



REFOREST

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Discussion Policy Paper #1

Governance and Regulations for AF Expansion

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1. MOTIVATION/CHALLENGE

Agroforestry (AF) is increasingly recognised as a strategic land-use system for advancing the objectives of the *European Green Deal*, the *EU Biodiversity Strategy for 2030*, and the *Farm to Fork Strategy*. Through its multifunctional benefits, it contributes to climate change adaptation and mitigation ecosystem restoration, and rural diversification. Despite this strong policy alignment, AF remains marginal in European agricultural practices. Structural barriers include fragmented governance, weak policy coherence, land-ownership constraints, gaps in education and advisory services, limited access to financing, and uneven implementation of the Common Agricultural Policy (CAP) across Member States (Hajdukovic, 2025; Zibecchi, 2025).

Recent CAP reforms have improved formal recognition of AF, but core institutional and regulatory barriers to large-scale adoption persist. The forthcoming CAP post-2027 reform and the implementation of the Carbon Removals Certification Framework (CRCF) represent a pivotal opportunity to embed AF within a *results-based governance model*² that rewards ecosystem services and climate performance.

This policy discussion paper³ examines regulatory and governance conditions required to unlock AF's potential within EU policy frameworks. It draws on the findings from the ReForest project and complementary external literature to identify the financial, institutional, and methodological constraints that limit the economic uptake of agroforestry, and to clarify the conditions required for AF to function as a viable farm strategy in the post 2027 CAP context.

2. REFOREST EVIDENCE

ReForest Mapping Reports (D5.1–D5.3) show that agroforestry continues to face structural, institutional, and financial barriers that limit its effective integration into the CAP.

D5.1 - Mapping Report on Agroforestry Sector Finance and Policy I (2023) identifies regulatory fragmentation between agricultural, forestry, and environmental administrations as a central obstacle, highlighting the absence of a harmonised AF definition and inconsistencies in eligibility criteria under Pillar I and Pillar II. These gaps have limited the inclusion of AF measures in national CAP Strategic Plans (Hajdukovic, 2024).

D5.2 - Mapping Report on Agroforestry Sector Finance and Policy II (2024) extends the analysis to the current financing mechanisms and policy developments influencing AF adoption, focused on the CAP 2023–2027 period, State aid frameworks, and emerging carbon farming schemes. It confirms that, although the new CAP architecture opened eco-schemes and agri-environment-climate measures (AECMs), implementation remains highly heterogeneous across Member States, particularly

² results-based governance model links payments or support to the measurable achievement of specific environmental or climate outcomes, with beneficiaries' rewards dependent on verifiable indicators of delivery rather than solely on the implementation of prescribed actions. This approach enhances MRV frameworks by focusing on outcomes and their contribution to broader EU objectives.

³ As part of the ReForest Policy Discussion series, this discussion policy paper aims to support dialogue with panellists, gather targeted input, and help refine priorities ahead of the final Policy Briefs to be released in June.

in relation to payment levels, tree-density thresholds, monitoring requirements, and administrative complexity. Our report also examines how sustainable finance, insurance tools, and hybrid carbon farming schemes, which combine action-based and result-based payments, could strengthen the economic viability and resilience of agroforestry systems, laying the groundwork for payment for ecosystem services (PES) models (Hajdukovic, 2025).

D5.3 - Mapping Report on Agroforestry Sector Finance and Policy III (2025) situates AF within a rapidly evolving EU policy environment shaped by initiatives such as the Carbon Removal Certification Framework (CRCF), the Corporate Sustainability Reporting Directive (CSRD), the Omnibus Simplification Package, and the Strategic Dialogue on the Future of EU Agriculture. Its figure, “Timeline of relevant EU policy updates shaping AF finance,” helps the reader trace how AF has moved from a CAP/rural development issue to a cross-cutting policy question linked to climate, biodiversity, competitiveness, reporting, and implementation capacity. Our report’s SWOT analysis reinforces this point by showing a clear mismatch between policy opportunity and delivery capacity. These developments signal a shift toward performance-based and innovation-driven agricultural governance, where agroforestry can serve as a keystone solution for carbon sequestration, biodiversity enhancement, and rural resilience (Zibecchi, 2025).

