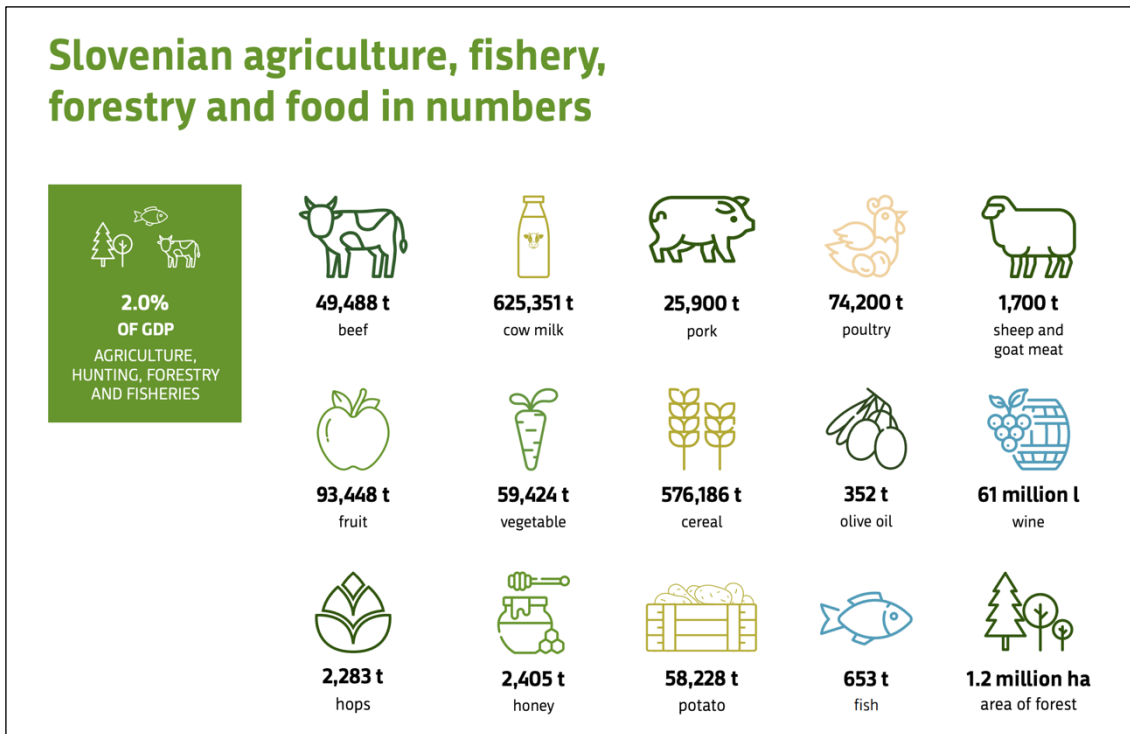


4. Assessing the Impacts of the Common Agricultural Policy (CAP) on Land Use

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Economic significance of agriculture, fishery, forestry and food production in Slovenia (data published by the Statistical Office of the Republic of Slovenia, Ministry of Agriculture, Forestry and Food in 2024).

Summary

This case study investigates the impact of the EU's Common Agricultural Policy (CAP) on reshaping land use, ownership, and agrarian livelihoods in Slovenia, Croatia, and Serbia – three post-socialist countries at varying stages of EU integration. It focuses on how CAP mechanisms, particularly area-based direct payments, interact with post-socialist land restitution, privatisation, and liberalisation to accelerate land concentration, marginalise smallholders, and entrench rural inequality.

Key policies include the EU Common Agricultural Policy (1962–ongoing), especially the Basic Income Support for Sustainability (BISS), the CAP Strategic Plans (2023–2027), the European Green Deal, Farm to Fork and Biodiversity Strategies, EU enlargement conditionality mechanisms (IPARD), and national laws such as Slovenia's Farmland and Forest Fund Act (1993), Croatia's post-accession land regulations, and Serbia's land privatisation and foreign investment laws influenced by World Bank and EU policy alignment.

Using the GreenPaths analytical framework and informed by post-growth and degrowth political ecology, the study interrogates who benefits from green transition investments, and at what social and territorial cost. It explores social impacts including distributive injustice, exclusion of young and new farmers, ecological degradation, and the erosion of rural sovereignty. It concludes that without structural reforms to CAP and land governance—including redistribution, support for commons-based farming, and stronger regulation of speculative land markets—green transition strategies risk reproducing the very inequalities they aim to resolve.

Key data points

Each case study highlights three indicators aligned with GreenPaths' framework on social impacts, environmental justice, and policy linkages.

Indicator 1: Land Concentration and Farm Size Distribution

- In Slovenia, over 50% of farms cultivate less than 2 hectares, while less than 6% control nearly one-third of agricultural land.
- In Croatia, over 50,000 small farms disappeared between 2008 and 2018, while corporate holdings and land leasing expanded.
- In Serbia, less than 1% of landholders manage over 30% of arable land, with four oligarchs owning more than 100,000 hectares.

Indicator 2: CAP Subsidy Flows and Distributional Outcomes

- In Slovenia (2016), farms over 20 hectares (just 6% of all farms) received 40% of total CAP subsidies, while farms under 5 hectares (over 50% of holdings) received only 13%.
- Major agribusinesses such as Perutnina Ptuj and Panvita received over €60 million in CAP funds between 2011–2022.
- Similar patterns of subsidy capture by large actors are documented in Croatia and Serbia, where CAP-aligned frameworks favour scale and capital intensity.

Indicator 3: Rural Employment and Agricultural Transformation

- Agricultural employment fell dramatically between 2000 and 2022: from 9.6% to 4.3% in Slovenia, 16.5% to 5.9% in Croatia, and 26.7% to 19.5% in Serbia.
- These declines correlate with CAP-fuelled mechanisation, depeasantisation, and the shift to export-oriented, low-labour farming models.

