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POSITION PAPER

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TRANSFORMATION OF THE EUROPEAN UNION'S AGRICULTURAL POLICY: DRIVERS OF A NEW ARCHITECTURE

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Conceptual Framework

Conceptual Foundation of the Position Paper

The Common Agricultural Policy (CAP) of the European Union is undergoing one of the most profound periods of transformation since the major reforms that reshaped its modern architecture. While current debates are often centred on individual legislative proposals, budget negotiations, trade agreements or technological initiatives, analysing these developments in isolation does not fully explain the systemic changes taking place within European agricultural policy.

This Position Paper therefore approaches the second quarter of 2026 not as a collection of individual political events, but as a period during which multiple political, economic and technological signals converged, revealing the emergence of a new architecture of the European Union's agricultural policy. Rather than analysing isolated policy decisions, the paper seeks to identify the structural drivers behind this transformation, examine their interrelationships and assess their implications for the future development of the Common Agricultural Policy.

Key Thesis

The second quarter of 2026 demonstrated that the Common Agricultural Policy is evolving beyond its traditional role as a sectoral policy supporting agricultural production. It is increasingly becoming an integrated policy framework designed to strengthen the European Union's food security, economic resilience, strategic autonomy, technological competitiveness and long-term sustainability.

Working Hypothesis

This Position Paper is based on the hypothesis that the ongoing transformation of the Common Agricultural Policy is driven by the interaction of three interconnected dimensions.

The first dimension consists of geopolitical drivers that redefine the strategic environment in which agricultural policy is formulated.

The second dimension reflects the institutional and economic transformation of the Common Agricultural Policy, including its budgetary architecture, regulatory framework, trade policy and governance model.

The third dimension focuses on the emerging economic and technological model of agricultural production, shaped by digitalisation, artificial intelligence, robotics, biotechnology, resource efficiency, climate adaptation and innovation.

The interaction of these three dimensions explains the structural transformation currently taking place within European agricultural policy.

Research Question

Which structural drivers shaped the transformation of the European Union's agricultural policy during the second quarter of 2026, what new institutional and technological architecture are these drivers creating, and what implications do these developments have for the future trajectory of the Common Agricultural Policy and for Ukraine's integration into this evolving framework?

Why the Second Quarter of 2026?

The second quarter of 2026 represents a particularly significant period in the evolution of European agricultural policy. During these months, the European Union simultaneously advanced negotiations on the Multiannual Financial Framework, continued developing the post-2027 Common Agricultural Policy, introduced important initiatives concerning competitiveness, external trade, technological development, the bioeconomy and climate adaptation, while responding to an increasingly complex geopolitical environment.

The convergence of these developments provides a unique analytical basis for identifying structural trends rather than isolated political events.

Methodology

The Position Paper applies a driver-based analytical approach. Instead of examining individual policy decisions separately, it analyses political signals generated by legislative proposals, institutional decisions, official policy documents, international negotiations and strategic initiatives in order to identify the underlying drivers of transformation.

The analysis draws upon official documents of the European Commission, the Council of the European Union and the European Parliament, legislative proposals, policy communications, publications of international organisations, analytical reports from leading European think tanks, official governmental positions and sectoral expert assessments.

The structure of the Position Paper follows a sequential analytical logic. It begins by identifying the principal drivers of transformation, proceeds to develop an integrated expert position based on the evidence collected, and concludes by outlining possible future contours, development trajectories and scenarios for the evolution of the European Union's agricultural policy.

Accordingly, this Position Paper combines policy analysis, expert assessment and strategic foresight to provide a comprehensive interpretation of the structural transformation currently shaping the future of the Common Agricultural Policy and Ukraine's prospective role within it.

1. The Geopolitical Dimension of the Transformation of EU Agricultural Policy

During the second quarter of 2026, geopolitics ceased to be merely an external backdrop to the European Union's agricultural policy. Instead, it became one of the principal forces shaping its future through the war in Europe, disruptions to energy and fertilizer markets, geopolitical pressure on logistics and maritime routes, changing global trade patterns, and growing concerns over food security and strategic resilience.

The defining feature of this period was that agricultural policy increasingly came to be viewed not simply as a framework for supporting farmers or regulating agricultural markets, but as an integral component of the EU's broader resilience architecture. This shift is evidenced not by isolated political statements, but by a consistent body of documents and assessments produced by the European Union, FAO, OECD, the World Bank, the G7, and the world's leading agricultural economies.

The War in Europe and the Transformation of Food Security

Russia's full-scale invasion of Ukraine remains one of the most influential drivers reshaping European agricultural policy. According to the Council of the European Union, food security has become inseparable from maintaining Ukraine's agricultural production and export capacity. The Council notes that between 2016 and 2021 approximately 90% of Ukraine's wheat exports were destined for countries in Africa and Asia, making Ukraine a critical contributor to global food security rather than merely another agricultural exporter.

Following the disruption of Black Sea logistics, the European Union established the Solidarity Lanes, transforming transport infrastructure into an agricultural policy instrument. What initially appeared to be an emergency logistics solution evolved into a strategic mechanism linking agricultural markets, transport policy, customs procedures, external trade, and geopolitical support for Ukraine.

The consequences extend beyond logistics. Food security within the European Union is increasingly understood not only as the availability of sufficient food supplies but also as the capacity to preserve production, maintain export corridors, protect supply chains and ensure resilience under conditions of prolonged geopolitical instability.

For Ukraine, this represents a fundamental shift. Its agricultural sector has already become part of the European food security architecture before formal accession negotiations on agriculture have been concluded.

Analytical Assessment

The war in Europe has fundamentally altered the political status of Ukraine's agricultural sector. Ukraine is no longer perceived solely as an external supplier or a future Member State adapting

to the Common Agricultural Policy. It has become an active factor shaping European food security, logistics, trade policy and, increasingly, the future architecture of the CAP itself.

Resource Geopolitics: Energy, Fertilisers and Logistics

The second quarter of 2026 clearly demonstrated that agricultural policy is becoming increasingly dependent on resource geopolitics.

In its Food Outlook, published in June 2026, FAO identified geopolitical tensions, weather volatility, energy markets, fertiliser supply chains, maritime transport costs and the global food import bill among the principal sources of uncertainty affecting agricultural markets. FAO projects global cereal production at 2,982 million tonnes in 2026, representing a 2.0% decline compared with the previous year. At the same time, cereal consumption for food purposes continues to increase, while per capita cereal consumption in Low-Income Food-Deficit Countries is expected to decline by 0.4%.

These figures suggest that the world is not entering a period of structural food shortage but rather a period of significantly higher vulnerability. Even a relatively modest decline in production becomes strategically important when combined with rising input costs and geopolitical uncertainty.

The World Bank further reinforced this assessment in June 2026, warning that disruptions associated with tensions in the Middle East could affect oil, gas and fertiliser flows through the Strait of Hormuz. According to the Bank, urea prices increased by 46% within one month, agricultural commodity price indices rose by 8%, and average fertiliser prices are projected to increase by approximately 31% during 2026.

FAO has also highlighted that approximately 20–30% of global ammonia exports originate from the Middle East, while nearly 30% of global fertiliser trade passes through the Strait of Hormuz. Consequently, geopolitical instability in this region directly affects fertiliser availability, production costs, crop yields and ultimately global food prices.

These concerns were echoed by the G7 Agriculture Ministers in June 2026. Their joint discussions explicitly identified rising fertiliser and fuel prices as a major source of uncertainty for farmers worldwide, placing resource security at the centre of international agricultural policy discussions.

Analytical Assessment

Resource geopolitics is transforming energy, fertilisers and logistics from production inputs into strategic components of agricultural security. Future agricultural policy can no longer focus exclusively on farm income support and market regulation. Access to fertilisers, affordable energy, logistics infrastructure, insurance and transport corridors is becoming an essential element of agricultural resilience.

Global Convergence of Agricultural Policy

The transformation currently observed within the European Union is not an isolated phenomenon.

The OECD–FAO Agricultural Outlook 2026–2035 projects that global agricultural income per worker could increase by approximately 9% by 2035. However, the same report estimates a 25% probability that farm incomes could decline by around 3% because of increasing climate, geopolitical and market volatility.

The report also concludes that disruptions associated with the Middle East conflict may constrain fertiliser use and consequently reduce cereal production, particularly in lower-income countries. This illustrates an important methodological shift: international organisations increasingly analyse agriculture through the lens of systemic risks rather than purely through supply-demand balances.