EU Policy Updates

Timeline and Implications to Agroforestry



Figure 1 Timeline of relevant EU policies updates shaping AF finance. Source: Zibecchi (2025)

Given the rapid pace of policy and certification developments since the publication of D5.3, the timeline for this policy brief was updated. Figure 2 extends the original analysis by including relevant EU policy and certification updates from 2025–2026, capturing new developments that may shape the financing, monitoring and implementation of agroforestry in the post-2027 CAP context.

EU Policy Updates II

Updated Timeline 2025-2026

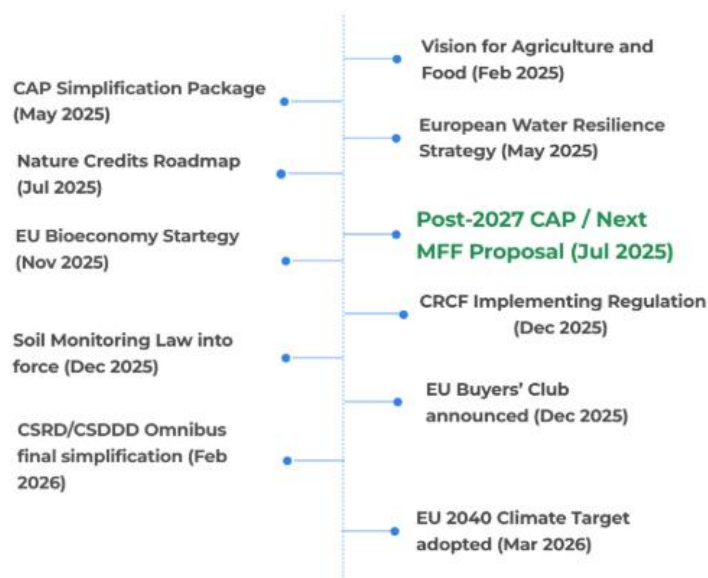


Figure 2 EU policy and certification updates relevant to agroforestry finance, 2025–2026. Source: Authors' own elaboration.

Findings from **D6.2 – Country-Specific Mappings of Institutional Barriers (2025)** confirm persistent institutional bottlenecks such as complex land classification systems, lack of clear ownership rules for mixed tree-crop systems, and limited technical capacity within public administrations. These factors reduce uptake and weaken the effectiveness of CAP instruments intended to reward ecosystem services and climate action (Kasargodu Anebagilu et al., 2025).

The **European Agroforestry Institutional Support-Scheme Database (CAP 2023–2027)**, offers the first EU-wide comparison of national AF support mechanisms. It reviews legal definitions, financial incentives, eligibility criteria, and advisory measures under both Pillar I and Pillar II, highlighting significant differences in institutional design and support intensity across Member States (Kasargodu Anebagilu et al., 2025b).

3. SCIENTIFIC STUDIES

These findings are consistent with a growing body of European research showing that agroforestry adoption is constrained less by a lack of environmental or economic benefits than by governance, institutional, financial, and implementation barriers.

3.1 GOVERNANCE AND POLICY BARRIERS

Several studies identify fragmented governance and inconsistent policy frameworks as major obstacles to the expansion of agroforestry. Santiago-Freijanes et al. (2018) highlight the lack of coherent policy support across the agricultural, forestry, and environmental domains, while Lojka et

al. (2022) show that regulatory uncertainty and administrative barriers continue to hamper agroforestry development even in countries with a long tradition of integrated land-use systems. Pe'er et al. (2022) further argue that the CAP 2023–2027 lacks sufficient coherence and ambition to reverse biodiversity loss, calling for stronger result-based approaches, landscape-scale coordination, and more effective advisory systems.

