TECHNICAL ANNEX — FARM ADAPTATION NETWORK

Making Farm Adaptation Profitable

Amendment-ready implementation specifications for the three recommendations

CAP Policy Lab • June 2026 • Companion to *Making Farm Adaptation Profitable — Policy Brief*

This annex provides the legislative-vehicle citations, allocation parameters, eligibility criteria and coordination mechanisms for each of the three recommendations set out in the accompanying policy brief. Article references are to COM(2025) 560 (CAP Regulation), COM(2025) 553 (CMO amendments) and COM(2025) 565 (NRP Fund Regulation) of 16 July 2025. The specifications are designed to be turned into legislative amendment text by an MEP assistant or Council legal service.

Recommendation 1 — Farm Adaptation Support

Specification	Detail
Legal vehicle	COM(2025) 560 — Article 10(1)(b): strengthen the “voluntary transition towards resilient production systems” action within the merged agri-environmental and climate actions intervention by attaching dedicated funding, advisory support and EIB loan coordination.
Minimum allocation	3% of each Member State’s NRP Fund income-support envelope earmarked for Farm Adaptation Support (may rise to 7%).
Budget envelope	Approximately €1.5–3.5 billion/year EU-wide (including advisory support and EIB guarantee provisions), supporting 30,000–50,000 farms over 2028–2034.
Eligibility	3-5 year Farm Adaptation Business Plan (per Article 10(4) transition action plan) showing shift toward minimum 15% arable land in protein crops, with income viability demonstrated through processor contracts or PO membership. Succession trigger: farmers under 40 taking over a holding with existing intensive livestock infrastructure may access Farm Adaptation Support within the first two years of taking ownership, treating succession itself as the restructuring trigger.
Payment profile	Multi-annual transition payments of €30,000–€200,000 over the plan period (3-5 years), modulated by farm size: €30,000 for small farms (under 20 ha); €100,000 for medium farms; €200,000 for larger farms with employment commitments. Front-loaded (largest instalments paid in the first years, final instalment on completion). Farmers accessing support through the succession trigger are eligible for EIB-guaranteed loans from the date of holding transfer.
Milestone conditions	Hectares converted; Measurable reduction in synthetic nitrogen use consistent with the transition action plan; market contracts secured. Outcome-conditional disbursement.
Young farmer uplift	Priority access for farmers under 40, with an uplifted payment rate (rate to be set by Member State within the bounds of Article 6(2)).
EIB coordination	Commission–EIB framework agreement establishing a loan-guarantee facility (up to €500,000 per farmer) for capital investments — equipment, infrastructure repurposing, market-access development.
Advisory support	Explicit linkage to Article 20 farm advisory services for the drafting of transition action plans (closes the implementation gap flagged in IEEP August 2025).

Recommendation 2 — Ring-Fenced Coupled Support for Food-Grade Protein Crops

Specification	Detail
Legal vehicle	COM(2025) 560 — amendment to Article 11 (Coupled Income Support); COM(2025) 553 — expansion of Market Observatory provisions linked to the new protein sector.
Ring-fence threshold	Where a Member State allocates CIS to protein crops, at least 60% of that allocation must be directed to crops destined for human consumption.

Specification	Detail
Phased introduction	40% threshold from 2028. The rise to 60% from 2031 proceeds by default, gated on biennial Commission review of food-grade absorption (Market Observatory data): advances as the market develops, may hold at an intermediate level (not below 40%) if the data does not support it.
Budget impact	Revenue-neutral. Redirects existing CIS allocation; no new EU money required.
Verification	Use of existing CAP mechanisms: binding processor contracts, organic certification (Regulation (EU) 2018/848), Producer Organisation membership, or end-to-end supply-chain traceability.
Market Observatory expansion	Weekly farm-gate price reporting by Member State and region for peas, fava beans, chickpeas, lentils, lupins and soybeans. Quarterly Commission analysis comparing CIS regions vs. non-CIS regions to monitor downstream value capture.
Context	Article 11 strengthens the role of CIS within the CAP architecture, with a 20% ceiling on relevant direct payment allocations and an additional 5 percentage points available where support targets protein crops/mixed farming/abandonment risk (COM(2025) 565, Article 35). As the CAP budget base has changed, the practical impact on total CIS funding remains uncertain. The food-grade versus feed-grade distinction is added by this amendment. The instrument rebalances within the protein-crop envelope: it places no constraint on Member States supporting food-grade protein crops or none at all, and does not touch CIS directed to livestock or other sectors.

Recommendation 3 — Producer Organisation Empowerment and Regional Processing Infrastructure Programme

Specification	Detail
Legal vehicle	COM(2025) 553 — operationalise the new protein crop sector created by Recital 5; add cooperative-ownership preference to the sectoral interventions framework (Articles 30–35), including investment in shared processing infrastructure (Article 31); add food-grade focus to PO operational programmes recognised under Article 159(a)(v). COM(2025) 565, Article 35 — ring-fence within Member State NRP Fund investment budgets a minimum allocation for regional protein crop processing infrastructure.
PO operational funding	€15,000–50,000/year baseline per recognised Producer Organisation, scaled to membership size, plus performance bonuses tied to food-grade volume and member retention. Funded through CMO sectoral operational programmes (Article 33 of COM(2025) 553).
Processing investment ring-fence	Minimum 5% of Member State NRP Fund investment budgets ring-fenced for protein crop aggregation and minimal processing infrastructure (cleaning, drying, sorting, storage, milling, thermal treatment). Up to €5 million per facility, with higher amounts allowed where justified by genuine regional scale and cooperative governance.
Eligibility — POs	Recognised under Article 159(a)(v) of COM(2025) 553; serves a minimum of 50 farmer suppliers within a 100 km radius approximately; published farm-gate price formula; long-term downstream contracts (3–5 years).
Eligibility — infrastructure	Cooperative or PO ownership required. Investment co-financing rate set higher than the standard rate (specific rate to be fixed in the NRP Fund Regulation COM(2025) 565) to favour farmer-owned infrastructure over corporate processors.
Young farmer uplift	Priority access and an enhanced operational funding rate for POs with significant under-40 membership (threshold and uplift rate to be set in implementing acts).
Indicative budget	€150–250 million/year EU-wide for PO operational funding (under 0.6% of annual CAP envelope).
Coordination	Commission model templates for multi-year offtake contracts; alignment with the Market Observatory expansion under Recommendation 2 to provide POs with the price-transparency data needed for collective bargaining.

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