China's No. 1 Central Document 2026 identifies grain security, oilseed production, diversification of agricultural imports, biotechnology, artificial intelligence, smart agriculture and agricultural innovation among the country's highest political priorities. The emphasis is no longer limited to increasing production; it focuses equally on resilience, technological sovereignty and strategic food security.

The United States demonstrates a similar trend. The Farm, Food, and National Security Act of 2026 explicitly integrates agricultural policy with national security, establishing a five-year legislative framework covering agriculture, nutrition, conservation and rural development. Although institutional approaches differ, the underlying strategic direction is remarkably similar. China emphasises food self-sufficiency and technological modernisation. The United States integrates agriculture into its national security agenda. OECD and FAO increasingly assess agricultural development through systemic risk analysis. The G7 focuses on fertilisers, fuel and resilient supply chains. The European Union links agricultural policy with strategic autonomy, resilience and competitiveness.

Analytical Assessment

A process of global convergence in agricultural policy is becoming increasingly visible. Different political systems employ different policy instruments, yet they are responding to the same strategic challenge: agriculture is evolving from a sectoral policy into a core component of national resilience, technological competitiveness and long-term security.

Ukraine within the Geopolitical Transformation

Ukraine occupies a unique position within this transformation.
First, it has become an indispensable contributor to global food security. As recognised by the Council of the European Union, approximately 90% of Ukraine's wheat exports before the full-scale invasion supplied markets in Africa and Asia.

Second, Ukraine has become structurally integrated into the European logistics system through the Solidarity Lanes, creating new interdependence between Ukrainian exports and European transport, customs and market regulation.
Third, Ukraine has emerged as a political factor influencing discussions on agricultural trade, market access, farmer protection and the future enlargement of the European Union.

Analytical Assessment

Ukraine is entering the future Common Agricultural Policy not as a passive recipient of existing rules but as an active factor influencing the policy's evolution. This fundamentally changes the nature of Ukraine's European integration. Adaptation will require not only compliance with the acquis but also an understanding of the new geopolitical logic underpinning the future architecture of EU agricultural policy.

Synthetic Assessment of the Geopolitical Dimension

Evidence from the second quarter of 2026 demonstrates that the transformation of EU agricultural policy is being driven by the cumulative interaction of geopolitical shocks rather than by isolated sectoral developments.
FAO reports a 2.0% decline in global cereal production to 2,982 million tonnes, alongside continued growth in food consumption and declining per capita cereal availability in vulnerable countries. The World Bank identifies a 46% monthly increase in urea prices, an 8% increase in agricultural commodity price indices, and projects a 31% rise in fertiliser prices during 2026. FAO further estimates that approximately 30% of global fertiliser trade passes through the Strait of Hormuz, highlighting the strategic significance of geopolitical chokepoints for agricultural production.

Taken together, these developments indicate a structural shift rather than temporary market volatility. Agricultural policy is increasingly determined by geopolitical stability, resource security, technological competition and resilient supply chains. Consequently, the post-2027 Common Agricultural Policy cannot remain solely a framework for income support and market management. It is gradually evolving into an integral element of the European Union's broader strategic resilience architecture.

For Ukraine, this transformation carries profound implications. Its future integration into the Common Agricultural Policy will take place simultaneously with the policy's own structural transformation. Ukraine must therefore adapt not only to existing CAP rules but also to the emerging geopolitical logic that increasingly defines European agricultural policy.

2. Institutional and Economic Dimension of the Transformation of the EU Common Agricultural Policy

If the geopolitical dimension explains why the European Union's Common Agricultural Policy is undergoing transformation, the institutional and economic dimension explains how this transformation is being translated into budgetary decisions, institutional reforms, regulatory mechanisms and a new economic logic of the CAP.

The second quarter of 2026 marked the period in which developments that had long existed primarily at the level of political debate began to acquire a concrete institutional and legislative form. The European Commission's proposals for the Multiannual Financial Framework (MFF) 2028–2034, the reform of the Common Agricultural Policy after 2027, the introduction of the National and Regional Partnership Plans (NRPPs), the establishment of the European Competitiveness Fund, the provisional application of the EU–Mercosur Interim Trade Agreement, and the adoption of new bilateral safeguard mechanisms collectively demonstrate that the transformation of the CAP has moved from the conceptual stage to practical implementation.

Taken together, these developments reveal a fundamental change in the functioning of the Common Agricultural Policy. The CAP is gradually moving away from the model of a relatively autonomous sectoral policy, historically centred on dedicated budgetary instruments, direct income support and market intervention. In its place, a more integrated governance model is emerging, in which agricultural policy is increasingly interconnected with the European Union's budgetary framework, competitiveness agenda, trade policy, innovation strategy and broader objectives of economic resilience and strategic autonomy.

For Ukraine, this dimension is of particular importance. The country's accession negotiations are taking place at the very moment when the Common Agricultural Policy itself is being fundamentally redesigned. Consequently, Ukraine is preparing to integrate not into a stable and mature CAP, but into a policy framework that is evolving simultaneously with the European Union's enlargement process. Understanding these institutional and economic transformations is therefore essential for assessing both the future conditions of Ukraine's accession and the long-term architecture of European agricultural governance.

This chapter examines five interrelated components of this transformation: the new budgetary architecture of the CAP; the evolving economic logic of agricultural policy after 2027; the transformation of the EU's external trade model; the emergence of new instruments for competitiveness and strategic investment; and Ukraine's place within the evolving institutional and economic architecture of the Common Agricultural Policy.

The New Budgetary Architecture of the European Union: Transforming the Financial Model of the Common Agricultural Policy

The second quarter of 2026 marked a turning point in the debate on the future financial architecture of the European Union. What initially appeared to be a discussion on the Multiannual Financial Framework (MFF) for 2028–2034 has evolved into a broader debate on the future architecture of EU policies. For the Common Agricultural Policy (CAP), this represents not merely a revision of financial allocations after 2027, but a fundamental redefinition of its institutional position within the European Union's strategic priorities.

The starting point of this transformation was the European Commission's proposal for the Multiannual Financial Framework (MFF) 2028-2034, presented on 16 July 2025. The Commission proposed a budget approaching €2 trillion, equivalent to approximately 1.26% of the EU's Gross National Income (GNI), making it the largest financial package in the Union's history. Yet the most significant innovation lies not in its size, but in the restructuring of the budgetary architecture itself.

Under the proposal, the traditional financing model of the Common Agricultural Policy-based on the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD)-would be replaced by a new National and Regional Partnership Fund (NRPF) with a total envelope of €865 billion. This fund would integrate financing for the CAP, Cohesion Policy and several other shared-management policies within a single programming framework.

This represents the first time in the history of the Common Agricultural Policy that CAP would no longer function as a financially autonomous policy. Instead, it would become part of a broader funding architecture in which agriculture competes alongside regional development, social cohesion, industrial competitiveness, security, innovation and other strategic priorities for public investment.

At the same time, the European Commission emphasises that farmers' income support will remain protected. Under the CAP post-2027 proposal, the Commission guarantees a ring-fenced budget of at least €300 billion, including €293.7 billion dedicated to farmers' income support and €6.3 billion allocated to a permanent agricultural safety net designed to respond to severe market disturbances. The European Parliament's Legislative Train Monitor similarly estimates guaranteed income support at €295.7 billion for the 2028–2034 programming period.

The combination of these two decisions is particularly significant. On the one hand, the financial core of direct agricultural support is preserved. On the other hand, the broader policy framework surrounding rural development, investment, structural adjustment and agricultural transformation becomes embedded within a considerably more competitive budgetary environment.

Independent policy institutes consistently interpret these reforms as an institutional transformation rather than a routine budgetary revision.

The Jacques Delors Institute argues that the proposal fundamentally changes the governance model of EU policies by merging the Common Agricultural Policy, Cohesion Policy and other shared-management instruments into a unified system implemented through National and Regional Partnership Plans. According to the Institute, this represents a shift from sector-specific financial instruments towards integrated strategic programming at national and regional levels.

The CAP Reform network highlights that approximately €782.9 billion of the €865 billion National and Regional Partnership Fund would be implemented through National and Regional Partnership Plans. This significantly alters the governance of agricultural policy, placing CAP within a broader strategic planning framework where agricultural priorities coexist with regional, economic and social objectives.

The Institute for European Environmental Policy (IEEP) identifies another structural change. According to its assessment, the concept of income support within the future CAP extends well beyond traditional direct payments. It encompasses investments in farm modernisation, environmental actions, support for young farmers, business diversification and the adoption of innovative technologies. Consequently, income support evolves from a purely compensatory instrument into a mechanism facilitating structural adaptation and long-term competitiveness.

