

AN UNWRITTEN REGULATION

The still unwritten Regulation on an integrated European Rural, Agricultural and Food Policy (ERAP).

REGULATION (EU) 2028/001 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 1 January 2028

establishing rules on support for strategic plans to be drawn up by Member States under the European Rural and Agricultural Policy (ERAP) and financed by European Fund for Rural and Agricultural Development (ERAF) and from the European Maritime, Fisheries and Aquaculture Fund (EMFAF) and repealing Regulations (EU) No2021/2115 and (EU) No1307/2013

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,
Having regard to the Treaty on the Functioning of the European Union, and in particular Article 42 and Article43(2) thereof
Having regard to the proposal from the European Commission,
After transmission of the draft legislative act to the national and regional parliaments,
Having regard to the opinion of the Court of Auditors,
Having regard to the opinion of the European Economic and Social Committee,
Having regard to the opinion of the Committee of the Regions,
Having regard to the communications provided by European Civil Society organisations, the European Rural Parliament, local farm and food councils and local municipalities;

Acting in accordance with the ordinary legislative procedure,
Whereas:

- (1) the European Commission communication of 1. November 2025, entitled “The Future of Rural Europe,” and its farming and food policies, sets out the challenges, objectives and orientations for the future European Rural and Agricultural Policy (ERAP), as integral part of the European Cohesion Policy besides the Social and Employment Policy and the Regional and Urban Policy;
- (2) these objectives and orientations are set to prepare the steps for transition from the former CAP to an integrated policy framework which shall lead the rural economy into economic, social, environmental and climate resilience and establish effective democratic governance and unbureaucratic coordination mechanisms with all relevant sectoral departments, including agriculture and food, regional and urban policy.

- (3) the focus of this policy lies on empowering all rural actors to contribute to the wellbeing of society as a whole, and rural communities in particular;
- (4) the vulnerability of a highly concentrated, mineral oil and import dependent farming and food system in Europe has become apparent during recent pandemics, geopolitical military conflicts, climate disasters and subsequent large refugee and migration flows into the European Union;
- (5) territorial and local strategies need to be applied in farming and food systems which reduce the risk of interruption of flows of energy and fuels, feed and food from global markets so as to guarantee a resilient and reliable food supply to all citizens;
- (6) in times of climate change, biodiversity loss and the depletion of soil fertility and water resources setting the rural economy, farming and food supply at high risk, policy integration and cooperation between all rural stakeholders must be put at the highest political priority;
- (7) direct payments to farmers or landowners based on hectares or decoupled production have proved to be inefficient regarding the necessary policy response to the above mentioned challenges;
- (8) markets for agricultural and food products need to be managed by establishing a rural infrastructure which strengthens competitiveness and fair distribution of added value and income on a local and territorial level;
- (9) this regulation aims to establish a new rural infrastructure which responds to the needs of all citizens and sets organic, regenerative (and equivalent) standards as the rule for farming. During the transition period, support will be targeted to move from the current system to future agro-ecological-social criteria for receiving public support. Resources can therefore be targeted at rural infrastructure which supports sustainable farming practices, local/ regional value chains, training, communication and governance.

Subject matter

This regulation establishes a new integrative European policy framework for rural development, farming, food system security, and natural resources management.

Article 1

General principles and rules

- 1.1 The European Rural and Agricultural Fund (ERAF) is one of the financial instruments of European Cohesion Policy, besides the European Social Fund (ESF), the European Regional and Urban Fund (ERUF) and the European Maritime, Fisheries and Aquaculture Fund (EMFAF) and other relevant financial instruments. The European Commission has established governance mechanisms at EU level for ensuring that all relevant policies that affect rural areas are designed and implemented taking account of the needs of rural citizens. It will monitor the programmes of the MS to ensure that the specific role of each Fund in territorial governance is respected. It will manage the synergetic utilisation of public and non-public funds to ensure strong and well-coordinated support for the rural economy; sustainable food and farming systems; energy; built and natural environment; mobility; digitalisation; education; health; social inclusion; shelter to refugees, and the integration of new citizens into our societies at the level of each Member State.
- 1.2 The European Rural and Agriculture Policy (ERAP) determines policy interventions in
- a. the social and economic development of rural areas;
 - b. use and resilient maintenance of land and water resources;
 - c. the development of sustainable rural value chains.

1.3 The European Rural and Agricultural Fund (ERAF) is the financial instrument to provide a framework and incentives to achieve the policy goals of the ERAP. The management of the ERAF is the responsibility of the Directorate General of Rural and Agricultural Policies (DG RURAG).

1.4 Support from ERAF for rural and agricultural development activities fall under the following categories:

- (a) Co-funding of investment projects (with co-funding rates varying from 30 to 100% according to contextual influence factors, the level of cooperation involved and the type of beneficiaries addressed).
- (b) Cost reimbursements calculated on standard cost factors (i.e. applicable for investments into capacity development measures, basic services and infrastructures including broadband etc.) and for investments into adaptation to the production rules as laid down in pts. 3.1 and 3.2 and income foregone due to natural disasters.
- (c) Subsidies and allowances calculated on the basis of production factors (land, biological resources, water, labour) under consideration of economic, social, geographical or environmental constraints.