3.2 FARMER PERSPECTIVES AND ADOPTION DRIVERS

Evidence from farmers across Europe suggests that adoption decisions are influenced by a combination of economic, technical, and social factors. Based on 183 interviews across eight European countries, Rois-Díaz et al. (2018) found that farmers are often motivated by income diversification, environmental stewardship, tradition, and the opportunity to make productive use of marginal land. However, adoption remains constrained by management complexity, labour requirements, regulatory uncertainty, establishment costs, and delayed financial returns. Importantly, many farmers were unfamiliar with the term “agroforestry” even though they were already implementing agroforestry practices, highlighting a disconnect between policy frameworks and farm-level realities.

Similar conclusions emerge from the AFINET thematic network, which engaged approximately 1,500 agroforestry stakeholders across Europe. Mosquera-Losada et al. (2023) conclude that agroforestry is increasingly recognised within EU policy but remains constrained by technical, educational, economic, and regulatory barriers. Their recommendations closely align with ReForest findings, including the need for harmonised definitions, simplified CAP rules, stronger advisory services, demonstration farms, value-chain development, and a dedicated European agroforestry strategy.

Recent Agroof preliminary survey⁴ results from France and Spain reinforce this farm-level evidence by showing how CAP eligibility rules still create barriers for agroforestry adoption. Farmers reported complex procedures, frequent rule changes, and poorly adapted digital control tools for mixed tree-crop systems. More than 60% chose not to declare their trees to avoid compliance risks. Respondents largely supported making the whole agroforestry parcel eligible and shifting from surface-based conditions towards agronomic results.

3.3 ENVIRONMENTAL EFFECTIVENESS AND TARGETING

Broader environmental and legal evidence also points to the need for stronger targeting and accountability. The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) concludes that biodiversity loss is accelerating and already undermining ecosystem functions essential to food systems, including pollination, soil fertility, water regulation, pest control and climate regulation. It calls for transformative change through integrated cross-sector governance, realigned economic incentives and stronger monitoring and accountability mechanisms (IPBES, 2019; IPBES, 2026).

⁴ Agroof. (2025). Persistent regulatory barriers: Results of AgroforAdapt surveys. AgroforAdapt. Preliminary survey results. A final summary is expected to be published during a workshop at the EURAF Conference in Neuchâtel, Switzerland. <https://agroforadapt.eu/en/persistent-regulatory-barriers-results-of-agroforadapt-surveys/>

Rouveyrol and Prima (2024) add an important warning on targeting. Their study of agri-environmental schemes in the French Natura 2000 network finds that support was often poorly aligned with ecological pressures and conservation priorities. This suggests that schemes can flow toward lower-pressure, easier areas rather than toward places where public value is highest. For post-2027 CAP governance, this reinforces the need for spatial targeting, robust needs assessments, and indicators that ensure AF support reaches the farms and landscapes where it can deliver the greatest environmental and socio-economic benefits.

3.4 IMPLEMENTATION AND RESULTS-BASED APPROACHES

Cardwell (2023) shows that results-based schemes need clear baselines, credible payment triggers, risk-sharing rules for outcomes affected by drought, disease, or other factors beyond the farmer's control, and legal clarity for tenant farmers. These issues are central for AF because tree-based systems involve long establishment periods, delayed returns, climate and disease risks, and land-use arrangements that may not fit short tenancy contracts or conventional agricultural categories. The financing implications of these design challenges are addressed in more detail in Policy Brief #2 on Finance and Investment Mechanisms for the Agroforestry Transition in Europe.

4. INSTITUTIONAL AND STAKEHOLDERS' PERSPECTIVES

Institutional and stakeholder evidence reinforces the ReForest diagnosis. EURAF highlights the definitional, statistical, and data-governance barriers that keep agroforestry poorly recorded in CAP systems. The European Court of Auditors points to weaknesses in the CAP's ability to translate environmental spending into measurable outcomes. IEEP warns that the post-2027 architecture could weaken environmental visibility and funding if safeguards are not maintained. EPRS adds that the proposed integration of CAP into broader National and Regional Partnership Plans raises questions about accountability, ring-fencing and the common character of EU agricultural policy.