The political debate surrounding these proposals has become increasingly intense.
In April 2026, the European Parliament adopted its interim position on the next Multiannual Financial Framework by 370 votes in favour, 201 against and 84 abstentions. Parliament called for a significantly more ambitious budget corresponding to approximately 1.38% of EU GNI, or roughly €1.93–1.94 trillion. Members of Parliament argued that emerging priorities-including defence, technological competitiveness, support for Ukraine and industrial transformation-should not be financed at the expense of long-established common policies such as the Common Agricultural Policy and Cohesion Policy.

At the same time, concerns have emerged regarding the potential gradual "renationalisation" of the Common Agricultural Policy. According to analyses published by Reuters, transferring a larger share of strategic programming to National and Regional Partnership Plans could increase differences among Member States in the implementation of agricultural policy, thereby weakening the traditional supranational character of the CAP.

This debate has been reinforced by statements from Agriculture Commissioner Christophe Hansen, who has repeatedly argued that food security should not become a source of financing for other political priorities, including defence spending. In his view, recent geopolitical developments have demonstrated that European agriculture constitutes a strategic asset rather than merely another spending programme.

Analytical Assessment

Taken together, these developments demonstrate that the ongoing reform of the Common Agricultural Policy represents a structural transformation rather than a simple budgetary adjustment.

First, the European Union is moving from an autonomous budgetary architecture for the CAP towards an integrated architecture of EU public policies, where agriculture no longer operates as an isolated beneficiary of dedicated financial instruments.

Second, the nature of agricultural support itself is evolving. Whereas previous CAP reforms focused primarily on direct income payments and market stabilisation, the emerging model increasingly integrates technological modernisation, structural competitiveness, environmental adaptation, risk management and long-term resilience.

Third, agricultural policy is entering a new environment of budgetary competition, in which financial resources must increasingly be balanced alongside defence, industrial competitiveness, digital transformation, biotechnology, innovation, security and support for Ukraine.

The most important consequence of the current reform therefore lies not in the absolute level of agricultural expenditure, but in the changing institutional role of the Common Agricultural Policy. The CAP is progressively evolving from a stand-alone sectoral policy into one of the central components of the European Union's broader architecture for economic resilience, strategic competitiveness and long-term security.

CAP after 2027: From Sectoral Support to a Policy of Economic Resilience

The proposed reform of the Common Agricultural Policy goes far beyond a revision of financial envelopes. The legislative package presented by the European Commission indicates a gradual transformation of the CAP from a policy primarily focused on income support and market management into a broader framework aimed at strengthening the economic resilience, competitiveness and adaptive capacity of European agriculture.

While the Commission maintains a ring-fenced allocation of at least €300 billion for farmers' income support during the 2028–2034 programming period, the concept of income support itself is undergoing substantial change. According to the Commission's CAP post-2027 Questions & Answers, the guaranteed budget of €293.7 billion is no longer intended exclusively for traditional direct payments. It is designed to finance a wider portfolio of interventions, including farm modernisation, environmental commitments, investment in productivity, support for young farmers, business diversification and the adoption of innovative technologies.

This represents an important conceptual shift. Historically, direct payments served primarily as an instrument for stabilising farm income. Under the proposed CAP architecture, income support increasingly becomes an instrument for facilitating structural transformation. Financial assistance is expected not only to compensate farmers for market volatility but also to accelerate investment, technological upgrading and adaptation to new environmental, economic and geopolitical conditions.

The Institute for European Environmental Policy (IEEP) reaches a similar conclusion. Its assessment of the legislative proposal argues that the future CAP should no longer be

interpreted as a policy centred exclusively on direct payments. Instead, it combines income stabilisation with broader objectives including climate adaptation, innovation, generational renewal, environmental performance and long-term competitiveness. According to the IEEP, the expansion of eligible interventions fundamentally changes the policy rationale behind agricultural support.

The European Commission reinforces this interpretation in its explanatory communication on CAP 2028–2034, where three strategic priorities receive particular attention: fairer and better targeted income support, sustainability, and generational renewal. Rather than treating these objectives separately, the Commission presents them as mutually reinforcing components of a single transformation agenda. Agricultural competitiveness is therefore increasingly linked to technological innovation, environmental performance and demographic renewal within the farming sector.

The future CAP also strengthens its emphasis on investment. Commission documents explicitly identify support for farm modernisation, digital technologies, precision agriculture, innovation uptake, risk management, and business diversification among the principal directions of intervention. This reflects an important evolution in policy philosophy: public expenditure is expected to stimulate long-term productive capacity rather than merely compensate for structural weaknesses.

This transformation is closely connected with broader economic developments affecting European agriculture. The sector is simultaneously facing rising production costs, greater climate variability, geopolitical uncertainty, labour shortages and increasing international competition. Under such conditions, maintaining existing support mechanisms alone is unlikely to preserve the competitiveness of European farming. The Commission therefore increasingly frames CAP expenditure as an investment in resilience rather than simply as budgetary redistribution.

Another significant element of the reform concerns risk management. Climate shocks, market disruptions, animal diseases, geopolitical crises and input price volatility have become structural rather than exceptional features of agricultural production. Consequently, future CAP instruments are designed to enhance farmers' capacity to anticipate, absorb and recover from systemic shocks. The establishment of a permanent €6.3 billion agricultural safety net illustrates this transition from reactive crisis management towards institutionalised resilience.

The policy also places unprecedented emphasis on generational renewal. According to the Commission, demographic ageing represents one of the most significant structural challenges facing European agriculture. Future CAP instruments therefore prioritise targeted support for young farmers, improved access to investment, business succession and innovation, recognising that economic resilience ultimately depends on the long-term renewal of human capital within the sector.

Taken together, these reforms indicate that the Common Agricultural Policy is gradually moving beyond its traditional identity as an agricultural support policy. Instead, it is becoming a broader economic policy designed to strengthen productivity, encourage innovation, improve resilience and secure the long-term competitiveness of European agriculture.

Analytical Assessment

The proposed post-2027 CAP represents a qualitative rather than incremental reform. First, the policy broadens the very meaning of income support. Financial assistance is no longer limited to compensating farmers for income losses but increasingly serves as a mechanism for financing structural adaptation, technological modernisation and strategic investment.

Second, resilience becomes a central organising principle of agricultural policy. Climate risks, geopolitical instability, volatile input markets and international competition are no longer treated as temporary disturbances but as permanent structural conditions requiring continuous policy adaptation.

Third, the Common Agricultural Policy progressively aligns itself with the European Union's wider economic strategy. Competitiveness, innovation, sustainability, demographic renewal and technological transformation become integral components of agricultural policy rather than parallel objectives pursued through separate instruments.

As a result, the future CAP should no longer be understood solely as a policy supporting agricultural production. It is evolving into an economic resilience policy that seeks to strengthen the adaptive capacity of European agriculture within an increasingly uncertain geopolitical, technological and environmental landscape.

External Trade: From Tariff Protection to Managed Openness

The second quarter of 2026 marked another important shift in the evolution of the European Union's agricultural policy. Whereas external trade had traditionally been treated as a distinct area of economic policy, it is now becoming increasingly integrated into the architecture of the Common Agricultural Policy (CAP). Trade liberalisation is no longer understood as synonymous with reducing protection for European farmers. Instead, the European Union is developing a new model of managed openness, in which market liberalisation is combined with sophisticated mechanisms for monitoring and managing market risks.

The most significant example of this transformation is the EU–Mercosur Partnership Agreement. On 9 January 2026, the Council of the European Union adopted the decisions authorising the signature of the EU–Mercosur Partnership Agreement and the Interim Trade Agreement. On 17 January 2026, the agreements were formally signed in Asunción, bringing to a close almost 25 years of negotiations. For agricultural policy, the importance of this milestone lies not only in the conclusion of the agreement itself but also in its political implications. The European Union confirmed its willingness to pursue ambitious trade liberalisation while simultaneously strengthening instruments designed to protect its most sensitive agricultural sectors.

A second milestone followed on 1 May 2026, when the Interim Trade Agreement entered into provisional application. According to the European Commission, European exporters and importers began benefiting from the new trade regime from the very first day of

implementation. Consequently, the second quarter of 2026 represents not merely a period of political agreement but the beginning of a new operational model for agricultural trade between the European Union and the Mercosur countries.

