, or adverse climatic conditions. These factors collectively contribute to reduced profitability and competitiveness, necessitating targeted policy measures to bolster the economic resilience of these farms.

### 2.1 Farms in areas with natural constraints

#### Definition and challenges

Farms in areas with natural constraints (ANC)<sup>8</sup> operate in regions where agricultural productivity is hindered by challenging conditions. These constraints can include mountainous terrain, unfavourable climate, poor soil quality, or limited water availability. Such areas often face difficulties in maintaining viable agricultural activities due to higher production costs and lower yields. The CAP provides support to these farmers to ensure sustainability, prevent land abandonment, and promote environmental conservation, helping to maintain rural communities and landscapes.

Three categories of ANC were established by Article 32 of Regulation (EU) 1305/2013 and remain those taken into consideration in the current CAP period:

- Mountain areas,
- Areas, other than mountain areas, facing natural constraints,
- Other areas affected by specific constraints.

#### Proportion in the overall population and FADN coverage

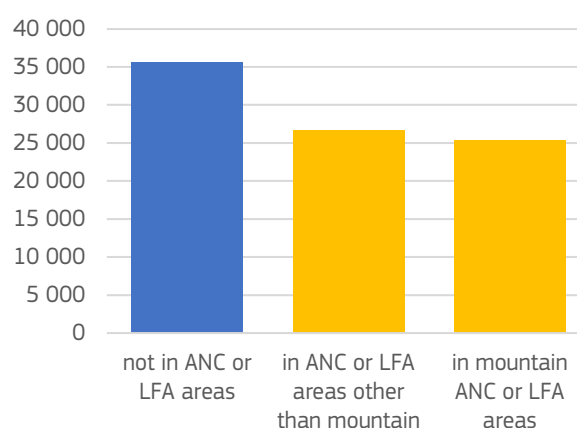
According to Integrated Farm Statistics (IFS) 2020<sup>9</sup>, approximately 35% of farms in the EU are located in ANC. The new ANC delimitation carried out during the 2014–2022 programming period makes trend analysis challenging over the period 2010–2020, as boundaries and definitions may shift during this period, affecting statistical comparisons.

In the FADN, nearly half of both the sample and the represented population are located in ANC. The proportion of farmers operating in ANC varies significantly across Member States, with the lowest share recorded in the Netherlands (0%) – no ANC areas are designated in this country –, Hungary (1%) and Denmark (3%) and the highest in Finland and Estonia (100%) in 2021–2023. Notably, more than half of the EU's ANC farms is concentrated in Poland, Spain and Italy.

#### Economic results

The average farm income per worker in ANC is 26 200 EUR/AWU, in the 2021–2023 period. Farms located in ANC tend to have lower income per worker compared to farms in non-ANC areas with a deficit of 26%. In particular, farms in mountain areas exhibit the lowest average income, at 29% less than those in non-ANC areas ([Graph 5](#)).

**GRAPH 5 – FNVA/AWU by type of area, in EUR, average 2021–2023**



Source: FADN

Across the EU, the spread of income per worker in ANC reveals that the core<sup>10</sup> of farms in these areas have incomes ranging from 4 400 EUR/AWU to 29 800 EUR/AWU in 2021–2023, highlighting disparities in economic outcomes.

<sup>7</sup> (EC 2025), A Vision for Agriculture and Food

<sup>8</sup> The legal framework for areas facing natural constraints under the CAP is primarily outlined in Regulation (EU) No 1305/2013 on support for rural development. Specifically, Article 32 of this regulation defines the criteria for identifying areas with natural constraints. In the current CAP framework, the provisions for areas facing natural constraints are detailed in Regulation (EU)

2021/2115. Article 71 of this regulation specifically addresses payments for areas with natural constraints.

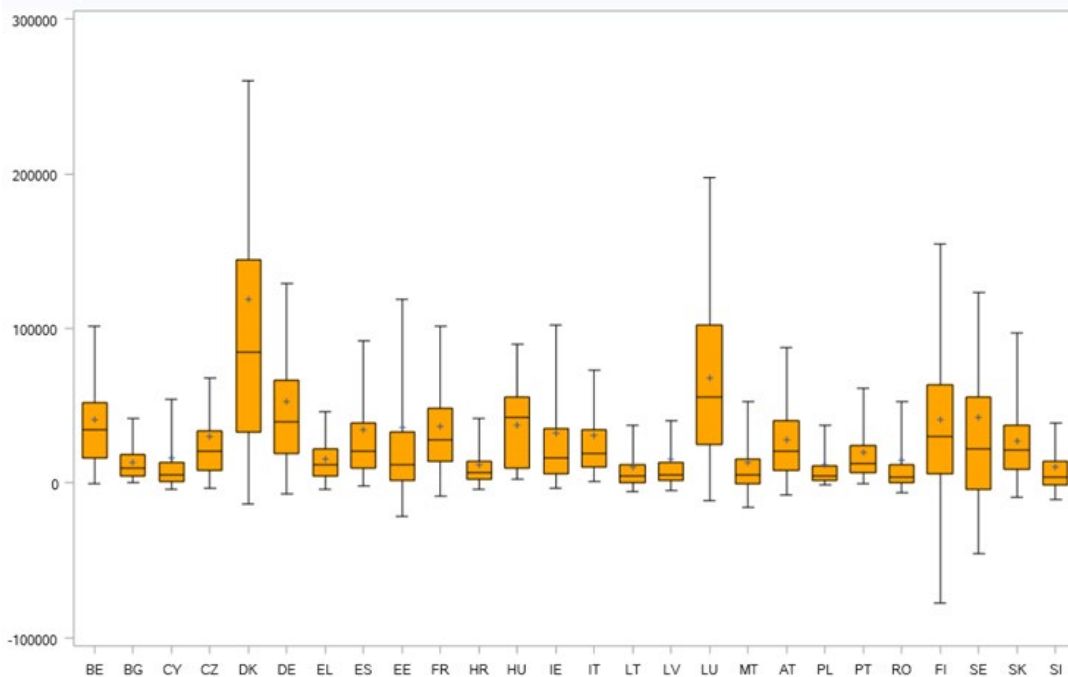
<sup>9</sup> Source

<sup>10</sup>In this context, 'core' refers to the interquartile range, which includes the 25th to 75th percentiles.