4.1 EURAF

Over the past years, **the European Agroforestry Federation (EURAF)** has produced a series of *Policy Briefings* covering definitions, CAP governance, landscape features, carbon farming, sustainable finance, corporate sustainability reporting, geospatial data systems, and more. These briefings provide an excellent base for understanding why agroforestry remains difficult to implement despite growing policy recognition. Concerning CAP's post 2027 implications, EURAF's *SWOT Analysis and Ten Recommended Actions*⁵ presentation should also be acknowledged as a key access point for its broader diagnosis of barriers and enabling conditions.

⁵ See: LAWSON, G. (2026, March 26). Agroforestry SWOT and Ten Key Actions. Zenodo.
<https://doi.org/10.5281/zenodo.19629924>.

Definitions Alignment and Regulatory Coherence (EURAF Policy Briefings #15, #22)	EURAF highlights inconsistent national definitions and fragmented governance between agriculture and forestry as key barriers to AF uptake. It proposes a harmonised definition based on a minimum 5% tree cover threshold, compatible with LPIS and satellite monitoring. It also calls for integrated rural cadasters linking forest inventories and CAP-LPIS data, drawing on examples such as Spain’s SIGPAC system. Clear alignment between legal land registers and remote sensing is considered essential to avoid misclassification and ensure CAP eligibility.
Agroforestry in the CAP and State Aid (EURAF Policy Briefings #19, #22)	EURAF confirms that AF is eligible under both Pillar I and Pillar II of the CAP 2023–2027, though implementation remains uneven across Member States. Limited uptake of earlier measures points to the need for simpler and more predictable support schemes. Under the revised ABER, restoration of existing AF areas can receive up to 100% cost coverage and extended premium periods. EURAF also notes that nationally financed forestry measures often lack EU-level reporting, reducing transparency.
Carbon Farming and Sustainability (EURAF Policy Briefings #20, #26, #28, #66)	EURAF contributes to MRV discussions under the CRCF, where agroforestry is recognised as a core carbon-farming activity. It proposes an Agroforestry Carbon Farming Management Plan aligned with EU Taxonomy requirements. To reach land-sector neutrality by 2040, it estimates that around 11.2 million hectares of new AF would be required across Europe. Simplified certification and lower transaction costs are seen as critical for small and medium-sized farms.
Broader Policy Alignment and Environmental Co-Benefits (EURAF Policy Briefings #62, #64, #65)	EURAF connects AF to EU objectives on water quality, soil health and corporate sustainability reporting. It highlights AF’s contribution to erosion control, nutrient retention, and improved soil structure. Linking soil testing, LPIS data, and tools such as FaST could support result-based payments. Integration into CSRD metrics and the EU Taxonomy would strengthen AF’s role as a measurable climate and biodiversity solution.

Table 1: EURAF Policy Briefings. Source: Authors’ own elaboration based on desk research.

A recurring finding is that agroforestry is still poorly captured in CAP administrative systems. Member States apply heterogeneous definitions, while tree-based agricultural parcels are inconsistently recorded across LPIS/IACS, forest inventories, cadastral systems, remote sensing, and LULUCF reporting. In Extremadura, for example, only 20.7% of the area classified as “forest” by JRC satellite data was also recognised as forest in Spain’s SIGPAC land-use registry. This weakens CAP monitoring, carbon accounting, biodiversity reporting and sustainable finance readiness, and supports EURAF’s call for integrated land-parcel databases that identify agroforestry as agricultural land with tree cover⁶.

⁶ LAWSON, G. (2023). Agroforestry Definitions in the New CAP (Version 1). Zenodo. <https://doi.org/10.5281/zenodo.7828435>;

The Commission's own governance paper⁷ already said that the move to a performance-based CAP requires data that can monitor, steer, report and evaluate policy performance, while result indicators measuring direct policy outcomes remain difficult to define. EURAF builds on this concern, finding only 17 out of 948 eco-scheme, agri-environment-climate and investment measures specifically mention agroforestry, and that several agroforestry measures are not consistently coded under the relevant forestry or agroforestry indicators⁸.

