

EXECUTIVE SUMMARY



REALLOCATING 20% OF CAP SUPPORT CURRENTLY BENEFITING LIVESTOCK TOWARDS PLANT-BASED PROTEINS FOR HUMAN CONSUMPTION

The Common Agricultural Policy (CAP) remains one of the European Union's largest and most influential public spending programmes. For the 2021–2027 period, the CAP represents approximately EUR 386,6 billion.

Although often presented as a neutral instrument aimed at supporting all farmers equally, the CAP does not simply distribute income. It actively **shapes agricultural structures, determines** which production systems are economically viable, influences land prices and investment decisions, and helps define the future direction of European agriculture.

The current CAP architecture continues to rely predominantly on area-based support. In practice, this means that the more land a farm controls, the more public support it receives.

This mechanism disproportionately benefits the largest farms and the sectors that require the largest amounts of land, especially livestock production and feed crops.

By contrast, crops intended directly for human consumption, including pulses, legumes and plant-based proteins, receive only a limited share of CAP support. This imbalance matters because **plant-based proteins are increasingly important for Europe's food security, protein autonomy, resilience and competitiveness.** They can reduce dependence on imported soy, strengthen domestic food production, diversify farming systems and create new economic opportunities for farmers.

DIAGNOSTIC: A DISCONNECT BETWEEN CAP OBJECTIVES AND BUDGET ALLOCATION

CAP spending is not distributed evenly across the agricultural sector. Instead, it contributes to maintaining and reinforcing a highly specific agricultural model characterised by:

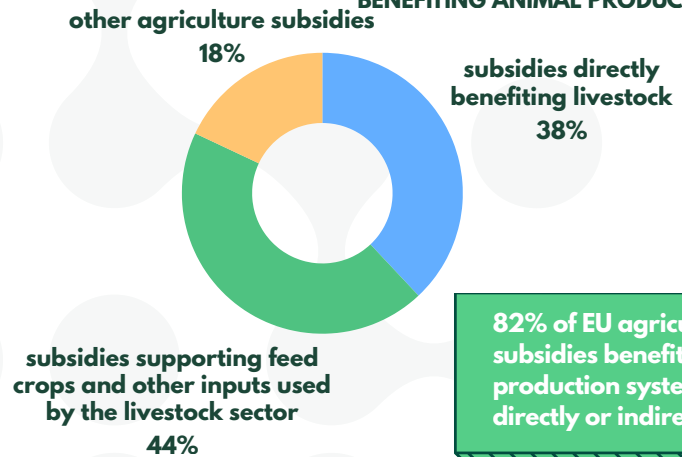
→ A highly unequal distribution of support

Direct payments remain heavily concentrated in favour of the largest landowners. Farms < 5 hectares represent nearly half of all CAP beneficiaries, yet receive less than 6% of direct payments. By contrast, farms > 250 hectares account for only around 1% of beneficiaries but receive more than one fifth of total payments. The CAP therefore does not simply support agriculture in general. It **disproportionately rewards scale and land ownership.** Because payments are linked to hectares, support is progressively capitalised into land values and rental prices. This contributes to:

- rising land prices;
- concentration of agricultural land;
- difficulties for younger farmers to access land;
- barriers to generational renewal;
- lock-in of existing farming structures.

The result is a system that makes it increasingly difficult for new farmers to enter the sector and favours existing large-scale operations.

SHARE OF EU AGRICULTURAL SUBSIDIES BENEFITING ANIMAL PRODUCTION



82% of EU agricultural subsidies benefit animal production systems directly or indirectly

Consumer demand is also changing. Across Europe, sales of plant-based foods increased by 49% between 2018 and 2020, and several Member States have adopted national protein strategies focused on autonomy, domestic production and diversification. Yet **CAP spending has not adapted to these trends.** Public funding remains largely directed towards land-intensive, emissions-intensive sectors highly dependent on imported feed.

This report therefore examines:

- how the CAP is financed and spent;
- the resulting structural economic, environmental and legal issues;
- the increasing litigation risks linked to its allocation model;
- and how it could be rebalanced post-2027 through a targeted shift towards plant-based proteins for human consumption.

→ A CAP structurally oriented towards livestock and feed

The CAP also remains strongly oriented towards livestock production. Livestock and feed systems benefit from CAP support through several channels: **direct payments linked to land used for grazing and feed production, coupled support schemes for livestock sectors, rural development and investment aid and support for feed crops and protein imports.** This financial structure reinforces a production model in which:

- approximately two thirds of EU cereals are used as animal feed;
- around 67% of crop protein is used to feed animals rather than people;
- around 70% of EU agricultural land is linked to livestock production, including grazing and feed crops.

As a consequence, crops that could directly feed people receive significantly less support than crops used indirectly through animal production.

→ A strategic vulnerability: Europe's dependence on imported protein

The livestock sector consumes around **72 million tonnes of protein each year.** However, the EU does not produce enough protein domestically to sustain this model. The European livestock sector therefore remains highly dependent on imported soybean meal and other imported protein crops. **Approximately 94% of the soy protein used in the EU is imported.** This creates a major strategic vulnerability:

- dependence on external markets and unstable international prices;
- exposure to geopolitical tensions and supply disruptions;
- dependence on imports associated with deforestation and environmental degradation;
- reduced European food and protein autonomy.

