

# Policy Brief

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## Europe's farmers taking to the streets

What will come of the recent disruptions?

### Introduction

Farmers have truly taken Europe by storm in the opening weeks of 2024, with protests erupting in most EU member states and causing ever-growing disruptions. German farmers blocked Vice Chancellor Robert Habeck from [disembarking a ferry](#) and [blockaded roads and motorways](#) throughout the country with their tractors. French farmers are [targeting government buildings](#) to express their anger in protests that are gaining in violence in some cases. Meanwhile, farmers in Poland are partaking in a lengthy general strike and the [blockading of the border to neighbouring Ukraine](#). Even Brussels has seen its fair share of violent clashes between farmers and police officers, with officers being [sprayed with liquid manure and tyres being lit on fire](#) in some cases. With the important role agriculture plays in the accession process of new EU member states, these European developments, as well as any protests of this kind in the Western Balkans (WB), are hard to ignore. One is left to wonder whether the protests are justified and where the reasons for such extensive measures lie.

With farmers dealing with a wide range of challenges, from rising costs and impacts felt from the war in Ukraine, it is clear that European policymakers are struggling to address farmer's needs. This brings into question the EU's Common Agricultural Policy (CAP) – traditionally known as one of the earliest and most significant

aspects of European integration. [Launched in 1962](#), the CAP sought to support farmers, improve agricultural productivity, and safeguard Europe's food supply. Currently, the CAP has [a budget of over €380 billion](#), which still represents almost [a quarter of the total EU budget](#). It is fair to say that [the CAP has transformed Europe](#) and its agricultural sector. Having said this, the recent protests pose questions about whether the measures the EU takes within the context of this central policy area, from income support and market interventions to rural development measures, are enough. It is also important to explore how WB countries navigate the challenges presented by their agricultural sectors, particularly in relation to the CAP, and what role the EU plays in assisting these countries in aligning their agricultural policies with EU standards. As this new crisis will put Europe's problem-solving capabilities to the test, it will be of paramount importance to see how the EU manages to juggle extensive internal protests with a new push for further enlargement.

### European concerns or national issues?

The removal of import duties on products coming from Ukraine and Moldova has led to the flooding of certain national markets with cheaper products that local farmers in the EU cannot compete with. In 2022, all remaining [duties, quotas and safeguarding measures imposed on](#)



Ukrainian imports were suspended by the EU. A 221-percentage point increase in EU imports of rape or colza seeds represents an extreme example of the issue. This measure to display support for Ukraine in the context of the Russian war of aggression has led to a number of cheaper products, including grain, poultry, eggs and sugar, causing difficult competition for European farmers. The Polish farmers' blockade of their border with Ukraine and the demand by a number of Eastern European nations for import duties to be imposed on Ukraine, show the discontent with the current situation. Further concerns about the EU-Mercosur trade deal, a proposed free trade agreement between the EU and a number of Latin American countries, making the situation worse and imports from nations with lower environmental standard than the EU hampering European competitiveness add to the problem. Issues of this kind underscore the complex dilemma faced by the EU—balancing support for Ukraine with the need to protect local farmers, maintain economic stability, and bolster trade with international partners.

In addition, the combination of exceptionally high costs and low revenue levels is hurting businesses on two fronts. The recent decisions by governments in France, Germany, Greece, and Romania to cut agricultural Diesel subsidies come on top of existing high energy costs. Particularly in Greece, where local agricultural associations claim rising fuel and electricity prices are causing a 50% increase in production costs, the rise in energy costs is of central importance for protesting farmers. On top of this, a number of countries have been seeing exceptionally low returns on agricultural products. In France and Belgium, it is the price of crops while Baltic countries are seeing worryingly low dairy prices. One could claim that two issues together are causing existential problems creating the urgent necessity for at least one of these issues to be tackled on a national and European level.

Policies to fight climate change, particularly on the Union-wide level, have also proved increasingly controversial. New regulations as part of the CAP have, in certain cases, caused outrage from European farmers. The requirement to put 4% of land aside for non-productive elements<sup>1</sup> for instance proved controversial, particularly with farmers in Belgium, France, and Poland. In addition to problems with green policies, farmers in Slovakia have been having issues with the Slovak Agricultural Paying Agency when it comes to receiving payments on time. With bureaucracy being blamed, the EU's green agenda is also being made accountable with farmer's justifying their protests with so-called "green fanaticism" from the EU. With a mix of genuine concerns about policy decisions and the communication of green policies as a reason for other failures, these issues appear far more complex than those previously brought up.

While certain complaints may be widespread, others are more country-specific, making it hard to view the current protests as a unified movement. German protests were largely fired up by the proposed removal of tax rebates on agricultural vehicles within the country, something not present in other nations. Similarly, Italian

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protests are marking opposition to their own national trade organisations with farmers even setting up a Betrayed Farmers Committee. Farmers in Baltic countries, especially Latvia, are also expressing their disagreement at continued grain imports from Russia while the war in Ukraine rages on. Beyond national differences, Belgium even has regional differences, with a nitrogen deal in the northern Flemish half of the nation causing outrage. The fact that farmers across Europe are protesting at the same time, but in part for very different reasons, may indicate that the individual reasons for protesting are only symptoms of greater frustration within the agricultural sector.