Moreover, EURAF also stresses that access to anonymised IACS/GSAA/LPIS data remains uneven across the EU, with only two Member States fully compliant with High Value Datasets requirements, 13 largely compliant and several still fragmented or non-compliant⁹. Without this data infrastructure, agroforestry remains difficult to identify, compare and integrate into CAP monitoring, CRCF carbon certification, LULUCF reporting, biodiversity indicators and sustainable finance frameworks.

4.2 ECA

The **European Court of Auditors (ECA)** provides an accountability-based critique of the current CAP green architecture. Its most recent assessment, Special Report 20/2024¹⁰, concludes that *"the 2023–2027 CAP Strategic Plans are greener than in the previous programming period, but still fall short of EU climate and environmental ambitions"*. The report also finds that the Plans' impact depends on how Member States translate the green architecture into their Strategic Plans, how farmers respond to voluntary schemes, and whether monitoring systems can capture environmental results beyond reported hectares or activities.

This assessment builds on earlier ECA work. Special Report 13/2020¹¹ found that *"the CAP had not halted the decline of biodiversity on farmland"*, while Special Report 16/2021¹² concluded that substantial *"CAP climate spending had not reduced agricultural greenhouse gas emissions"*. These findings question the effectiveness of action-based payments that rely on additional costs and income foregone. Such payments can compensate farmers for prescribed practices, but they do not necessarily ensure measurable delivery of ecosystem services.

4.3 IEEP

⁷ See: European Commission, Directorate-General for Agriculture and Rural Development. (2024). Future of Agriculture Discussion Paper: Governance and Performance, Technical Workshop, 12 April 2024.

⁸ LAWSON, G., DEN HERDER, M., Ronn Anderson, K., KAY, S., MACHINE, A., Palma, J. H., Tomás, A., & Corbacho, J. (2025). Availability and use of IACS geospatial data in the EU (Version v1). Zenodo. <https://doi.org/10.5281/zenodo.15712678>

⁹ European Court of Auditors. (2024). Common Agricultural Policy Plans: Greener, but not matching the EU's ambitions for the climate and the environment (Special Report No. 20/2024). Publications Office of the European Union. <https://doi.org/10.2865/717118>

¹⁰ European Court of Auditors. (2020). *Biodiversity on farmland: CAP contribution has not halted the decline* (Special Report No. 13/2020). Publications Office of the European Union. <https://doi.org/10.2865/336742>

¹¹ European Court of Auditors. (2021). Common Agricultural Policy and climate: Half of EU climate spending but farm emissions are not decreasing (Special Report No. 16/2021). Publications Office of the European Union. https://www.eca.europa.eu/en/publications/SR21_16

Institute for European Environmental Policy (IEEP)'s August 2025 CAP review of the post-2027 CAP and MFF proposals raises concerns about the likely level of environmental and climate ambition under the proposed architecture. Its main concern is that the new structure could reduce both the funding and political visibility given to climate and environmental action within EU agricultural policy. While the Commission presents the reform as more flexible and incentive-based, IEEP argues that this approach depends on sufficient and predictable funding for environmental schemes.

Under the current CAP, eco-schemes and agri-environment-climate measures play a central role in financing sustainable land management. Removing environmental ring-fencing, requiring co-funding for future AECA-type schemes and expanding the list of compulsory interventions could therefore reduce Member States' incentives or capacity to maintain current levels of environmental expenditure.



Figure 3 Structure of how the CAP fits within the National and Regional Partnership Plans. Source: Hart and Baldock, IEEP, The post-2027 CAP and MFF proposals for the EU (2025), based on European Commission draft CAP proposals COM(2025) 560.