[Graph 6](#) depicts the distribution of income per worker in ANC (mountain and non-mountain areas) within each Member State. The cross symbol represents the average income, while the line within the coloured bars indicates the median value. The coloured boxes represent the interquartile range, which extends from the 25<sup>th</sup> to the 75<sup>th</sup> percentile. The whiskers on the plot denote the 5<sup>th</sup> and 95<sup>th</sup> percentiles, providing a visual representation of the income distribution range.

A comparison of income distributions across the 27 Member States reveals relative concentrated farm income values per worker in ANC, with the notable exception of 4 Member States (Denmark, Luxembourg, Finland and Sweden<sup>11</sup>), which exhibit significant variability in farm income. These disparities between Member States underscores the diverse challenges faced by farmers in ANC and the need for tailored policy interventions to support their economic resilience.

**GRAPH 6 – Distribution of FNVA/AWU for farms located in ANC within each Member State, in EUR, in 2021-2023**



Source: FADN

## 2.2 Young farmers

### Definition and challenges

Under the current CAP, a “young farmer” is defined as a person who is no more than 40 years of age at the time of submitting the CAP support application, possesses adequate occupational skills and competence, and is setting up in an agricultural holding as head of that holding for the first time.

Young farmers<sup>12</sup> face several challenges, including difficulties accessing land and capital, due high costs and limited availability. Additionally, young farmers may encounter difficulties securing financing due to a lack of credit history. Despite having higher levels of formal agricultural training, they also need support with gaining knowledge and skills, as they may have less experience compared to older farmers. Targeted

income support through the CAP can help alleviate these barriers by providing financial assistance, education, and access to resources, thereby encouraging young people to enter and remain in the farming profession.

### Proportion in the overall population and FADN coverage

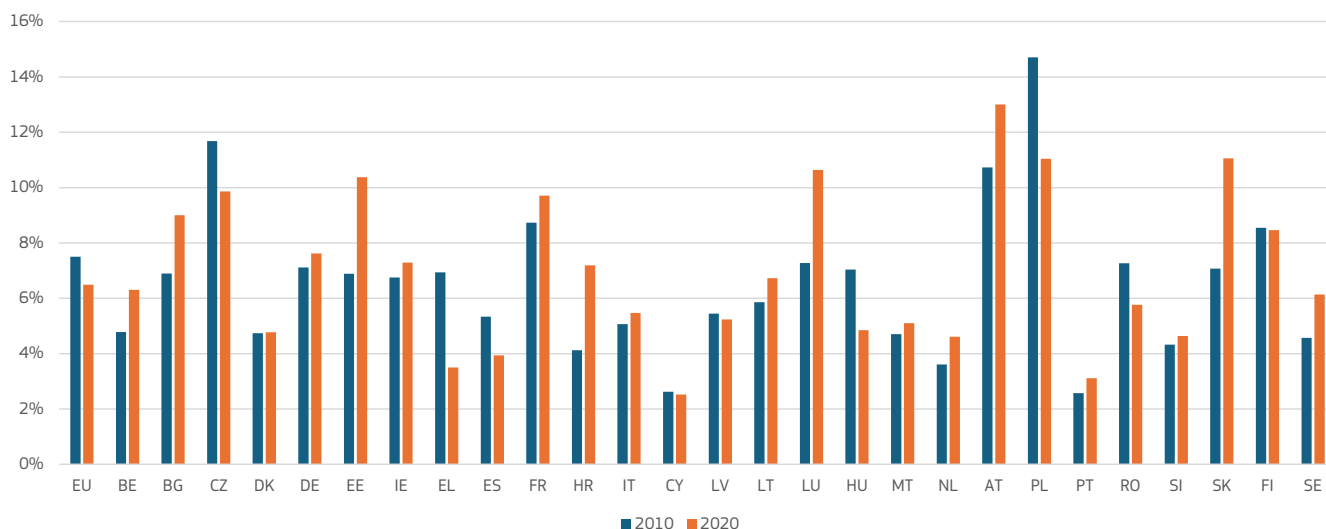
Under In the EU, approximately 1 million farms were run by managers below 40 years old in 2020, accounting for only 12% of the total farming population. The proportion of young farmers varied significantly among Member States, with Cyprus having the lowest share at 5.1% and Austria the highest at 23.4%. Notably, more than half of the EU’s young farming population is concentrated in Romania and Poland.

<sup>11</sup>About 2.4% of Denmark’s agricultural land is in ANCs, Luxembourg and Finland nearly 100%, and Sweden around 50%.

<sup>12</sup>EC (2025), [Young farmers in EU agriculture](#), October 2025

Comparisons with 2010 data are limited to the age class below 35 years old ([Graph 7](#)). Over the decade, the share of young farmers in the EU decreased by 1 percentage point, from 7.5% in 2010 to 6.5% in 2020. However, trends differed substantially across Member States, highlighting the need for a more nuanced understanding of the dynamics at play.