At the same time, market opening was accompanied by the reinforcement of trade defence instruments.
On 5 March 2026, the Council adopted legislation establishing bilateral safeguard mechanisms for agricultural products covered by the EU–Mercosur agreements. These provisions were subsequently formalised through Regulation (EU) 2026/687 of 11 March 2026, which established detailed procedures allowing the European Union to suspend preferential treatment temporarily whenever imports from Mercosur countries cause-or threaten to cause-serious injury to European producers.

This represents an important policy shift. The European Union is no longer relying primarily on high import tariffs to protect its agricultural market. Instead, it is moving towards a system of reactive market governance, in which continuous market monitoring is combined with rapid institutional intervention whenever significant market disturbances occur.

The Centre for European Policy Studies (CEPS) considers the safeguard provisions to be one of the key political compromises underpinning the agreement. According to CEPS, the agreement does not create unrestricted market access. Instead, it combines gradual liberalisation with Tariff Rate Quotas (TRQs) for sensitive agricultural products and provides the European Union with the legal capacity to activate safeguard measures whenever market stability is threatened.

The architecture of EU trade policy is therefore changing fundamentally. Traditional tariff protection is gradually giving way to a more sophisticated model that combines market openness with continuous surveillance, regulatory flexibility and institutional capacity for rapid intervention. This transformation reflects a broader shift in the philosophy of European agricultural governance: resilience increasingly depends not on permanently restricting trade but on managing its associated risks.

These developments are also closely linked to wider geopolitical dynamics. The war in Europe, disruptions to global supply chains, increasing geopolitical competition and the European Union's pursuit of strategic autonomy have fundamentally altered the context within which trade policy is designed. Open markets are no longer viewed as an objective in themselves. Instead, they are increasingly regarded as instruments for strengthening economic resilience, provided that effective mechanisms exist to mitigate external shocks.

This transformation carries particular significance for Ukraine. As the European Union reviews its autonomous trade measures for Ukraine, debates future market access arrangements and prepares for accession negotiations, it is simultaneously constructing an entirely new model of agricultural trade governance. Ukraine will therefore integrate into a European trading system that differs substantially from the one that existed before 2022. Future participation will require not only compliance with the acquis communautaire but also the capacity to operate within a system characterised by continuous market monitoring, safeguard mechanisms and dynamic risk management.

Analytical Assessment

The developments observed during the second quarter of 2026 demonstrate that external trade is becoming an integral component of the European Union's agricultural policy.

First, trade liberalisation no longer implies the abandonment of agricultural protection. Instead, the European Union is developing a model in which greater market openness is accompanied by permanent institutional mechanisms designed to detect and address market disturbances before they threaten the stability of European agriculture.

Second, trade policy is increasingly integrated with broader objectives of food security, economic resilience and strategic competitiveness. Safeguard mechanisms are evolving from exceptional emergency instruments into permanent elements of the European Union's agricultural governance framework.

Third, Ukraine will enter the European Union within this emerging trade architecture rather than the traditional model of agricultural market regulation. Future integration will therefore depend not only on access to the Single Market but also on Ukraine's ability to operate within a regulatory environment based on continuous risk assessment, safeguard instruments and adaptive market management.

Consequently, the transformation of external trade should not be viewed as a secondary element of CAP reform. It represents one of the principal drivers shaping the emerging architecture of European agricultural policy after 2027.

Competitiveness, Innovation and Bioeconomy: A New Institutional Logic for Agricultural Development

The transformation of the Common Agricultural Policy is not limited to changes in budgetary architecture or external trade. The second quarter of 2026 also confirmed a profound institutional shift in the way the European Union understands the role of agriculture within its broader economic strategy. Agriculture is increasingly positioned not only as a recipient of public support, but as a strategic contributor to European competitiveness, technological leadership and long-term resilience.

This transition is reflected most clearly in the establishment of the European Competitiveness Fund (ECF) as part of the proposed Multiannual Financial Framework 2028–2034.

On 16 June 2026, the Council of the European Union reached its negotiating position on the European Competitiveness Fund. According to the Council, the new instrument is designed to consolidate 14 existing EU funding programmes into a single strategic framework, reducing fragmentation and improving the effectiveness of public investment.

The proposed Fund is organised around four strategic pillars:

- Clean transition and industrial decarbonisation;
- Health, biotechnology, agriculture and the bioeconomy;
- Digital leadership;

- Resilience, security, defence industry and space.

For the first time in EU budgetary history, agriculture and the bioeconomy are explicitly positioned alongside digital technologies, biotechnology, industrial competitiveness, defence and space policy within the same investment architecture. This institutional design reflects a fundamental change in political priorities. Agriculture is increasingly recognised as a strategic sector contributing to economic sovereignty rather than simply a beneficiary of sectoral support.

According to the European Parliament Legislative Train, the proposed European Competitiveness Fund amounts to €397.7 billion (2025 prices), or approximately €409.3 billion in current prices. Within this envelope, around €154.2 billion would support Horizon Europe, €115.7 billion would finance resilience, security, defence and space, €48.5 billion would be allocated to digital leadership, while approximately €20 billion would support health, biotechnology, agriculture and the bioeconomy.

Although agriculture represents only one component of the new Fund, its inclusion within this strategic framework is institutionally significant. Agricultural investment is no longer treated separately from technological innovation, industrial transformation or strategic resilience. Instead, it becomes part of a broader European investment strategy aimed at strengthening long-term competitiveness.

The European Commission further describes the European Competitiveness Fund as a single gateway for strategic investment, designed to mobilise both public and private capital. Rather than financing isolated projects, the Fund seeks to accelerate technological deployment, reduce administrative fragmentation and support innovations capable of strengthening Europe's strategic autonomy.

This represents a major evolution in the philosophy of agricultural policy. Historically, agricultural innovation was primarily financed through sector-specific research programmes or rural development measures. Under the emerging institutional framework, agricultural innovation is increasingly integrated into Europe's industrial and technological strategy.

This shift is also reflected in the priorities identified by the Commission for future agricultural development. Digitalisation, artificial intelligence, precision agriculture, biotechnology, sustainable resource management, low-carbon production systems and the bioeconomy are no longer treated as complementary objectives. They are becoming central drivers of agricultural competitiveness.

The growing importance of the bioeconomy illustrates this transformation particularly well. Agriculture is increasingly viewed not only as a producer of food but also as a supplier of renewable biological resources for industry, energy, advanced materials and circular production systems. This significantly expands the strategic role assigned to the agricultural sector within the European economy.

For Ukraine, these developments have profound implications. Future integration into the Common Agricultural Policy will require adaptation not only to traditional CAP instruments but also to the European Union's broader innovation ecosystem. Competitiveness will increasingly

depend on technological capacity, digital infrastructure, research cooperation, biotechnology, sustainable production systems and integration into European value chains rather than solely on production volumes or cost advantages.

Analytical Assessment

The institutional developments observed during the second quarter of 2026 indicate that competitiveness is becoming one of the central organising principles of the future Common Agricultural Policy.

First, agriculture is increasingly integrated into the European Union's industrial, technological and innovation agenda. The creation of the European Competitiveness Fund demonstrates that agricultural development is now viewed within the broader context of strategic investment rather than isolated sectoral expenditure.

Second, innovation is evolving from a supporting instrument into a structural driver of agricultural policy. Digital technologies, artificial intelligence, biotechnology, precision farming and the bioeconomy are becoming core components of the future competitiveness of European agriculture.

Third, the concept of agricultural competitiveness itself is changing. Competitiveness is no longer measured solely through productivity, production costs or export performance. It increasingly depends on technological capability, innovation capacity, environmental sustainability, resilience and the ability to generate high-value knowledge-intensive production.

For Ukraine, this transformation is particularly significant. The future process of European integration will require adaptation not only to the regulatory acquis of the Common Agricultural Policy but also to a new development model in which research, innovation, digitalisation and technological modernisation become essential conditions for successful participation in the European agricultural economy.

Consequently, the second quarter of 2026 confirms that competitiveness, innovation and the bioeconomy are no longer supplementary dimensions of agricultural policy. They are becoming structural pillars of the emerging architecture of the Common Agricultural Policy after 2027.

Ukraine within the New Institutional and Economic Architecture of the Common Agricultural Policy

The transformation of the European Union's Common Agricultural Policy is unfolding simultaneously with Ukraine's accession process to the European Union. As a result, Ukraine is not preparing to join a stable and established CAP but rather a policy that is itself undergoing profound structural reform. This creates a unique historical situation in which the negotiation of Chapter 11 (Agriculture and Rural Development) coincides with the redesign of the Common Agricultural Policy itself.