Figure 3 illustrates the governance shift behind these concerns. Under the proposed architecture, the CAP would become part of the broader National and Regional Partnership Fund (NRPf), with Member States preparing National and Regional Partnership Plans (NRPPs).

Although several CAP interventions remain ring-fenced, many environmental, investment and risk-management measures would require national co-financing and compete with other policy priorities within the wider NRPf framework. IEEP therefore warns that climate and environmental objectives could become less visible and more vulnerable to national budgetary and political trade-offs, even though the CAP regulation continues to identify areas such as climate adaptation, water resilience, soil health, biodiversity and organic farming as priority areas.

4.4 EPRS

European Parliamentary Research Service (EPRS) material frames the post-2027 CAP reform as a political debate over the future governance of EU agricultural policy. The Commission proposal would integrate CAP delivery into the National and Regional Partnership Fund, with agriculture becoming one chapter within broader National and Regional Partnership Plans. This could improve coordination among agriculture, cohesion, rural development, innovation, water, climate, and territorial investment. However, EPRS also highlights institutional risks. The CAP would no longer operate through the same separate budgetary structure; only some CAP measures would remain ring-fenced, and several interventions would require national co-financing. As shown in Figure 4, many environmental, risk-management, investment and innovation measures would depend partly on Member State budget decisions. This raises concerns about visibility, accountability, parliamentary scrutiny, and the common character of the CAP.

The European Parliament has already taken a position against this direction. Its September 2025 resolution calls for the CAP to remain a distinct EU policy with its own dedicated budget, legal standing and two-pillar structure. Parliament supports simplification, reduced administrative burden, more flexible eco-schemes, stronger support for active farmers and better remuneration for environmental services. It also argues that payment methodologies should move beyond the narrow calculation of “costs incurred and income forgone” when farmers deliver wider public value.

The evidence reviewed in this paper points to a common conclusion. Agroforestry is not held back mainly by a lack of policy recognition, but by the absence of a governance architecture capable of turning policy ambition into implementation. ReForest, EURAF and other institutional perspectives emphasise different parts of the challenge, but all point to the need for clearer responsibilities, stronger coordination and greater consistency across governance levels.

	Proposed intervention	Current CAP pillar	Income support (ring-fenced)	Mandatory for Member States	Minimum national contribution	Additional national financing allowed
(a)	Degressive area-based income support	1st	✓	✓	–	✗
(b)	Coupled income support	1st	✓	✓	–	✗
(c)	Crop-specific payment for cotton	1st	✓	✓ ⁽¹⁾	–	✗
(d)	Payment for natural and other area-specific constraints	2nd	✓	✓	30 % ⁽²⁾	✓
(e)	Support for disadvantages resulting from certain mandatory requirements	2nd	✓	✗	30 % ⁽²⁾	✓
(f)	Agri-environmental and climate actions	1st 2nd	✓	✓	30 % ⁽²⁾	✓
(g)	Payment for small farmers	1st	✓	✓✓ ⁽³⁾	–	✗
(h)	Support for risk management tools	2nd	✓	✓✓ ⁽³⁾	30 % ⁽²⁾	✓
(i)	Support for investments for farmers and forest holders	2nd	✓	✓	30 % ⁽²⁾	✓
(j)	Support for setting-up of young farmers, new farmers, rural business and start-ups and development of small farms	2nd	✓	✓✓ ⁽³⁾	30 % ⁽²⁾	✓
(k)	Support for farm relief services	–	✓	✗	30 % ⁽²⁾	✓
(l)	LEADER	2nd	✗	✓	15/40/60 % ⁽²⁾	✓
(m)	Support for knowledge sharing and innovation in agriculture, forestry and rural areas	2nd	✗	✓	15/40/60 % ⁽²⁾	✓
(n)	Territorial and local cooperation initiatives ⁽⁴⁾	2nd	✗	✗	15/40/60 % ⁽²⁾	✓
(o)	Interventions in outermost regions ⁽⁴⁾	1st	✗	✓ ⁽⁵⁾	15/40/60 % ⁽²⁾	✓
(p)	Interventions in smaller Aegean islands	1st	✗	✗	15/40/60 % ⁽²⁾	✓
(q)	EU school scheme ⁽⁶⁾	1st	✗	✓✓ ⁽³⁾	30 %	✓
(r)	Interventions in certain sectors (CMO measures) ⁽⁶⁾	1st	✓	✗ ⁽⁷⁾	30 % ⁽²⁾	✓