**GRAPH 7 – Share of farms run by farmers below 35 years old in the EU – comparison 2010-2020**



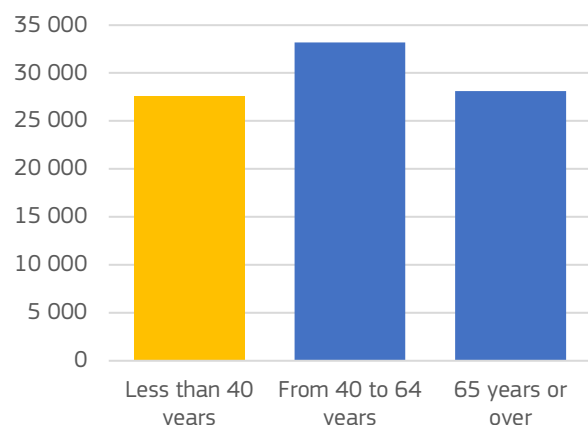
Source: AGRI calculation based on ESTAT FSS/IFS (online database: [ef\\_m\\_farmang](#) - 05/08/2025)

In both the FADN sample and represented population, 17% of farmers are under 40 years old<sup>13</sup>. Although, this may appear to be an overrepresentation, it is actually a relatively accurate reflection of the age distribution, considering the minimum economic thresholds applied to FADN. The FADN sample represents 86% of the total agricultural standard output of EU farms run by young farms, on average, in 2021-2023.

## Economic results

The average farm income per worker of young farmers is 27 600 EUR, in the 2021-2023 period. This income per worker is 14% lower than for other farmers ([Graph 8](#)).

**GRAPH 8 – FNVA/AWU by age group of farm manager, in EUR, average 2021-2023**



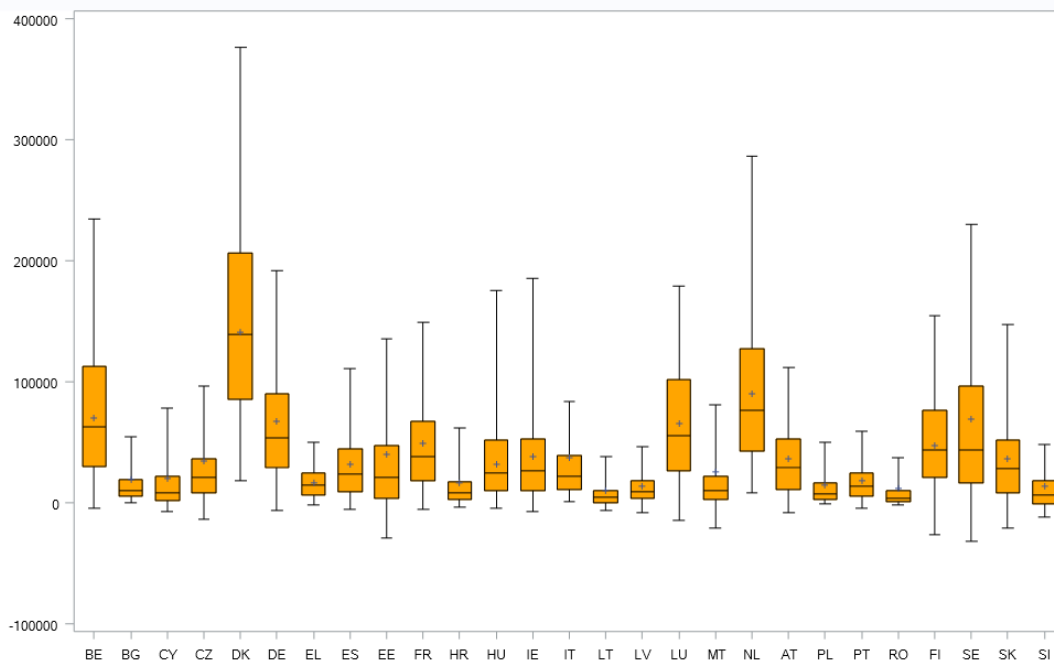
Source: FADN

The EU level results are heavily influenced by the lower than-average income levels in Poland and Romania. The farms of these two Member states constitute 44% of EU young farmers represented by the FADN survey and have income per worker levels notably lower than the EU average income of young farmers (for Poland, income is 51% of the EU average and for Romania it is 40%). In most Member States, young farmers have a higher average income than their older counterparts. In several Member States, farms managed by farmers aged 65 and over report the lowest income levels.

Income distribution among young farmers in the EU reveals that core farm incomes ranges from 3 500 EUR/AWU to 30 600 EUR/AWU in 2021-2023. Significant disparities exist across Member States ([Graph 9](#)), with notable income variability in Denmark, Sweden, the Netherlands, Belgium, and Luxembourg. These differences underscore the varied economic landscapes young farmers face, highlighting the need for tailored policy measures that address specific challenges within each country.

<sup>13</sup>The IFS and FADN methodologies for calculating age differ. In the IFS approach, age data is collected for only one manager, whereas FADN collects the birth year for each manager. The age calculation formula in FADN prioritizes holder-managers and takes into account the Annual Work Unit (AWU) (for the weighted average).