### **Taking action or avoiding coercion?**

With pressure mounting, several actions have been taken both by the EU and by national governments to address the concerns raised. A European Commission proposal on the reduction of the use of pesticides within the EU had to be withdrawn, with Commission President Ursula von der Leyen describing the proposal as having become a symbol of polarisation. On top of this, the EU has also since introduced so-called "emergency brakes" on agricultural imports from Ukraine and Moldova so as to ensure national markets are protected. The Belgian prime minister unsuccessfully attempted to calm protests by promising a proposal on administrative burdens after talks with farmers delegations. In Germany, the government decided to cancel the planned new taxes on agricultural vehicles, while France has seen a policy U-turn on the price hike for tractor fuel. Despite these measures, the protests persist and remain extreme and heavily disruptive at times. Thus, the right balance has yet to be achieved between addressing the deep-seated grievances within the agricultural sector and ensuring democratic principles of peaceful dialogue and due process are maintained.

Continuing in this vein, a number of government officials seem aware of this and have attempted to make it clear that they would not give in to extortion. The Greek government for instance made clear, that no talks would take place if roads were blocked. The Bulgarian prime minister was even more explicit, saying that he was not willing to cave to "attempted blackmail" on imports from Ukraine.

<sup>1</sup> Maintaining non-productive element on arable land or maintaining fallow land (not sowing arable land for at least one vegetative cycle), are practices undertaken to improve biodiversity or ensure the preservation of healthy soil.

In Germany, the finance and agricultural ministers were also adamant at the beginning of the protest, that their government would [resist pressure from disruptive protests](#), despite that fact that the German government has since made concessions. The new French prime minister has even admitted that his government did [give in to the pressure](#) they were under from agricultural groups. These concessions have been met with backlash from environmental groups. In France for instance, President Macron's [commitment to green policies](#) and capacity to resist pressures from individual social groups has been put into question. In all this the German example in particular shows, that attempting to resist coercion does not guarantee immunity to mounting pressure. Instead, the considerable influence protesters wield can lead to specific and measurable change, nonetheless.

All things considered, the protests in the EU and the responses by the various governments show significant differences from one country to the next. Issues that may be of great importance to some, like the import of grain from Ukraine to Polish farmers, are often not amongst the reasons why others, like farmers opposed to the Flemish nitrogen deal in Belgium, are protesting. The huge differences in government responses, from rolling back proposals to refusing talks while protests are unruly, require one to further differentiate when assessing the situation. When looking into what the protests mean for WB and other candidate countries however, it will be most important to note, that on a European level, changes are being made. Where national governments have been more prone to refusing to respond to violent protests, the EU itself certainly has been more active in making changes. Therefore, when assessing what this all means to WB and other candidate countries, the fact that the EU is making changes, might be the most important take away.

### **Farmers in the Western Balkans: Joining the fight?**

There were some farmer protests in certain Western Balkan (WB) countries as well, but on a much smaller scale, and for different reasons than in the EU. In the lead up to the Serbian parliamentary elections in December 2023, farmers in the northern Serbian Vojvodina region [protested and blockaded roads back in November](#). Their main demand was for agricultural subsidies to be significantly increased (their demand would have meant almost doubling subsidy levels which were already doubled in May 2023). This already significantly differs from protests over subsidies in EU member states, where farmers are protesting the rolling back of support, and not demanding an increase of unchanged subsidies. Much smaller protests were also seen in Bosnia and Herzegovina where farmers protested on a local level, an example being [protests in Banja Luka](#) in January over the non-payment of subsidies. These protests however, not even taking place on a national level, can hardly be compared with those in the EU. Therefore, with the protests being on a much smaller scale, not present in most WB nations, and not aligning with the timeline of the other protests, it is clear that the movement which has spread across Europe, has not (yet) made it to the Western Balkans.

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This does not mean that the developments within the EU can be ignored by EU-aspiring countries in the region. While the extraordinarily extensive protests have not made it to the WB, European agricultural policy remains of significant importance to the region. With the agricultural sector making up a [larger portion of every single WB economy](#) than of any one EU nation's economy the sector was always going to be of essential importance during the accession process. The effect of the EU on the sector can even be seen already. Trade integration brought about in 2007 with the [2006 Central European Free Trade Agreement \(CEFTA 2006\)](#) increased trade between WB countries and the EU and has seen national improvements in the agricultural sector, with sectoral distribution and spatial dispersion having significantly increased. Such developments are deeply important given that the implementation of agriculture-related parts of the European acquis is an essential [condition to any accession to the EU](#).