The European Commission's proposal for the Multiannual Financial Framework (MFF) 2028 - 2034 reflects this changing reality. Alongside the reform of the CAP, the Commission proposes the creation of a dedicated financial instrument of up to €100 billion to support Ukraine during the next budgetary period. This demonstrates that Ukraine is already becoming part of the European Union's long-term financial planning-not only as a candidate country but also as a strategic political and economic priority for the Union.

At the same time, Ukraine's agricultural sector is increasingly influencing internal European debates on the future of the Common Agricultural Policy. According to the European Commission, Ukraine possesses approximately 41 million hectares of agricultural land, including more than 32 million hectares of arable land, making it one of the largest agricultural producers in Europe. The prospective integration of such a large agricultural economy inevitably raises fundamental questions regarding the future financial sustainability of the CAP, the functioning of the Single Market and the allocation of agricultural support among Member States.

Ukraine's influence is equally evident in the field of agricultural trade. Following Russia's full-scale invasion, the European Union introduced Autonomous Trade Measures (ATMs) granting duty-free access for Ukrainian agricultural products to the EU market. While these measures strengthened Ukraine's economic resilience, the experience of 2022–2025 also demonstrated that full trade liberalisation requires new mechanisms capable of balancing solidarity with Ukraine and the protection of sensitive sectors of European agriculture. Consequently, the European Union is gradually moving towards a model that combines market openness with safeguard mechanisms, continuous market monitoring and rapid-response instruments. Ukraine will become part of this new trade architecture rather than the traditional system that existed before 2022.

Institutional transformation is equally significant. The introduction of National and Regional Partnership Plans, the establishment of the European Competitiveness Fund, and the increasing emphasis on innovation, digitalisation, biotechnology and the bioeconomy indicate that participation in the future CAP will require far more than the administration of traditional agricultural support schemes. It will require the capacity to participate in strategic programming, investment planning, innovation policy, digital governance and integrated rural development.

The broader context of EU enlargement is also changing. Previous enlargement rounds were conducted under relatively stable CAP rules, allowing candidate countries to adapt to an existing policy framework. Ukraine, by contrast, is negotiating accession while the Common Agricultural Policy itself is being fundamentally redesigned. This creates both additional uncertainty and new opportunities for Ukraine to contribute to the discussion on the future architecture of European agricultural policy.

Moreover, the scale of Ukraine's agricultural sector, its role in global food security, its experience of maintaining agricultural production under wartime conditions and its importance for international grain markets increasingly position Ukraine not merely as a future beneficiary of the CAP but as one of the factors shaping its future evolution. Discussions concerning the financial sustainability of the CAP, market regulation, trade policy, strategic autonomy and food security increasingly incorporate the implications of Ukraine's future membership.

Analytical Assessment

Ukraine's accession to the European Union will take place simultaneously with the most significant transformation of the Common Agricultural Policy in several decades.

First, Ukraine will adapt not to the existing CAP but to a policy undergoing profound structural reform. Consequently, accession negotiations should take into account not only the current acquis communautaire but also the emerging architecture of the post-2027 Common Agricultural Policy.

Second, the scale and strategic importance of Ukraine's agricultural sector are already influencing European policy-making. Debates on the future CAP budget, income support, trade policy and market regulation increasingly consider the implications of Ukraine's future accession.
Third, the emerging CAP establishes a significantly broader framework for integration than regulatory harmonisation alone. Successful participation will require strong institutional capacity, advanced digital governance systems, strategic planning, innovation ecosystems, effective risk management and the ability to compete within an increasingly knowledge-based and technology-driven agricultural economy.

Consequently, Ukraine's integration into the European Union should no longer be viewed simply as a process of adapting to existing agricultural rules. Rather, it represents entry into a fundamentally new model of European agricultural policy shaped by budgetary reform, geopolitical change, technological transformation, strategic competitiveness and economic resilience. This new context will largely determine both the course of Ukraine's accession negotiations and its future position within the Common Agricultural Policy of the European Union.

Synthetic Assessment of the Institutional and Economic Dimension

The analysis demonstrates that, during the second quarter of 2026, the European Union entered a new phase in the transformation of the institutional and economic architecture of the Common Agricultural Policy. The combination of budgetary reforms, legislative initiatives, trade policy developments and institutional changes indicates that the CAP is gradually evolving beyond its traditional role as a sectoral agricultural policy and becoming an integral component of the European Union's broader strategy for economic resilience, competitiveness, strategic autonomy and security.

At the same time, the underlying logic of agricultural policy is undergoing a profound transformation. Whereas the CAP has historically been centred on direct payments and market support, the emerging model increasingly focuses on strengthening the economic resilience of agriculture through investment, structural modernisation, innovation, risk management and enhanced competitiveness. Public support is therefore progressively shifting from a compensatory mechanism towards an instrument for long-term structural transformation of the agricultural sector.

The findings further demonstrate that agricultural policy is no longer being shaped in isolation. Budgetary policy, external trade, competitiveness, industrial policy, innovation, the bioeconomy and geopolitical considerations are becoming increasingly integrated into a single strategic framework for governing the development of the European agri-food sector. This growing integration of policy domains represents one of the defining characteristics of the current reform process and fundamentally redefines the institutional role of the Common Agricultural Policy within the broader policy architecture of the European Union.

For Ukraine, these developments carry strategic implications. The country's accession negotiations will take place not within the framework of a stable and completed CAP, but during a period in which its institutional and economic architecture is being fundamentally reshaped. Consequently, Ukraine's future integration into the European Union will extend beyond participation in the Common Agricultural Policy itself. It will involve becoming part of a new institutional and economic model in which competitiveness, economic resilience, innovation, strategic planning and integrated risk management constitute the core principles governing the future development of European agriculture.

3. The Economic and Technological Model of Agricultural Production in the Context of the Transformation of the EU Common Agricultural Policy

While the geopolitical dimension explains why the European Union's Common Agricultural Policy is undergoing transformation, and the institutional and economic dimension demonstrates how this transformation is being implemented through new budgetary, institutional and regulatory mechanisms, the economic and technological dimension addresses a different question: how the very model of agricultural production is changing.

The second quarter of 2026 demonstrated that the transformation of the CAP is increasingly extending beyond reforms of budgetary instruments and support schemes. The focus is shifting towards the foundations of agricultural production itself: the productivity of production factors, the efficiency of resource use, technological modernisation, innovation capacity and the ability of the agricultural sector to adapt to rapidly changing economic, climatic and geopolitical conditions.

During this period, the European Union simultaneously advanced the regulatory framework for New Genomic Techniques (NGTs), promoted the uptake of artificial intelligence and digital technologies in agriculture, strengthened policies on water and soil resource management, responded to rising production input costs, expanded innovation support instruments and introduced measures to simplify administrative requirements for farmers. Taken together, these developments indicate that the transformation of the CAP is no longer focused solely on supporting agriculture but increasingly on reshaping the economic and technological foundations of agricultural production.

A defining characteristic of this transformation is the emergence of a new understanding of agricultural competitiveness. Traditionally, competitiveness was associated primarily with access to land, labour and public financial support. The emerging production model increasingly depends on the efficient use of natural and economic resources, technological innovation, digitalisation, data-driven management, biotechnology, productivity growth and the capacity to respond rapidly to new challenges.

For Ukraine, this dimension is no less significant than the geopolitical or institutional transformation of the Common Agricultural Policy. Successful integration into the future CAP will require more than legislative approximation or the adoption of European support mechanisms. It will require a transition towards a new economic and technological model of agricultural production in which competitiveness is determined by resource efficiency, technological capability, innovation capacity and effective integration into European research, innovation and production ecosystems.

This chapter therefore examines the principal production-related drivers shaping the transformation of the Common Agricultural Policy, including the changing economics of agricultural production and the use of production factors, the evolving concept of the active farmer, regulatory simplification, technological modernisation, biotechnology, digitalisation and artificial intelligence, new approaches to the management of natural resources, and the implications of these developments for Ukraine's future integration into the European agricultural space.

The New Reality of the Economics of Agricultural Production

The second quarter of 2026 demonstrated that the transformation of the European Union's Common Agricultural Policy is increasingly driven not only by changes in budgetary mechanisms or institutional architecture, but also by a fundamental shift in the economics of agricultural production itself. While the traditional CAP model was largely centred on supporting farmers' incomes, the emerging policy increasingly focuses on improving production efficiency, enhancing the productivity of production factors, optimising the use of natural and economic resources, and strengthening the long-term competitiveness of European agriculture.