**GRAPH 9** – Distribution of FNVA/AWU in farms run by young farmers within each Member State, in EUR, in 2021-2023



Source: FADN

## 2.3 Mixed crops and grazing livestock farms

### Definition and challenges

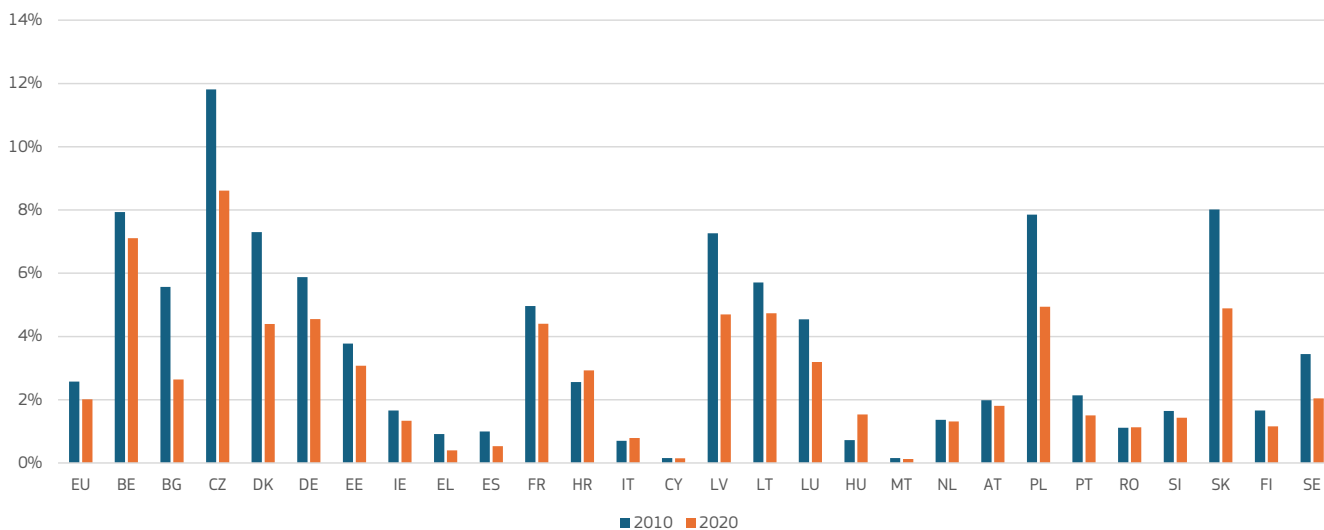
Mixed farms, combining both crop and livestock production, offer diversified farming practices that can enhance sustainability by promoting nutrient recycling, reducing dependency on external inputs, and improving resilience against market and climate fluctuations. Despite these benefits, the complexity of managing diverse operations and fluctuating income sources can create economic challenges, especially for farms combining field crops and grazing livestock.

### Proportion in the overall population and FADN coverage

In 2020, there were 182 000 field crops-grazing livestock combined farms in the EU, representing a 41% decline from 2010 ([Graph 10](#)). This decrease was observed in all Member States and their share of total farms also dropped in almost all Member States, falling from 2.6% to 2% at the EU level.

The proportion of mixed crops and grazing livestock farms varied significantly across Member States, with the lowest share recorded in Cyprus and Malta at 0.1% and the highest in Czechia at 8.6%. In absolute terms, more than half of the EU's mixed crops and grazing livestock farms are concentrated in Poland and Romania.

**GRAPH 10** – Share of field crops-grazing livestock combined farms in the EU – comparison 2010-2020



Source: AGRI calculation based on ESTAT FSS/IFS (online database: [ef\\_fsi\\_ecsz](#) - 12/11/2025)

Mixed crops and grazing livestock farms are overrepresented in the FADN, accounting for 5% of both the sample and represented population, representing slightly more than 100% of the total agricultural standard output of this type of farms in the EU, on average, in 2021-2023. This is likely due to the fact that mixed crops and grazing livestock farms have a larger economic size on average, and the FADN only includes farms above a certain economic threshold.

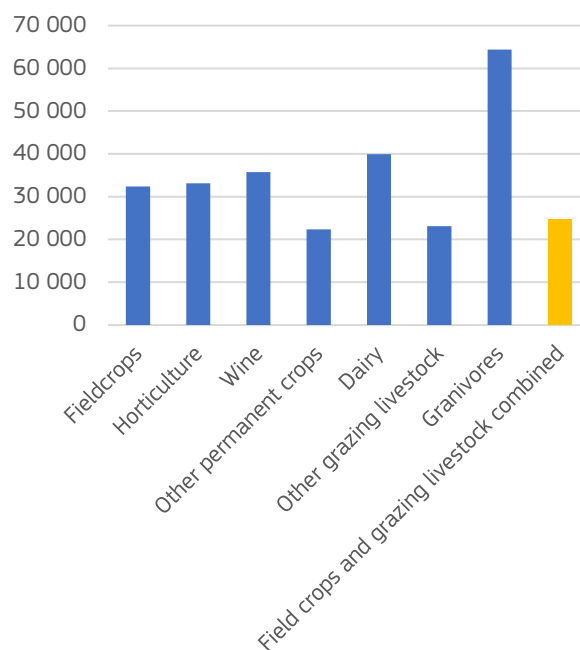
## Economic results

During the 2021-2023 period, mixed crops and grazing livestock farms had one of the lowest average incomes per worker, at 24 600 EUR/AWU, compared to all the other types of farming ([Graph 11](#)).

The income distribution among mixed crops and grazing livestock farms in the EU reveals that the core farm incomes ranged from 1 900 EUR/AWU to 21 500 EUR/AWU, in 2021-2023.