1.5 The national and regional programme authorities can choose between two alternative delivery modes (the CLLD/LEADER switch):

- (a) The minimum version foresees an obligatory CLLD/LEADER measure with an endowment of at least 5% of the national ERAF budget (see pt. 2.3.(a)).
- (b) The extended version foresees additional measures under articles 2 and 4, and can be partly or entirely determined to be managed by Local Action Groups (individually or in cooperation).

1.6 Any support by the ERAF is contingent on conditionalities.

- (a) To benefit from ERAF support, land maintenance, production and processing methods have to comply with the world-wide standards for organic production and processing or corresponding recognised equivalent production methods by 01 January 2030.
- (b) Other conditionalities including and beyond those stipulated in Art. 12 to 15 of the past regulation 2021/2115, in the European and national context of the National Strategic plans.

Article 2

Support to the social and economic development of rural areas

Support from ERAF can be provided in three forms:

- a. investments into infrastructures and services, production or protection facilities;
- b. investments into individual and organisational capacity development;
- c. investments into cooperation systems.

2.1 Support for investments into infrastructures and services, production or protection facilities (capping of support at 100.000 EUR for farms, 200.000 for SMEs including accounting farmers, local authorities and other public beneficiaries).

- (a) Support for productive investments into business-start up and renewal (SME and farms) (Cooperation projects benefit from higher co-funding rates than individual projects).
- (b) Support for investments into increased resilience, disaster prevention and environment- and climate-friendly provisions and practices of SME, farms, public and civil society organisations.
- (c) Support for structuring investments into local and regional economic systems (Preparation and implementation of actions supporting the local and regional circular economy, carbon neutrality, cascading and other resource-saving processes).

(d) Support for investments into IT connectivity (broadband, IT advisory and maintenance systems) (preference is given to community-based IT network construction and management schemes, but open to all kinds of investment types due to the urgency of the fitting-out).

(e) Support for investments into cultural amenities and activities;

(f) Support for investments into preservation and use of the natural and cultural heritage;

(g) Support for investments into improving local and regional eco-mobility systems.

2.2 Support for expenses for individual and organisational capacity development (training, knowledge exchange, networking, dissemination of information, technical advice, coaching etc.).

(a) Cost reimbursements for people making use of capacity development opportunities;

(b) Cost reimbursements for employers investing in the qualification of employees;

(c) Support for investments in learning and training centres and facilities, locations to meet and exchange and the design of training courses and curricula, civic dialogue, mediation and conflict management;

(d) Support for the preparation and implementation of learning, training, exchange events, study tours, conferences etc.

2.3 Support for investments into cooperation systems (partnerships, business cooperation, civil society initiatives, platforms and networks etc.)

(a) Support for the preparation and implementation of CLLD/LEADER with the obligation to earmark at least 5% of the ERAF budget.

(i) Support for the making of the Local Development Strategy (LDS) and of the Local Action Groups (LAG);

(ii) Support for the implementation of local development projects while implementing the LDS;

(iii) Support for LAG activities not directly attributable to individual projects (animation, management, networking, evaluation etc.) with a maximum endowment of 25% of the LAG budget;

(iiii) Support for the preparation and implementation of inter-regional and transnational cooperation projects with partners from other LAGs or similar partnerships within or outside the European Union, with a minimum endowment of 5% of the CLLD/LEADER measure budget;

(b) Support for the preparation and implementation of projects of the EIP operational group.

(i) Support for EIP operational groups on economic/technological innovation projects (investment into economic capital);

(ii) Support for EIP operational groups on social innovation (investment into social / institutional capital);

(iii) Support for promoting publicly recognized quality schemes and their use by rural businesses (SME and farmers);

(c) Support for producer groups, producer organisations or interbranch organisations pertaining to rural (agricultural and non-agricultural) value chains;

(d) Support for investments into exchange, networking, and action platforms, coordinating agencies and business support facilities including smart village strategies, incubators, co-working spaces, integrative actions in support of newcomers irrespective of their origin and status etc.;

(e) Support for civic dialogue and mediation of conflicting interests of stakeholders in rural development interventions;

(f) Support for other forms of cooperation.

Article 3.**Adaptation, use and resilient maintenance of land and water resources****3.1 General rules for land management:**

- (a) By 01 January 2040 the world-wide standards for organic production and processing or equivalent practices (such as regenerative farming, etc.) are considered as the legal ground for farming, agro-forestry and forestry production and processing along the value chains. Time-limited exceptions and recognition of equivalent standards may be granted by the competent European and national authorities on the basis of evidence-based justifications.
- (b) By 01 January 2030 all other land use practices and aquaculture are bound to the world-wide standards for organic production, processing and land maintenance (green space, parks, gardens, cemeteries, railway tracks, leisure facilities etc.). Time-limited exceptions or equivalent practices can be issued by the competent authorities on the basis of evidence-based justifications.
- (c) During the interim period leading up to the new rules the Commission will monitor the programmes of the MS to ensure that all forms of support is targeted to supporting farmers and other rural actors to making the transition