One of the clearest signals of this transition is reflected in the Horizon Europe Cluster 6 Work Programme (2026–2027), adopted by the European Commission during the second quarter of 2026. Among its strategic priorities, the programme includes a dedicated topic entitled "Improving the competitiveness of the agricultural sector by enhancing the efficient and sustainable use of agricultural production factors." The wording itself illustrates an important conceptual shift. Competitiveness is no longer expected to rely primarily on higher levels of public support but increasingly on the more efficient use of production factors—including land, water, fertilisers, energy, labour, capital, knowledge and digital technologies.

At the same time, the economics of agricultural production is becoming increasingly dependent on developments in global input markets. According to the World Bank's Commodity Markets Outlook, published in April 2026, global urea prices increased by approximately 46% during the first quarter of 2026, while the fertiliser price index rose by more than 30% compared with the beginning of the year. Rising energy prices and higher transport costs further increased production costs across the agricultural sector, significantly affecting farm profitability.

Geopolitical instability has reinforced these economic pressures. International assessments indicate that approximately 30% of global fertiliser trade passes through the Strait of Hormuz. The escalation of tensions in the Middle East during the second quarter of 2026 therefore transformed fertiliser supply from a purely commercial issue into a matter of strategic production security. The economics of agricultural production is becoming increasingly dependent on the resilience of global supply chains and the security of critical production inputs.

In response, the European Commission presented its Fertiliser Action Plan in May 2026, aiming to improve the availability and affordability of fertilisers for European farmers while strengthening the competitiveness of the EU fertiliser industry and reducing external dependencies. In June 2026, the Commission proposed an emergency support package amounting to €540 million, while the Council of the European Union endorsed temporary emergency measures to mitigate the impact of rapidly increasing fertiliser prices. These developments demonstrate that fertilisers are no longer regarded merely as an input cost but increasingly as an object of agricultural, industrial, trade and strategic policy.

A similar transformation is taking place in relation to water resources. The European Commission's Water Resilience Strategy identifies the transition towards a water-smart economy as a key objective for improving Europe's long-term competitiveness. The Strategy establishes an indicative target of improving water-use efficiency by at least 10% by 2030, while

the European Investment Bank announced €15 billion in water-related investments during the 2025–2027 period. For agriculture, these initiatives signal a profound shift: water is no longer treated simply as a natural resource but increasingly as a strategic production factor whose efficient management directly affects productivity, resilience and economic performance.

Land resources are undergoing a similar conceptual transformation. The advancement of the Soil Monitoring Law establishes the foundations for a harmonised European system for monitoring soil health. According to the European Commission, more than 60% of soils across the European Union are currently considered unhealthy. Under these conditions, soil quality is no longer viewed solely as an environmental concern but increasingly as an economic asset determining productivity, input efficiency, long-term land value and the sustainability of agricultural production.

Taken together, these developments demonstrate that the second quarter of 2026 marked the emergence of a new economic paradigm for European agriculture. The central objective of agricultural policy is gradually shifting from maintaining farm incomes towards improving production efficiency, increasing resource productivity, reducing input dependency, strengthening resilience and enhancing the long-term competitiveness of agricultural production.

Analytical Assessment

The developments observed during the second quarter of 2026 indicate a gradual transition from an economics of agricultural support towards an economics of efficient agricultural production.

First, agricultural competitiveness is becoming increasingly determined not by the scale of public financial support but by the productivity of production factors and the ability of farms to adapt to changing cost structures and resource constraints.

Second, critical production inputs-including fertilisers, water, energy and soil resources-are progressively evolving from ordinary market commodities into strategic assets whose management is becoming an integral component of the Common Agricultural Policy.

Third, this transformation fundamentally changes the requirements for candidate countries seeking EU membership. For Ukraine, successful integration into the future CAP will require not only legislative approximation and institutional adaptation but also a transition towards a production model based on resource efficiency, technological capability, high productivity and long-term economic resilience.

The Active Farmer and the New Regulatory Environment for Agricultural Production

The transformation of the economics of agricultural production in the European Union is accompanied by a fundamental redefinition of both the role of the farmer and the regulatory framework governing agricultural activity. The second quarter of 2026 confirmed that, alongside technological modernisation and improvements in resource efficiency, the European Union is increasingly focused on creating a regulatory environment that enables farmers to concentrate on production rather than administrative compliance.

One of the key elements of this transformation is the concept of the active farmer. Within the evolving post-2027 CAP framework, public support is becoming increasingly linked not merely to land ownership or eligibility for payments, but to genuine agricultural activity, economic engagement, farm management and the creation of added value. This approach reflects the European Union's objective of improving the efficiency of public expenditure by directing financial support towards those producers who actively contribute to agricultural production, rural development and the resilience of the agri-food sector.

A second major development during the second quarter of 2026 was the continued implementation of the CAP Simplification agenda. Throughout the quarter, the European Commission advanced measures aimed at reducing administrative burdens, simplifying compliance procedures, expanding the digitalisation of reporting systems and increasing the flexibility of CAP implementation across Member States.

According to the European Commission, the simplification package is expected to reduce administrative costs for farmers and national administrations by more than €400 million annually, while the overall economic benefits resulting from lower compliance costs and reduced administrative burdens are estimated to exceed €1.5 billion per year. These figures illustrate that regulatory simplification has evolved beyond an administrative reform and has become an important instrument for improving the economic efficiency of agricultural production.

At the same time, the philosophy of agricultural regulation is undergoing a profound transformation. Whereas previous CAP reforms were characterised by expanding compliance obligations and increasingly complex control systems, current reforms place greater emphasis on risk-based regulation, digital monitoring, satellite observation and automated verification systems. These instruments allow physical inspections to be reduced while maintaining a high level of accountability for the use of European Union funds.

Consequently, the relationship between public authorities and agricultural producers is gradually being redefined. Regulatory policy is becoming less focused on control as an objective in itself and increasingly oriented towards creating favourable conditions for investment, innovation, technological modernisation and rapid responses to emerging risks. In this context, the quality of the regulatory environment is emerging as an important determinant of agricultural competitiveness.

Analytical Assessment

The developments observed during the second quarter of 2026 indicate a gradual transformation of the regulatory philosophy underpinning the Common Agricultural Policy.

First, public support is becoming increasingly concentrated on the active farmer-a producer who genuinely undertakes agricultural activity, invests in production, adopts innovation and contributes to the long-term economic viability of the agricultural sector.

Second, regulatory simplification is evolving from an administrative exercise into an economic policy instrument designed to increase productivity, reduce transaction costs and improve the investment climate within European agriculture.

Third, the digitalisation of regulatory procedures and control systems is reshaping the interaction between governments and producers. A new regulatory model is emerging in which efficiency, trust and digital technologies become as important as traditional administrative supervision.

For Ukraine, these developments imply that successful integration into the future Common Agricultural Policy will require not only legislative approximation but also the creation of a modern regulatory environment capable of stimulating production, investment and innovation while significantly reducing unnecessary administrative barriers for agricultural producers.

Technological Transformation of Agricultural Production

The second quarter of 2026 confirmed that the technological transformation of agricultural production has become one of the principal drivers reshaping agricultural policy. Unlike previous stages, when technological innovation was primarily regarded as a means of improving the productivity of individual farms, it is now increasingly redefining the technological model of agricultural production itself. Digitalisation, artificial intelligence, automation, autonomous machinery, new energy systems and innovation policy are becoming integral elements of agricultural competitiveness, investment priorities and production efficiency. The developments observed during the second quarter demonstrate that technological transformation is no longer driven solely by agricultural policy but is increasingly shaped by broader industrial, digital and competitiveness strategies at both the European and global levels.

A major policy signal emerged on 3 June 2026, when the European Commission presented the Apply AI Strategy, identifying agri-food among the ten strategic sectors for accelerated deployment of artificial intelligence. Rather than focusing on the development of new algorithms, the Strategy aims to scale existing AI applications across the real economy through the establishment of AI Factories, expansion of the EuroHPC high-performance computing infrastructure, development of sectoral data spaces, AI Experience Centres and technology transfer mechanisms. For agriculture, the Strategy signals a transition towards AI-assisted farm management, precision agriculture, resource optimisation and data-driven decision-making as core elements of future competitiveness.