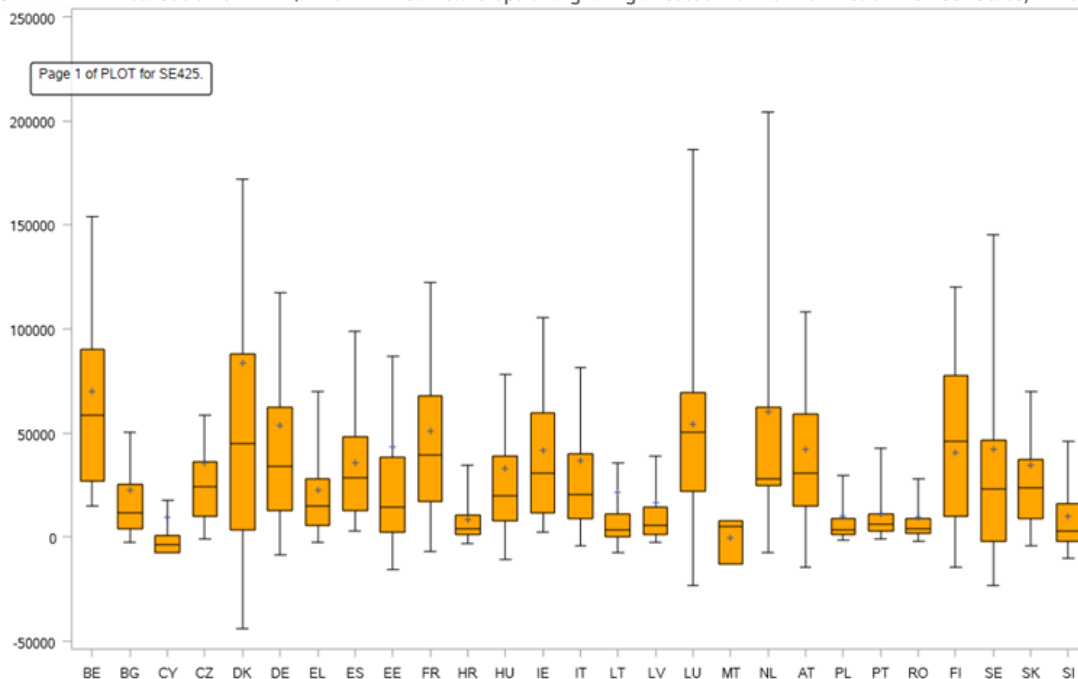
A comparison across the 27 Member States ([Graph 12](#)) shows very heterogeneous levels of farm income per worker for mixed farms, with some exceptions namely in Cyprus, Poland, Romania and Portugal. These heterogeneous income distributions highlight the diverse economic realities faced by mixed farms across different countries, emphasizing the need for tailored support and policies to address their specific challenges.

**GRAPH 11** – FNVA/AWU by type of farms, in EUR, average 2021-2023



Source: FADN

**GRAPH 12** – Distribution of FNVA/AWU in mixed field crops and grazing livestock farms within each Member State, in EUR, average 2021-2023



Source: FADN

## 2.4 Female farmers

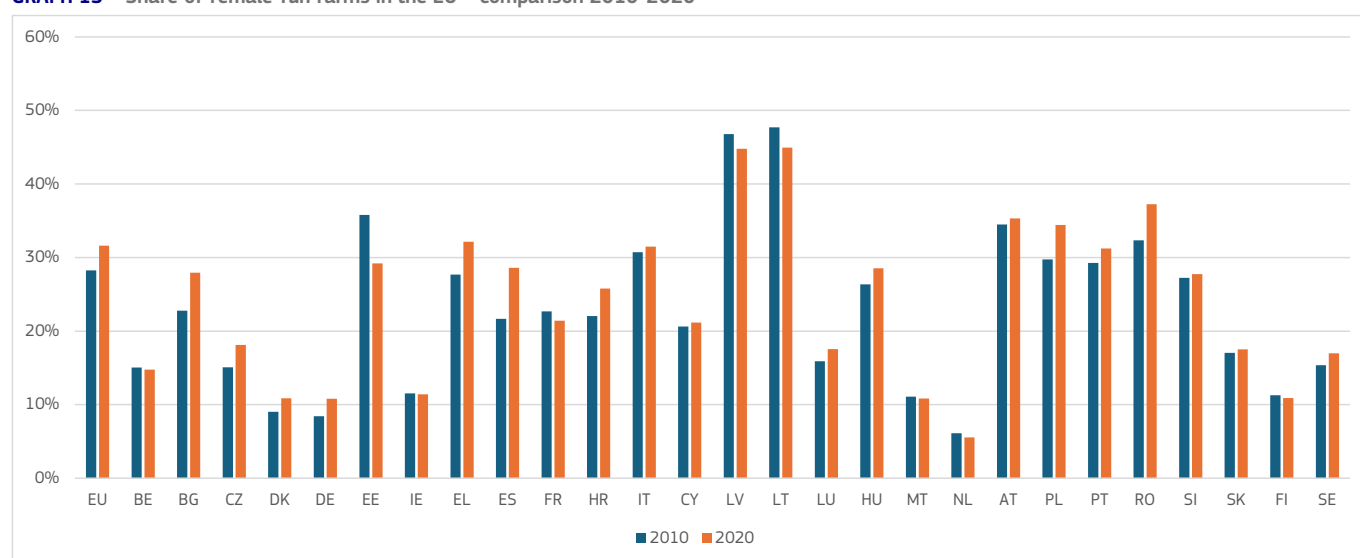
### Definition and challenges

Female farmers, defined as women who manage farms, can encounter significant challenges despite their crucial role in agriculture. A major issue is the disproportionate burden of unpaid domestic and caregiving work (in areas with a limited offer of such services), which limits their time for farming activities. Additionally, social and cultural norms often marginalise them in decision-making and restrict their access to land, finance, and markets. Better-targeted income support under the CAP can help address these barriers, empowering female farmers and promoting gender equality in the sector.

### Proportion in the overall population and FADN coverage

In 2020, women managed nearly one-third of farms in the EU (32%), equating to approximately 2.9 million holdings. This represents an increase from 2010, when female-run farms accounted for 28% in the EU ([Graph 13](#)). The proportion of female farmers has risen in most Member States. Among the few where it declined, the Baltic countries recorded the largest decreases. The proportion of female-run farms varied significantly across Member States, with the lowest share recorded in the Netherlands (6%) and the highest in Latvia and Lithuania (45% each). In absolute terms, almost two-third of the EU's female-run farms is concentrated in Romania (38%), Poland (16%) and Italy (12%).