Paradoxically, while the CAP continues to support a highly feed-dependent agricultural model, it provides very limited support for the domestic production of protein crops destined for direct human consumption.

→ Limited climate impact of current CAP spending

The CAP's current spending model also produces limited results in relation to the Union's climate objectives. Livestock production remains one of the most emissions-intensive sectors of European agriculture, **accounting for around 65% of agricultural greenhouse gas emissions in the EU, and up to 81–86% when feed production, processing and transport are included.** Yet CAP spending continues to significantly support these high-emitting sectors. A large share also benefits systems associated with high fertiliser use, methane emissions, water pollution and biodiversity loss. The report therefore concludes that the CAP increasingly finances the very environmental problems it is intended to address.

→ Limited animal welfare impact of current CAP spending

Although **article 13 TFEU requires the Union to pay full regard to animal welfare,** CAP support remains largely disconnected from meaningful outcomes. More than €35 billion is nominally earmarked for welfare-related measures, yet much of this funding does not directly improve conditions in practice. Eco-schemes illustrate this gap: while they represent approximately EUR 44.7 billion, only 18 across the EU are explicitly dedicated to animal welfare. Support for stronger reforms remains **limited,** with only five CAP Strategic Plans including cage phase-out measures, representing just €37.7 million EU-wide. As a result, CAP funds continue to support systems associated with intensive confinement, high stocking densities and limited opportunities for natural behaviours, particularly in pig and poultry sectors. The report concludes that this creates a **growing contradiction between the Union's legal commitment to animal welfare and the outcomes of its spending choices.**

GROWING LEGAL TENSIONS WITHIN THE CURRENT CAP FRAMEWORK

Legal contradictions

FFE concludes that the CAP's current allocation model is becoming increasingly difficult to reconcile with the Union's own legal obligations. Several aspects of current CAP spending create **growing tensions** with:

- Risk of Breach of the Principle of Sound Financial Management
- Incompatibility with the Binding EU Climate Law
- Failure of Environmental Integration
- Failure to Reflect the Objectives of Article 191(1) TFEU
- Failure to Give Full Regard to Animal Welfare Requirements
- Failure to Ensure Policy Coherence
- Risk of Disproportionate Policy Design

A Growing Risk of Judicial Scrutiny

The report highlights that current CAP allocation choices are becoming increasingly exposed to challenge before both EU and national courts.

- Direct Judicial Review of CAP Measures (Articles 263 and 296 TFEU)
- Constitutional Escalation Through National Courts (Article 267 TFEU)
- Environmental Oversight and NGO Access (Regulation (EC) No 1367/2006 as amended - Aarhus Regulation)
- Targeted Vulnerability: Coupled Support (Article 11 TFEU; Article 191(1) TFEU; Regulation (EU) 2021/2115 – CAP Strategic Plans Regulation)
- Layered Institutional Pressure (European Court of Auditors, European Parliament, European Ombudsman)

→ Recent developments suggest that environmental and climate arguments are increasingly being brought before courts in relation to public policy.

CORE RECOMMENDATION

This proposal does not seek to eliminate support for livestock production, as most CAP spending would still support livestock and feed systems even after reallocation. The aim is instead to correct a structural imbalance and create a meaningful CAP budget line for plant-based proteins for direct human consumption. Today, around 82% of CAP support benefits livestock and feed-dependent systems. Reallocating 20% of this share would therefore represent approximately:

- 16% of the CAP's total budget;
- around €60 billion over seven years;
- approximately €8.5 billion per year.

A reallocation of this scale would:

- reduce the current structural bias in favour of livestock and feed production;

REALLOCATING 20% OF THE SUPPORT CURRENTLY BENEFITING LIVESTOCK AND FEED-DEPENDENT SYSTEMS TOWARDS PLANT-BASED PROTEINS FOR DIRECT HUMAN CONSUMPTION

- create a meaningful CAP budget dedicated to plant-based proteins for human consumption;
- strengthen Europe's protein autonomy and reduce dependence on imported soy;
- support crop diversification and more resilient farming systems;
- better align CAP spending with climate, biodiversity and food security objectives.

Consumer demand is already moving in this direction. Across Europe, plant-based food sales increased by 49% between 2018 and 2020. Several MS have also adopted national protein strategies centered on strategic autonomy, domestic production and diversification. The post-2027 CAP therefore offers a unique opportunity to redirect agricultural spending towards a more resilient, diversified and strategically autonomous food system.

→ Six Actions to Rebalance CAP Support

Action 1



Reorienting Coupled Support

Reduce livestock-related coupled support and progressively replace part of it with a **dedicated coupled support scheme for plant-based proteins intended for direct human consumption**. FFE recommends ring-fencing a minimum share of each Member State's coupled support envelope for pulses, legumes and other protein crops destined directly for food. Eligibility criteria should clearly exclude crops intended primarily for animal feed. This would allow CAP support to begin correcting the current imbalance, while still leaving the majority of coupled support available to livestock sectors.