Figure 4 Proposed CAP interventions, ring-fencing requirements and national co-financing obligations under COM(2025)560. Source: European Parliamentary Research Service (EPRS), Regulation on the Common Agricultural Policy for the period 2028 to 2034 (PE 779.241, December 2025), Table 1.

Box 1 proposes a preliminary governance framework as a basis for discussion and further refinement through the ReForest Policy Dialogues.

Box 1. Towards an Agroforestry Governance Framework	
Responsibilities are often divided among agricultural, forestry, environmental, and rural development authorities, resulting in inconsistent definitions, overlapping procedures, and uneven implementation. A more coherent governance framework could help improve policy delivery under the post-2027 CAP.	
European Union Level	The European Commission should establish a common framework for agroforestry implementation through harmonised definitions, guidance on eligibility and monitoring, and greater interoperability among the CAP, CRCF, LULUCF, and sustainable finance frameworks. EU institutions should also ensure that agroforestry is visible within CAP indicators, monitoring systems and reporting requirements.
Member State Level	National authorities should integrate agroforestry more systematically into National and Regional Partnership Plans (NRPPs), CAP interventions, advisory systems and climate strategies. This includes adapting payment schemes, ensuring administrative consistency across ministries and agencies, and providing long-term support for the establishment and management of agroforestry.
Regional Level	Regional authorities should tailor agroforestry support to local environmental, climatic and socio-economic conditions. Responsibilities include spatial planning, landscape-scale implementation, regional advisory services, demonstration farms, and coordination among farmers, research institutions, and local administrations.
Local Level	Local authorities, farmer organisations, cooperatives and advisory services play a key role in implementation. Their responsibilities include farmer engagement, technical support, knowledge exchange, project facilitation and the development of local value chains capable of rewarding agroforestry products and ecosystem services.
A governance framework based on clear responsibilities, coordinated implementation and shared accountability can help move agroforestry from policy recognition to practical delivery under the post-2027 CAP. However, governance reform alone is unlikely to guarantee large-scale adoption. The transition towards agroforestry also depends on how costs, benefits, and risks are distributed among farmers, administrations, value-chain actors, and investors. Understanding these dynamics is essential for identifying potential sources of support and resistance, and for designing policies capable of building durable reform coalitions.	

Table 2. Towards an Agroforestry Governance Framework. Source: Authors' own elaboration.

5. KEY QUESTIONS FOR THE POST-2027 CAP

The findings presented in this paper do not lead to a single policy solution. Instead, they highlight a series of governance, implementation and political economy questions that remain unresolved within the post-2027 CAP debate. The questions below are intended to guide discussion among policymakers, practitioners, researchers and stakeholders. They will be further refined and tested through the ReForest Policy Dialogues, which will help inform the development of the final Policy Briefs and recommendations.

Transition dynamics: who gains, who resists, and why?

Which actors stand to gain or lose from a large-scale transition towards agroforestry, and how can CAP post-2027 be designed to mitigate resistance from groups dependent on input-intensive, monoculture-based models?

- Which stakeholders would benefit most from the large-scale adoption of agroforestry (e.g., smallholders, corporate farms, supply chain actors, policymakers)?
- Which stakeholders are likely to resist, and what are the main sources of opposition (e.g., disruption to business model, risk perception, and regulatory complexity)?
- How can CAP post-2027 be designed to mitigate resistance while maintaining fairness and environmental integrity?
- What mechanisms can ensure the equitable distribution of costs and benefits across farm types and regions?