**GRAPH 13** – Share of female-run farms in the EU – comparison 2010-2020



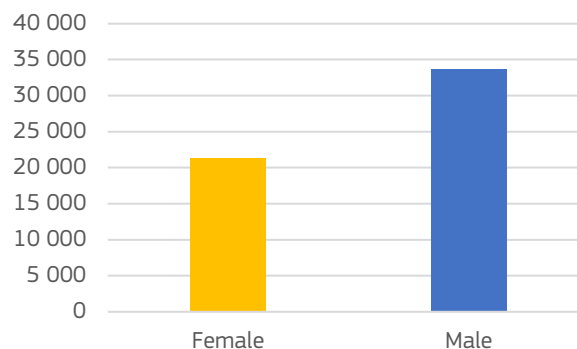
Source: AGRI calculation based on ESTAT FSS/IFS (online database: [ef\\_m\\_farmang](#) - 11/11/2025)

In the FADN survey, female farmers accounted for 20% of the represented population and 16% of the sample between 2021 and 2023<sup>14</sup>. The underrepresentation can be attributed to the fact that FADN only covers market-oriented farms. However, the FADN sample represents 75% of the total agricultural standard output of the EU female-run farms, on average, in 2021-2023. According to IFS 2020, the average economic size of farms run by women is significantly smaller, at only 38% of the average economic size of farms run by men.

### Economic results

During the 2021-2023 period, the average income per worker of female farmers was 21 300 EUR/AWU, which is 37% lower than that of male farmers ([Graph 14](#)).

**GRAPH 14** – FNVA/AWU by gender group of farm manager, in EUR, average 2021-2023

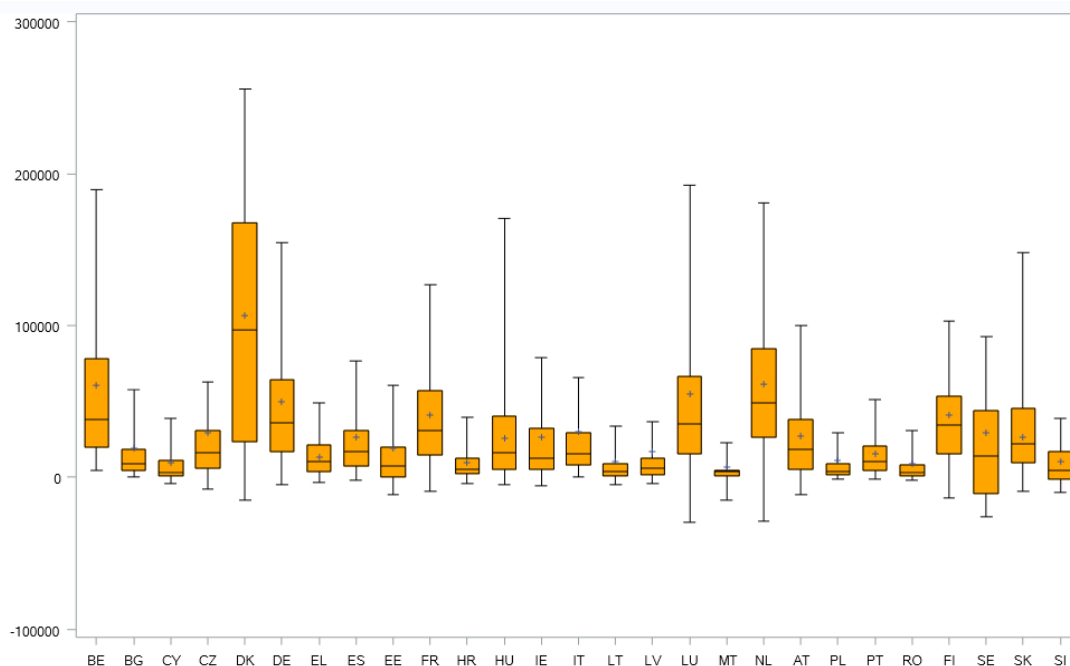


Source: FADN

<sup>14</sup>Just as with age, the methodology for collecting gender data differs between IFS and FADN. In IFS, gender information is recorded for only one manager, while FADN collects gender data for each manager. If there is an exact 50/50 gender distribution among managers, farms are classified as being run by women.

Income distribution among female farmers in the EU reveals that the core farm incomes ranged from 2 900 EUR/AWU to 22 700 EUR/AWU, in 2021-2023. While most Member States show a relatively homogeneous income distribution per worker ([Graph 15](#)), notable exceptions include Denmark, Belgium, Luxembourg, the Netherlands, and Sweden, where income variability is more pronounced. These disparities highlight the diverse economic challenges faced by female farmers across the EU, emphasizing the need for tailored policy measures to support their financial viability and enhance gender equality in agriculture.

**GRAPH 15** – Distribution of FNVA/AWU in female-run farms within each Member State, in EUR, in 2021-2023



Source: FADN

## 2.5 Family farms

### Definition and challenges

Family farms are defined as holdings that rely on the labour and capital of the holder/manager and their family, with these family members being the primary beneficiaries of the economic activities. They often face unique challenges, such as limited access to finance, technology, and markets, which can hinder their competitiveness and viability. Additionally, family farms may struggle with succession planning and the transfer of knowledge and skills to the next generation, which can threaten their long-term sustainability. Better-targeted income support under the CAP can help address these challenges, enabling family farms to maintain their economic viability, preserve their social and environmental contributions to rural areas, and ensure the continuation of their agricultural traditions and knowledge. By supporting family farms, the CAP can also promote rural development, job creation, and the preservation of rural communities, ultimately contributing to a more diverse and resilient agricultural sector.

### Proportion in the overall population and FADN coverage

There were 9.1 million farms in the EU in 2020, the vast majority of which (an estimated 93%) can be classified as family farms<sup>15</sup> (i.e. farms under family management where 50% or more of the agricultural labour force was provided by family workers). Family farms dominate the structure of EU agriculture in terms of the number of holdings, their contribution to agricultural employment and, to a lesser degree, the area of land that they cultivate and the value of the output they generate.