The practical implications of this policy were further elaborated on 24 June 2026, when the EU CAP Network, together with DG AGRI and DG CONNECT, organised the expert workshop "Fostering AI uptake and scaling trusted AI solutions in agriculture." The discussions focused not on artificial intelligence as a standalone technology but on its integration into agricultural production systems through precision farming, autonomous machinery, sensor networks, satellite-based monitoring and digital farm management platforms. Participants identified the principal barriers to wider deployment as insufficient data quality, limited interoperability between digital platforms, inadequate digital skills among farmers and the high initial investment costs associated with advanced technologies. These conclusions demonstrate that

technological transformation increasingly depends on the simultaneous development of digital infrastructure, human capital, financing mechanisms and data governance.

At the same time, digital technologies are becoming deeply embedded within the implementation architecture of the Common Agricultural Policy. The expanding use of Copernicus, the Area Monitoring System (AMS), the Integrated Administration and Control System (IACS), digital farm identifiers and automated compliance verification illustrates that data are evolving into a strategic production factor. Beyond improving operational efficiency, digital information is increasingly used to verify eligibility for CAP payments, monitor environmental performance, supervise land use and support evidence-based agricultural governance. As a result, the digitalisation of production and the digitalisation of agricultural administration are gradually merging into a single technological ecosystem.

Another significant development occurred on 10 June 2026, when DG AGRI launched the first EU Agri-Hackathon. Unlike traditional research competitions, the initiative focuses on developing practical digital solutions capable of reducing administrative burdens for farmers, integrating machine-generated data, improving transparency across agri-food supply chains and accelerating the deployment of digital services throughout the agricultural sector. This reflects an important policy shift: technological innovation is increasingly evaluated according to its capacity for rapid practical implementation rather than its scientific novelty alone.

Technological transformation is also reshaping agricultural machinery and production systems worldwide. During the second quarter of 2026, manufacturers and innovation programmes continued accelerating the commercial deployment of autonomous tractors, robotic field operations, machine vision technologies, unmanned aerial systems and integrated digital farm management platforms. Developments in the United States, China, Japan and Australia demonstrate that autonomous agricultural machinery and precision farming technologies are rapidly moving from demonstration projects towards commercial adoption, establishing new international technological benchmarks that will increasingly influence agricultural competitiveness far beyond the European Union.

A further dimension of technological transformation concerns the energy base of agricultural production. Throughout the second quarter of 2026, European countries continued expanding investments in biomethane production, biogas facilities, agrivoltaics, on-farm renewable energy generation, energy storage systems and the electrification of agricultural machinery. These developments indicate that technological modernisation is becoming closely intertwined with energy transformation. Energy is no longer viewed merely as a production cost but increasingly as a determinant of technological autonomy, operational resilience and long-term economic sustainability for agricultural enterprises.

Finally, developments in investment policy demonstrate that technological transformation is becoming increasingly dependent upon cross-sector competition for innovation funding. Within the proposed architecture of the European Competitiveness Fund, agriculture, biotechnology and the bioeconomy are integrated into a broader competitiveness window alongside health, while substantially larger allocations are directed towards defence, digital leadership and space technologies. Consequently, future technological progress in agriculture will increasingly depend on its ability to compete successfully for innovation investment alongside other strategically important sectors of the European economy.

Analytical Assessment

The developments observed during the second quarter of 2026 indicate that technological transformation is progressively evolving beyond the traditional boundaries of agricultural policy and becoming an integral component of broader competitiveness and industrial strategies.

First, artificial intelligence, digital technologies, robotics, autonomous machinery and data-driven management systems are establishing a new technological paradigm in which agricultural competitiveness increasingly depends on automation, digital capabilities and the effective use of data.

Second, technological transformation extends well beyond digitalisation alone. It encompasses advanced machinery, autonomous production systems, renewable energy technologies, digital infrastructure and integrated production management, thereby fundamentally reshaping the economics of agricultural production.
Third, for Ukraine, these developments imply that successful integration into the future Common Agricultural Policy will require not only legislative approximation but also a comprehensive transition towards a new technological production model based on digitalisation, automation, advanced agricultural machinery, energy resilience and continuous innovation as the principal drivers of long-term competitiveness.

Biotechnological and Resource-Climate Transformation of Agricultural Production

The second quarter of 2026 confirmed that, alongside digital transformation, another structural driver is reshaping the future model of agricultural production: the biotechnological and resource-climate transformation of agriculture. While digital technologies are changing the way agricultural production is managed, biotechnology and new approaches to natural resource management are transforming its biological foundation. At the same time, soil health, water resources, genetic innovation, the bioeconomy and climate adaptation are increasingly moving beyond the environmental policy agenda to become central determinants of agricultural competitiveness, productivity and long-term economic resilience.

One of the most significant developments of the quarter was the conclusion of the legislative phase of the European Union's regulatory framework on New Genomic Techniques (NGTs). On 17 June 2026, the European Parliament adopted the compromise text of the Regulation establishing a new legal framework for plants developed through modern genome-editing technologies. The Regulation introduces a differentiated regulatory system by exempting certain categories of NGT-derived plants from the traditional GMO authorisation framework when their genetic modifications could also occur through conventional breeding. However, key economic issues—including patent protection, breeders' access to genetic resources and intellectual property rights—remain unresolved and have been referred to the European Commission for further assessment. This demonstrates that biotechnology is no longer solely a scientific issue but is becoming increasingly intertwined with market competition, innovation policy and the future structure of agricultural value chains.

At the same time, the European Union continued strengthening its policy framework for restoring the productive capacity of natural resources. The advancement of the Soil Monitoring Law represents an important step towards establishing a harmonised European soil monitoring system. According to the European Commission, more than 60% of soils across the European Union are currently considered unhealthy, directly affecting agricultural productivity, fertiliser efficiency, water retention and the long-term sustainability of farming systems. Consequently, soil is increasingly recognised not merely as a natural resource but as a strategic production asset whose condition directly determines the economic performance of agriculture.

Resource management has also become a central component of agricultural competitiveness through the implementation of the Water Resilience Strategy, presented by the European Commission during 2026. The Strategy introduces the concept of a water-smart economy as one of the foundations of Europe's long-term economic resilience and establishes a target of improving water-use efficiency by at least 10% by 2030. Complementing this objective, the European Investment Bank has committed substantial financing for modernising Europe's water infrastructure. For agriculture, these developments signal a profound transition towards a production model in which efficient water management becomes a decisive factor for competitiveness, climate resilience and production stability.

The second quarter of 2026 also reinforced the strategic importance of the bioeconomy within European agricultural policy. Under Horizon Europe Cluster 6, numerous research and innovation calls continue supporting biotechnology, circular bioeconomy solutions, renewable biological resources, resource efficiency and climate-resilient agricultural systems. Rather than treating bioeconomy as a separate environmental initiative, the European Union increasingly positions it as an integrated economic strategy capable of simultaneously strengthening competitiveness, reducing emissions and enhancing the resilience of agri-food systems.

At the same time, climate adaptation is gradually shifting from an environmental obligation to an essential component of agricultural economics. Increasing drought frequency, water scarcity, soil degradation and biological risks are accelerating investments in improved breeding technologies, sustainable resource management and biological solutions that enhance production resilience. Consequently, biotechnology, natural resource management and climate adaptation are becoming increasingly integrated into the broader economic transformation of agricultural production.

Analytical Assessment

The developments observed during the second quarter of 2026 demonstrate that biotechnological and resource-climate transformation is emerging as one of the fundamental pillars of future agricultural policy.

First, biotechnology is moving beyond scientific research and becoming an integral component of agricultural economics, while simultaneously raising new questions concerning intellectual property, market concentration and equitable access to innovation.

Second, natural resources-including soils, water, biodiversity and plant genetic resources-are increasingly recognised as strategic production factors whose management directly influences the long-term competitiveness and resilience of agriculture.

Third, the growing emphasis on the bioeconomy and resource-efficient production reflects a gradual transition from policies designed primarily to compensate environmental risks towards policies that utilise natural capital as a strategic source of economic growth, innovation and sustainable competitiveness.

For Ukraine, these developments indicate that integration into the future Common Agricultural Policy will require not only legislative approximation in biotechnology and natural resource governance but also the development of a competitive bioeconomy, advanced breeding capacity, sustainable soil and water management systems and a climate-resilient agricultural production model capable of meeting the long-term requirements of the European agricultural market.