As part of the 2023 Enlargement Package, the [European Commission's country reports](#) include assessments of the individuals countries' preparedness in the agricultural sector. The reports show that most countries have a long way to go. Bosnia and Herzegovina (BiH) is at an *early stage of preparation*, while Albania, Kosovo and Serbia each have *some level of preparation* when it comes to agriculture and rural development. Problems include a lack of a strategic plan for rural development in BiH, problems with the implementation of EU pre-accession assistance for rural development (IPRAD) in Serbia, and issues related to the legal frameworks surrounding quality policy and organic farming in most. Even in Montenegro and North Macedonia, both *moderately prepared* in this area, problems remain. Montenegro is facing issues in rural development, as authorities struggle to fully absorb IPRAD funds and North Macedonia has failed to make significant progress aligning with common market organisation. What needs to be clear is that, in the context of the reforms required in these areas, the [CAP remains the benchmark](#) expected of the future members. This leads to a situation where WB countries have to deal with two forces - national pressure and CAP accession requirements - when it comes to shaping their agricultural policies. Any discontent from the agricultural sector in the WB can therefore not be directly attributed to the EU and its CAP, but national policies may certainly be influenced by them.

In formulating national agricultural policies that are fit for the future and that bring themselves closer to EU accession, WB countries are confronted with a number of different challenges. In Serbia and Albania, **urbanisation and brain drain are causing significant problems**. Keeping young people from emigrating abroad is a well-known challenge in the WBs and one which hits the agricultural sector particularly hard. With over a quarter of Serbian villages verging on unviability, the future of the sector is under threat. **Climate Change** represents another extraordinary challenge, with the Albanian agricultural ministry viewing it as the largest challenge their nation faces. With overall precipitation due to reduce while the frequency of heavy rainfall expected to increase, bringing further risks of flooding with it, the multitude of threats caused by global warming cannot be understated. The necessity to bring national policies in line with the European Green Deal before accession must also not be forgotten. Examples of what this means can be found in North Macedonia, where **rural broadband coverage** would need to be expanded and greenhouse gas emission significantly reduced. Dealing with a wide range of national issues and European expectations at the same time leave significant challenges for WB governments to deal with, especially if they were to tackle them alone.

For this reason, it is important to note that several measures by the EU and its member states have been implemented to assist the WB. As part of the EU's **pre-accession assistance for rural development** (IPRAD), the EU helps candidate countries gradually align with the CAP. Well over €900 million has been allocated to IPRAD support by the EU for the 2021-2027 period, with the goals of increasing the agricultural sector's competitiveness, contributing to climate change mitigation, aiding business development in rural areas, and improving community development. Furthermore, the EU also **funds projects in the context of their Green Agenda** in the WBs with a number of projects in Serbia being supported. The recently announced **€6 billion WB growth plan** must also be mentioned in this context. While not specifically focussing on agriculture, the sector may still expect to benefit from the initiative which, amongst other goals, plans to financially support reforms and boost the economic integration of the WB with the EU. In addition to measures taken on a Union-wide level, national initiatives must also be acknowledged. For instance, the

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German government announced the deployment of a **agriculture envoy** to the region back in October. Based at the German embassy in Skopje, the idea is to have the envoy assist all WB countries with the implementation of often deeply complicated EU legislation in the agricultural sector. With past initiatives being rather small in nature, particularly when compared with more recently announced plans, it remains to be seen how successful these might be.

It should however also be noted that the effect of the accession of the WB on the CAP remains small and therefore less of a concern than that of the accession of Ukraine. The WB country with the highest amount of **utilised agricultural area** (UAA) is Serbia with around 3,44 million hectares. Even Albania, where over 20% of GDP is made up by the agricultural sector, only has 1,18 million hectares of UAA. Meanwhile, **Ukraine has 32 million hectares of UAA**, almost 10 times that of Serbia. Given that the lion's share of subsidies as part of the CAP are given out to farmers on a per-hectare basis, the issue becomes obvious. The Ukrainian government explains that the **CAP would indeed need to be rewritten** before their accession to the Union would be possible. The EU itself also recognises the **"significant budgetary challenges"** the Ukrainian accession would pose to the CAP but remain less clear on whether or not a rewriting of the policy would be necessary. This not only points out that the EU is dealing with significant agricultural challenges related to accession outside of the WBs, but also that the current form of the CAP may need to change. This may well add a certain degree of uncertainty, which is of significant importance for WB nations as well and may pose questions about the EU's priorities in assisting candidate countries' agricultural developments.

## About European Policy Centre - CEP

European Policy Centre - CEP - is a nongovernmental, non-profit, independent think-tank, based in Belgrade. It was founded by a group of professionals in the areas of EU law, EU affairs, economics and public administration reform, with a shared vision of changing the policy making environment in Serbia for the better – by rendering it more evidence based, more open and inclusive and more substantially EU accession driven. Profound understanding of EU policies and the accession process, the workings of the Serbian administration, as well as strong social capital combine to create a think-tank capable of not only producing high quality research products but also penetrating the decision making arena to create tangible impact. Today, CEP organises its work into four programme areas:

- 1) Good Governance
- 2) Internal Market and Competitiveness
- 3) Regional Policy, Networks and Energy
- 4) Our Europe

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