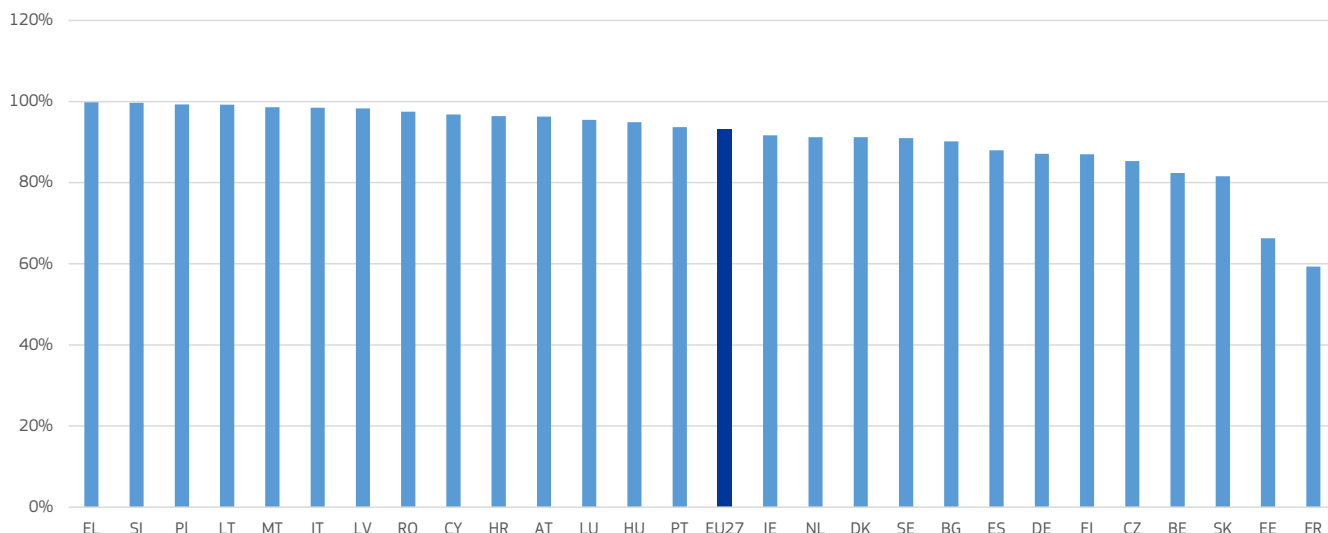
Family farms accounted for a majority of the utilised agricultural area in 2020 (about 61%), most of the total agricultural labour force (almost 78%), a majority of the livestock units (almost 55%) and standard output (about 56%).

Although non-family farms only represented about 7% of all farms in the EU in 2020, they accounted for much higher shares of land, labour force, livestock and standard.

Family farms accounted for at least 80% of all farms in all EU countries, except for Estonia (66%) and France (59%). The EU countries with the highest shares of family farms were Greece, Slovenia and Poland (all with about a 99% share of all farms), as illustrated in [Graph 16](#).

<sup>15</sup> <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20231024-2>

**GRAPH 16** – Share of family farms in the EU, in 2020



Source: AGRI calculation based on ESTAT FSS/IFS (online database: [ef\\_lf\\_fam\\_sh](#) – 03/11/2025)

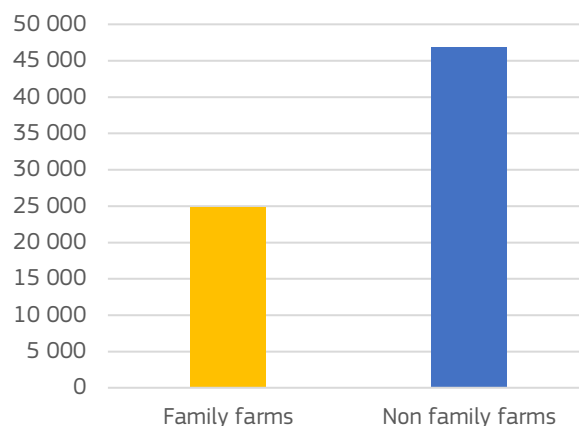
In farming population represented in the FADN survey, approximately 85% are identified as family farms (77% of the FADN sample). This figure represents a slight underrepresentation compared to the broader farming population. It can be attributed to the exclusion of semi-subsistence farms from FADN's field of observation, as these farms are inherently family-operated.

## Economic results

During the 2021–2023 period, the average income per worker of family farms was 24 800 EUR/AWU, which is 47% lower than that of non-family farms ([Graph 17](#)).

Income distribution among family farms in the EU reveals that the core farm incomes ranged from 4 000 EUR/AWU to 29 000 EUR/AWU, in 2021–2023. While most Member States show a relatively homogeneous income distribution per worker ([Graph 18](#)), notable exceptions include Denmark, the Netherlands, Luxembourg and Belgium, where income variability is more pronounced. These disparities highlight the diverse economic challenges faced by family farms across the EU, emphasizing the need for tailored policy measures to support their financial viability.

