



Position Paper on the Post-2027 Common Agricultural Policy

Introduction

As the voice of the European agricultural machinery dealers and repairers, CLIMMAR is dedicated to ensuring that innovation, technology, and service excellence reach every European farmer. Dealers are the vital link between manufacturers, farmers, and service providers, ensuring that advanced agricultural technologies are properly implemented, and well maintained.

As the European Union prepares for the next cycle of the Common Agricultural Policy (CAP) reform, it is essential to build a framework that supports not only the development of agricultural innovation but also its effective adoption.

CLIMMAR believes that the post-2027 Common Agricultural Policy (CAP) must recognise the dealer network for empowering farmers by providing them with access to modern machinery, skilled technical support and digital expertise across Europe's rural landscape. It is estimated that around EUR 62 billion would be required to close the investment gap in the agricultural sector and deliver its digital, green and energy transitions.¹ To address this financing gap, the uptake of modern machinery must be encouraged, supported by the required financial tools.

Leverage Opportunities for the CAP Transformation

The CAP must evolve to reflect the structural changes within European agriculture, including generational renewal, market integration, and the growing need for efficiency and sustainability. Dealers play an important role in this transformation, providing the technologies, financing options, and after-sales support that allow farmers to adapt to new challenges. CLIMMAR recognises that a cap on direct payments is likely to be introduced in the next CAP. However, the design must reflect the structural diversity of European agriculture. Greater flexibility is essential, to avoid unintended negative impacts on productivity. Future capping of direct payments should avoid penalising farm structures that rely on scale to remain innovative and competitive.

¹ European Commission and European Investment Bank, 2023. Factsheet: Financing gap in the agriculture and the agri-food sectors in the EU.

We recommend:

- Accessible investment schemes, such as leasing, renting, and shared machinery programs, which enable small farms to modernize without disproportionate capital burdens.
- Simplified administrative procedures should be simplified through digital tools (digital wallets etc.),

By supporting the networks that train farmers in the use of modern machinery, the CAP can accelerate technology adoption and ensure that sustainability objectives translate into tangible results in the field.

Strengthen Financing Tools for Generational Renewal

Ensuring generational renewal requires more than encouraging young people to enter the profession, it demands giving them the financial capacity to succeed. With the average EU farmer now 56 years old and only 11% under 40, the barriers to entry are significant, particularly regarding access to land, capital, and modern equipment. The Commission's Generational Renewal Strategy which aims to double the share of young and new farmers is a welcome step, but it must be complemented by tailored financing instruments that ease the start-up burden for new entrants. CLIMMAR emphasises the importance of maintaining robust and distinct tools for farm modernisation. Current Second-pillar measures play a critical role in supporting investments in modern machinery, digitalisation, skills and sustainability. Weakening these tools would divert resources away from agricultural modernisation and reduce farmers' capacity to invest in innovative technologies.

To ensure generational Renewal is successful CLIMMAR recommends:

- Linking direct payments to farmers' pension age,
- Ensure that the proposed starter pack for young farmers is sufficiently financed and expanded,
- Sufficient funding for digital Infrastructure in rural areas in the National and Regional Partnership Plans,
- Increase funding for rural areas to 30% in the National and Regional Partnership Plans.

Mind the Key Role of Digitalisation and Smart Technologies

Digitalisation is transforming agriculture, but its success hinges on practical implementation and ongoing technical support. Dealers play a key role in enabling smart farming by helping farmers to integrate digital tools, maintain software systems and interpret data for decision-making purposes.

To ensure that precision agriculture and autonomous technologies reach their full potential, CLIMMAR calls for CAP measures that:

- Support digital training and advisory services led by local dealer experts,
- Promote on-farm demonstrations and knowledge exchange between farmers, dealers, and manufacturers,

- Facilitate interoperability and data-sharing standards to ensure efficient use of digital machinery and management systems.

By empowering the dealer network with the resources to provide digital and technical assistance, the CAP can bridge the innovation gap and make smart farming a reality for all European farmers. To that end indiscriminate access to vehicle data is crucial for dealers to operate effectively and deliver on the digital transformation.

Renewable Fuels and Energy Transition for Resilient Agriculture

Dealers are an important part of Europe's shift toward sustainable energy use in agriculture. They promote, sell, and service machinery compatible with renewable fuels and alternative power sources, including biofuels, biomethane, hydrogen, and electricity.

To achieve the EU's climate and energy goals, the CAP should:

- Support infrastructure development and training for renewable-fuel-compatible machinery in rural areas,
- Incentivize farms to adopt low-carbon machinery and ensure access to qualified service support,
- Encourage local energy generation and use in cooperation with rural service providers.

Through CAP-backed collaboration, the dealer network can help farmers transition toward circular and energy-resilient agricultural systems, reducing costs and enhancing competitiveness.

Boost Farm Investment and Service Support

Dealers are essential partners in facilitating farm investments and ensuring the longevity of agricultural machinery. CLIMMAR advocates for a CAP investment framework that includes not only the acquisition of new machinery but also the training, maintenance, and technical service infrastructure required to sustain modern equipment. Agricultural modernisation increasingly relies on integrated service ecosystems where machinery dealers, contractors, and other rural service providers jointly enable farmers to adopt innovation, sustainability practices, and digital technologies. CAP measures should therefore recognise and support these complementary roles across the agricultural value chain.² As CAP investment support becomes mandatory (Article 13 CAP) for Member States and reaches co-financing rates of up to 85% for young farmers (Article 35(4) NRPP), eligibility should explicitly include not only machinery acquisition but also dealer-provided services, training, software support, and maintenance infrastructure.

Specific CAP measures should:

- Recognize dealer service hubs as part of the rural innovation ecosystem,

² CEETTAR, *Statement on the Future of the Common Agricultural Policy (CAP) and the EU Budget Framework*, Brussels, July 2025.

- Support training programs for technicians and service staff to address skill shortages,
- Provide financial tools for farmers to access new equipment through flexible arrangements (leasing, contracting, or pay-per-use models).

By enhancing service networks and skills development, the CAP can strengthen local economies, create qualified rural jobs, and improve the long-term efficiency of European agriculture.

Create an EU Level Playing Field

CLIMMAR emphasizes the importance of a harmonized CAP implementation across Member States to avoid competitive imbalances. Divergent national investment rules or digital support schemes create market distortions that hinder fair competition and slow technology uptake.

The future CAP should ensure:

- A coherent EU framework for machinery investment and sustainability incentives,
- Equitable access to modernization funds for dealers and farmers in all Member States,
- Recognition of dealer organizations as partners in national and regional partnership plans.

Conclusion

The Post-2027 Common Agricultural Policy (CAP) presents an opportunity to strengthen the foundations of sustainable, competitive and technologically advanced European agriculture.

Agricultural machinery dealers play a vital role in this transformation by connecting innovation with practical application, supporting farmers with technical expertise and ensuring that sustainability goals are achieved through real-world implementation.

About CLIMMAR

Founded in 1953, CLIMMAR is the international distributor's network of 16 national associations currently representing 14.849 dealers and 164.582 dealer employees in the European Agricultural Machinery and Equipment sector. CLIMMAR stands for *Centre de Liaison International des Marchands de Machines Agricoles et Réparateurs*.

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