Making agroforestry attractive for large landowners and corporate farms

Given the profitability, risk-reduction, and compliance advantages, how can performance-based payments, carbon farming schemes, and long-term advanced purchase agreement (APA) contracts be structured to make agroforestry economically attractive for large landowners and corporate monoculture farms??

- While ReForest findings confirm that agroforestry provides tangible ecosystem services, adoption remains limited by perceived complexity and long payback periods. Designing financial instruments that reduce risk and improve cash flow will be critical to engaging large corporate farms.
- How can performance-based payments, carbon farming schemes, and APAs be structured to provide clear financial incentives?
- How can payback periods and long-term investment horizons be addressed to encourage uptake among corporate farms?
- What monitoring, verification, and reporting requirements would make participation attractive without excessive administrative burden?

Reducing administrative transaction costs for professionalised farms

Which institutional bottlenecks, especially those linked to LPIS registration, land-classification rules, and multi-authority approvals identified in D6.2, need to be prioritised to reduce resistance among large professional farms that often avoid practices with high administrative transaction costs?

- ReForest D6.2 shows that the complex classification of land use and fragmented governance disproportionately deter large farms that rely on streamlined and predictable administrative processes.

- Which administrative procedures (e.g., LPIS registration, land classification, multi-authority approvals) create the largest barriers for professional and large-scale farms?
- How can CAP rules be simplified or harmonised to reduce compliance costs while maintaining accountability?
- Could digital tools, advisory services, or governance reforms streamline administrative processes for large-scale operators?

Ensuring an Inclusive Transition Across Farm Types

How should support be structured to ensure that small and medium-sized farms are not priced out by high monitoring and verification costs, or the need for upfront investment, while also ensuring that large farms cannot use agroforestry as a low-ambition compliance label (“greenwashing” risk)?

- How can support mechanisms be designed so that small and medium farms are not excluded due to high monitoring or upfront costs?
- What safeguards are needed to prevent greenwashing of large farms adopting agroforestry only to meet compliance requirements?
- How can CAP post-2027 balance differentiated support across farm sizes while ensuring positive environmental outcomes?

Aligning Private-Sector Incentives with AF Expansion

How can the CAP post-2027, CRCF, and CSRD reporting frameworks be aligned to encourage agribusinesses and large landowners to adopt AF as part of their climate-risk management and sustainability strategies, and to leverage the measurable benefits to soil, carbon, and biodiversity documented in D5.3?

- Corporate agriculture is increasingly operating under ESG and Scope 3 pressures. AF can become an asset for compliance and reporting if governance frameworks recognise and reward certified ecosystem services.
- How can the CAP post-2027, CRCF, and CSRD reporting frameworks be aligned to create incentives that encourage the corporate adoption of agroforestry?
- How can the measurable benefits of agroforestry, such as carbon sequestration, improved soil health, and increased biodiversity, be converted into credible financial or reputational incentives?
- How can the costs of monitoring, verification and reporting be managed to ensure that agroforestry is a viable corporate compliance strategy?

6. APPENDIX 1: REFERENCES AND RELATED DOCUMENTS

ID	Reference or Related Document	Source or Link/Location
1	Cardwell, M. (2023). Results-based agri-environmental scheme design: Legal implications. <i>Environmental Law Review</i> , 25(4), 260–288.	https://doi.org/10.1177/14614529231185678
2	European Agroforestry Federation (EURAf). (n.d.). Policy Briefings (Series of Policy Briefs).	Policy briefings – EURAF
3	European Commission. (2025a). CAP post-2027: Fostering Farm Sustainability. Brussels: Directorate-General for Agriculture and Rural Development.	The CAP post-2027 in the next EU budget - Agriculture and rural development
4	European Commission. (2025b). For a resilient, competitive and sustainable EU agriculture. Brussels: Directorate-General for Agriculture and Rural Development.	EU Agricultural Outlook 2025-35: EU agriculture navigates challenges while embracing opportunities - Agriculture and rural development
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