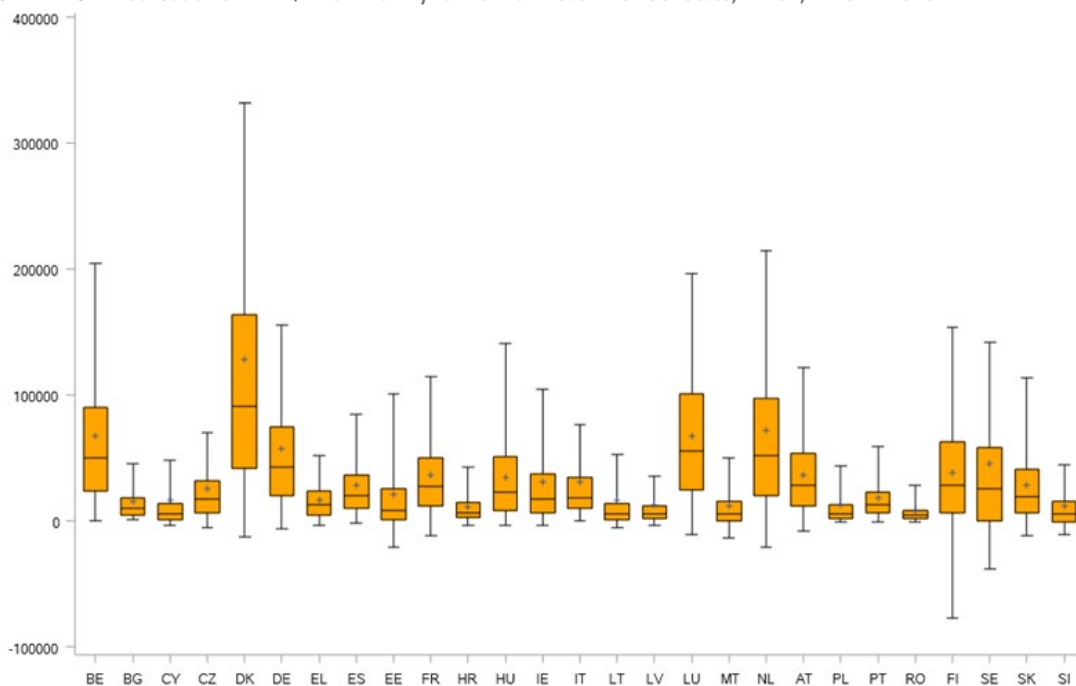
**GRAPH 17** – FNVA/AWU by ownership, in EUR, average 2021-2023



Source: FADN



**GRAPH 18** – Distribution of FNVA/AWU in family farms within each Member State, in EUR, in 2021-2023



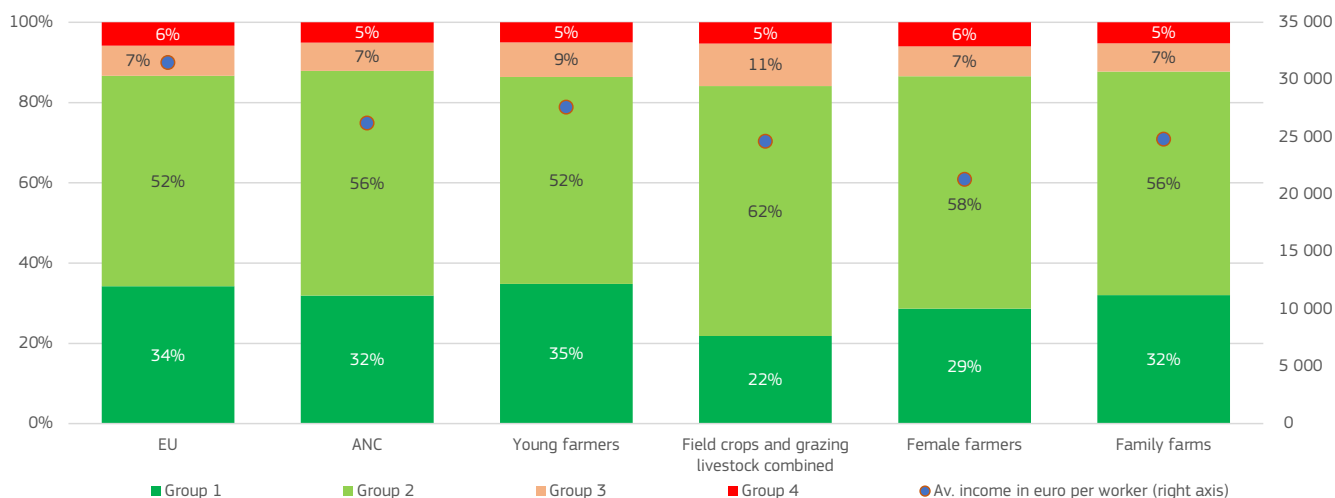
Source: FADN

## 2.6 Economic viability across categories

A comparative analysis of the economic viability and average income of the above-mentioned specific categories of farmers and farms reveals that the distribution of these farms across different economic viability classes is broadly similar to that of all European Union farms, with the notable exception of mixed farms, which exhibit a lower proportion of viable farms (22%) compared to other categories (ranging from 29% to 35%).

As illustrated in [Graph 19](#), the average agricultural income, which is lower than the European average, masks a diverse range of economic situations. This underscores the importance of taking these disparate situations into account when designing targeted interventions, to be defined by Member States, in order to provide more effective income support for the categories of farmers considered in this brief. Furthermore, this justification highlights the need for flexibility to be provided to Member States, enabling them to design interventions that consider the underlying structural, economic, or environmental factors contributing to the income vulnerability of these farms, thereby ensuring that support is tailored to their specific needs.

**GRAPH 19** – Proportion of farms by viability group for the specific categories of farms and farmers and average FNVA/AWU in EUR, in EU27, average 2021-2023



Source: FADN

## Concluding remarks

In conclusion, the analysis presented in this note highlights the importance of better targeting income support to ensure that public financial support reaches those who need it most. The findings suggest that in order to pursue CAP objectives, certain farm categories may require substantial income support due to lower income levels. It emphasises the need for a more nuanced and targeted approach to income support, one that takes into account the diverse needs and circumstances of different farm categories in each Member State.

The proposals for the new Common Agricultural Policy (CAP) for the 2028-2034 period offer an opportunity to address these challenges and ensure that income support is better targeted to those who need it most. By providing the possibility to Member States for more targeted support, the CAP can help to promote a more resilient and sustainable agricultural sector across the EU.



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While all efforts are made to provide sound market and income projections, uncertainties remain.  
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