3.2 Compliance rules for land management, the production of plants for food and non-food crops and for wood, of livestock and fish (aquaculture) are established as conditions for receiving support from the ERAF (in the Annex to this Regulation):

- (a) These rules regulate the increasing use of agro-ecological practices and the decreasing use of unsustainable land management practices and the use of chemical substances in fertilisation, plant protection, animal health, and animal feed; they also set a regulatory framework for crop production and animal husbandry (mandatory crop rotation, extensive livestock production (animal-land ratio per hectare etc.);
- (b) These rules also define thresholds and bans for active chemical substances produced, used in the EU or exported in non-EU countries; and production restrictions concerning nature conservation, biodiversity protection, wild collection and hunting, climate gas emission limits, public health issues, land planning and access to land requirements for new entrants and young farmers in the remit of environmental and other (social, spatial development etc.) policies.
- (c) By 01 January 2030 support from the ERAF is mandatorily tied to the world-wide standards for organic production and processing or equivalent practices (such as regenerative farming, etc.). Time-limited exceptions and recognition of equivalent standards may be granted by the competent European and national authorities on the basis of evidence-based justifications.

3.3. Annual area-based decoupled payments for all active farmers are designated to guarantee a minimum level of agricultural income, as well as to comply with the objective of ensuring a fair standard of living for farm workers and the wider agricultural and rural community.

- (a) Basic income support is provided to all active farmers and farm workers.
 - (i) Decoupled payments are indexed with a farm labour factor (FTE) (whose algorithm is defined in the Annex);
 - (ii) Decoupled payments are tripled for the first 5 ha and doubled for the first 20 ha;
 - (iii) Basic income support to farmers is mandatorily capped at 100.000 EUR;
 - (iiii) On a facultative basis, basic income support can be made degressive beyond 25.000 EUR;
- (b) Complementary redistributive income support for sustainability is provided according to economic, geographical or environmental productivity disadvantages.
 - (i) Young farmers are entitled to receive top-up payments for the first five years after starting business which corresponds to the double of subsidies granted under the basic payment scheme (which means six times the basic rate for the first 5 ha and four times for every ha until 20ha). The young farmers' subsidy is capped with the amount payable for 20 ha.

- (ii) Payments can be granted to active farmers in respect of designated areas with geographical or environmental constraints as supplements to the basic income support. These annual payments also have to be indexed with a labour factor (FTE) as stipulated under p. 3.3.(a) (i);
- (c) Complementary payments are provided for specific contributions to the common good.
 - (i) Payments can be granted to active farmers in respect to mandatory requirements pertaining to environmental and climate protection as supplements to the basic income support. These annual payments also have to be indexed with a labour factor (FTE) as stipulated under p. 3.3.(a) (i);
 - (ii) Payments can be granted to active farmers in respect to eco-schemes and measures aimed at enhancing biodiversity, soil and water quality, emission reduction, animal welfare, public health etc. These annual payments also have to be indexed with a labour factor (FTE) as stipulated under p. 3.3.(a) (i).

Article 4.**Support for the development of sustainable rural value chains****4.1. Support for the development of agricultural, food and forestry value chains (capping of support at 100.000 EUR for private enterprises and at 200.000 EUR for cooperation projects, whereas 100.000 EUR remain as max. support for individual cooperation partners).**

- (a) Support for cooperation and partnerships to produce, certify and distribute seed and planting material and to promote animal breeding for organic production and recognised equivalent purposes;
- (b) Support for participatory research and breeding of genetically diverse plant and animal reproductive material which responds to the challenges of climate change and biodiversity loss;
- (c) Support for cooperation and partnerships to produce, clean, store and distribute leguminous plants for crop rotation practices and animal feed;
- (d) Support for cooperation and partnership between farmers and artisanal food producers along the food production chain on local and regional level;
- (e) Support for investments into value chains of energy plants, subject to prioritisation of the production of food for human consumption;
- (f) Support for investments into forestry value chains including wood and non-wood products;
- (g) Support for investments into value chains of renewable raw materials;
- (h) Support for quality improvement and waste reduction in the food chain;
- (i) Support for water storing and water saving irrigation systems;
- (j) Support for the preparation and implementation of culinary partnerships (i.e. the revival of local plant and animal products and recipes) and of local food councils in the context of rural-urban cooperation;
- (k) Support for actions pertaining to crops of specific interest such as stipulated in Art. 42 of the current regulation 2021/2115 (fruits, vegetables, apiculture, wine, olive oil, hops, cotton or other sectors such as listed under Article 33 of the current regulation).

4.2 Support for the development of value chains not or not directly deriving from primary production, such as crafts, industries, tourism, gastronomy, leisure and other services (capping of support at 100.000 EUR for private enterprises and at 200.000 EUR for cooperation projects, whereas 100.000 EUR are fixed as max. support for individual cooperation partners).

This still unwritten regulation is work in progress.

Any provocative effect on European or national policy makers is intended.