Action 2



Creating a Dedicated CAP Window for Plant-Based Proteins

Create a **specific CAP instrument dedicated to plant-based proteins for human consumption**. Support should not be limited to agricultural production itself. The report recommends financing the entire value chain, including:

- producer organisations and cooperatives;
- local processing and storage facilities;
- sorting, packaging and logistics infrastructure;
- long-term contracts between farmers and processors;
- market development and promotion.

The objective is to ensure that farmers are not only able to produce protein crops, but also to sell them into stable and profitable markets.

Action 3



Using Agri-Environmental and Climate Actions to Support Protein Diversification

Use future agri-environmental and climate actions to **support the transition towards plant-based proteins for human consumption**. The report recommends rewarding farmers who:

- replace feed crops with legumes and protein crops intended directly for food;
- introduce pulses into crop rotations;
- diversify away from livestock-dependent systems;
- reduce dependence on imported soy and synthetic fertilisers.

These measures should become a central part of future eco-schemes rather than remaining marginal or optional.

Action 4



Redirecting Investment Support

Redirect CAP investment aid away from **new intensive livestock infrastructure and towards the facilities needed for a plant-based food transition**. The report recommends limiting support for:

- new intensive livestock buildings;
- slaughterhouses and feed-related infrastructure;
- investments that reinforce dependence on livestock production.
- Instead, investment aid should prioritise:
- facilities for processing plant proteins;
- storage and distribution infrastructure;
- local supply chains;
- small-scale and cooperative projects.

Action
5



Making Human Consumption the Priority

Ensure that future CAP targets and support measures apply specifically to plant-based proteins intended for direct human consumption. At present, CAP discussions often treat all “protein crops” in the same way, even though many are still destined for animal feed. The report argues that this risks maintaining the current livestock model rather than transforming it. Future CAP rules should therefore distinguish clearly between:

- protein crops used to feed animals;
- protein crops intended directly for people.

Only the second category should count towards future CAP protein diversification targets.

Action
6



Creating a Structured Transition Instrument: Supporting Farmers Through Diversification

The report recognises that many farmers cannot change production systems immediately and may face economic risks during the first years of transition. The new instrument should therefore provide:

- temporary financial compensation during the transition period;
- technical advice and training;
- support for new investments and market access;
- a gradual timetable allowing farmers to diversify over several years.

The objective is to provide them with a realistic and economically viable pathway towards more diversified production systems.



KEY DEMANDS AND NEXT STEPS

→ Complementary Measures

CAP reform alone will not be sufficient. Unless the Union also addresses the demand side of the food system, producers and consumers will continue to face structural barriers. A shift in consumer demand is already underway across Europe. According to the EU-funded Smart Protein project, the value of plant-based food sales in Europe increased by 49% between 2018 and 2020. To ensure that CAP reform translates into a real increase in demand, production and market opportunities, several complementary measures should accompany the reallocation.

Make plant-based proteins more affordable

Today, plant-based foods often remain more expensive than animal-based products, not because they are intrinsically more costly to produce, but because current prices do not reflect the environmental and health costs of livestock production. The Union should therefore complement CAP reform with: fiscal incentives reducing the cost of plant-based proteins, targeted market support for EU plant-protein producers and public procurement favouring plant-based options in schools, hospitals and public canteens.

Introduce clearer CAP objectives on protein diversification

Future CAP objectives should more clearly reflect the need for protein diversification and healthier diets.

Member States should be required to report: how much CAP support benefits plant-based proteins for human consumption, how much still benefits livestock and feed systems and progress in reducing import dependence and increasing domestic protein production.

Use existing EU instruments to support the transition

Existing EU instruments could already help create demand for plant-based proteins. In particular, the EU School Scheme could gradually increase support for: fruit and vegetables, plant-based proteins for human consumption, educational activities promoting healthier and more sustainable diets. In the longer term, additional measures could also be envisaged, including binding public procurement standards and other targeted market incentives.

→ Proposed Timeline

- By 2030: reallocate at least 5% of relevant CAP support;
- By 2032: reallocate at least 10%;
- By the end of the programming period: reach the full 20% target.

This reform would remain moderate relative to the scale of current CAP spending. Even after the proposed reallocation, the majority of CAP support would continue to benefit livestock and feed systems.

However, such a reform would mark a new direction for European agriculture: less dependent on imported feed, more supportive of diversification, and more coherent with the Union’s climate, food security and public health objectives, ultimately strengthening resilience to future crises. This report shows that such reform is both necessary and achievable.

The CAP is already shaping the future of European agriculture. The key question is what kind of future it will support. The post-2027 CAP can either maintain existing vulnerabilities or help build a more resilient, sovereign and future-adapted food system.

Food Forward Europe, *Future-Proofing the CAP: Rebalancing EU Subsidies Toward Plant-Based Production*, FFE Report, April 2026

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Read the full report to explore:

- the detailed analysis of current CAP spending;
- the evidence on livestock support and protein dependence;
- the legal arguments and litigation pathways;
- the full policy proposal and implementation measures.

→ Link to the Report: <https://www.foodforwardeurope.org/report>