Ukraine's Place and Role in the New Economic and Technological Model of Agricultural Production in the European Union

The analysis presented in this Position Paper demonstrates that the transformation of the European Union's agricultural policy is gradually giving rise to a new economic and technological model of agricultural production. Within this emerging framework, competitiveness is no longer determined primarily by the level of public support, production scale or natural resource endowment. Instead, it increasingly depends on the ability to combine high productivity of production factors, technological innovation, digitalisation, biotechnology, resource efficiency and a modern regulatory environment into an integrated development model. Against this background, Ukraine's accession to the European Union should be viewed not merely as a process of legislative approximation or integration into the Common Agricultural Policy (CAP), but as the incorporation of a strategically important agricultural economy into the future economic and technological architecture of European agriculture.

Ukraine possesses the capacity to substantially strengthen the productive potential of the European Union. With more than 40 million hectares of agricultural land, some of the world's most fertile black soils, and its position among the world's leading exporters of cereals and oilseeds, Ukraine represents a production scale unmatched within the current European Union. At a time of increasing global competition for food resources and growing concerns over food security, Ukraine has the potential to become one of the principal contributors to strengthening Europe's agricultural production capacity and reinforcing its position in global agri-food markets.

Equally important is Ukraine's technological potential. Despite the challenges imposed by the full-scale war, Ukrainian agriculture remains among the most technologically adaptive sectors in Europe. Precision agriculture, satellite monitoring, digital farm management systems, automated field operations, unmanned aerial systems and advanced AgTech solutions are already widely deployed across large agricultural enterprises. Combined with one of Europe's strongest information technology sectors, these capabilities provide a unique foundation for integrating Ukraine into the next generation of digitally enabled European agriculture.

The war has also significantly accelerated technological innovation. Ukrainian agricultural producers have been compelled to adopt autonomous technologies, unmanned systems, remote sensing, digital decision-support tools and data-driven management solutions under

conditions of exceptional uncertainty. As a result, Ukraine has accumulated practical experience in the rapid deployment of innovative technologies under extreme operational conditions. This experience represents a valuable asset that can contribute to the future technological modernisation and resilience of European agriculture.

Ukraine's resource potential further enhances its strategic importance. The country possesses considerable opportunities for expanding biomethane production, bioenergy, agricultural biomass utilisation, renewable energy generation and low-carbon energy solutions. Together with its exceptional soil resources, significant water potential and opportunities for developing a circular bioeconomy, these assets position Ukraine as an important contributor to strengthening the resource security and energy resilience of the European agri-food system.

The strategic significance of Ukraine's accession therefore extends far beyond agriculture itself. The integration of Ukraine into the European Union would expand the production capacity of the Single Market, strengthen European food security, accelerate technological innovation, diversify renewable biological resources and reinforce the global competitiveness of the European agri-food sector. In this context, Ukraine should not be viewed solely as a candidate country adapting to the Common Agricultural Policy. Rather, following accession, it has the potential to become one of the key contributors to the future economic and technological transformation of European agriculture.

Analytical Assessment

The developments observed during the second quarter of 2026 indicate that the emerging economic and technological model of agricultural production creates a fundamentally new strategic role for Ukraine within the future architecture of the European Union. While previous stages of European integration primarily focused on Ukraine's alignment with the acquis communautaire and the Common Agricultural Policy, the next stage is likely to be defined by Ukraine's contribution to strengthening the competitiveness, resilience and innovation capacity of European agriculture.

Following accession, Ukraine has the potential to contribute a unique combination of large-scale agricultural production, advanced technological capabilities, rapid innovation adoption, significant bioenergy resources and practical experience in managing agricultural production under conditions of high uncertainty. Together, these strengths can become an important competitive asset within the future economic and technological model of agricultural production in the European Union.

Consequently, the strategic value of Ukraine's integration lies not only in enlarging the European agricultural market but also in strengthening the technological, production, resource and innovation capacity of the European Union, thereby enhancing the resilience, sustainability and long-term global competitiveness of the European agri-food system.

Synthetic Assessment of the Economic and Technological Model of Agricultural Production Dimension

The analysis undertaken demonstrates that, during the second quarter of 2026, the future development of agricultural policy became increasingly embedded within the broader

framework of the European Union's economic, industrial, technological, energy and innovation policies. Agricultural competitiveness is therefore no longer shaped exclusively by the instruments of the Common Agricultural Policy (CAP), but by the interaction of multiple policy domains that collectively determine the future performance and resilience of the agri-food sector. This represents one of the most significant structural signals identified during the second quarter of 2026.

The evidence further indicates a gradual transformation in the very nature of agricultural competitiveness. Traditional competitive advantages—such as natural resource endowment, production scale, lower production costs or public support—are progressively being complemented, and in some areas replaced, by productivity of production factors, technological capability, digital maturity, efficient resource management, innovation capacity and the ability of production systems to rapidly adapt to economic, environmental and geopolitical challenges. Consequently, competitiveness is increasingly determined by the quality of the production model rather than by the scale of production alone.

The second quarter of 2026 also confirmed that technological transformation can no longer be understood as a collection of separate innovation trends. Digitalisation, artificial intelligence, robotics, autonomous machinery, renewable energy systems, biotechnology, advanced breeding, resource efficiency and the bioeconomy are gradually converging into an integrated production model in which technological, biological, economic and environmental components reinforce one another. It is precisely this systemic integration, rather than the emergence of individual technologies, that constitutes the principal strategic signal of the period.

For Ukraine, these developments fundamentally redefine the meaning of European integration in agriculture. Following accession, the central challenge will extend far beyond legislative approximation or participation in the Common Agricultural Policy. Ukraine's long-term role will depend on its capacity to integrate into this emerging economic and technological model of European agricultural production. At the same time, Ukraine's large-scale production base, exceptional natural resources, advanced AgTech capabilities, rapidly developing bioenergy sector, strong digital expertise and proven capacity to innovate under conditions of extreme uncertainty position the country not merely as a future beneficiary of European integration, but as a strategic contributor to the competitiveness, technological leadership, resilience and long-term sustainability of the European agri-food system.

4. Expert Position

The analysis presented in this Position Paper provides sufficient grounds to formulate a set of strategic expert positions regarding the ongoing transformation of the European Union's agricultural policy. These positions do not summarise the individual drivers analysed in the previous chapters. Rather, they represent an integrated interpretation of the structural changes shaping the future architecture of the Common Agricultural Policy.

4.1. The Common Agricultural Policy is entering a new stage of its development.
The transformation currently underway extends far beyond another reform of the CAP. The combination of political, economic, technological and geopolitical signals demonstrates the emergence of a new policy model in which agriculture is increasingly integrated into the European Union's broader objectives of resilience, competitiveness, security and sustainable development.

4.2. Geopolitics has become a structural driver of the Common Agricultural Policy.
War, geopolitical competition for strategic resources, food sovereignty, strategic autonomy and the growing influence of international organisations are no longer external factors affecting agricultural policy. They have become integral elements shaping the objectives, priorities and instruments of the Common Agricultural Policy itself.

4.3. The Common Agricultural Policy is evolving from a sectoral agricultural policy into a component of the European Union's broader economic and security architecture.
Budgetary reform, regulatory transformation, trade policy, competitiveness and strategic autonomy increasingly shape the future of the CAP. Agricultural policy is progressively becoming part of a wider framework designed to strengthen the European Union's economic resilience and long-term strategic capacity.

4.4. The competitiveness of future agricultural production will increasingly depend on technological capability; however, the current scale of financial support does not yet reflect the strategic importance assigned to this transformation.
Artificial intelligence, digitalisation, robotics, biotechnology, renewable energy, advanced breeding and innovation are becoming the principal drivers of agricultural competitiveness. At the same time, current financial allocations reveal a persistent gap between declared strategic priorities and the actual level of investment supporting technological transformation.

4.5. The economic nature of public support for agriculture is fundamentally changing.
Public support is gradually moving beyond its traditional compensatory function. It is increasingly designed to stimulate structural modernisation, investment, innovation, risk management, resource efficiency and the long-term competitiveness of the agricultural sector rather than simply stabilising farm incomes.

4.6. Ukraine should be regarded as a potential co-architect of the future Common Agricultural Policy rather than merely an object of European integration.
The scale of Ukraine's agricultural sector, its strategic contribution to global food security, technological potential, natural resource base and experience of operating under conditions of

extreme uncertainty position the country not only as a future participant in the CAP, but also as a potential contributor to its further evolution.

4.7. The second quarter of 2026 represents the period in which previously separate political, economic and technological developments converged into a coherent picture of a new architecture for the European Union's agricultural policy.

The convergence of these structural signals provides sufficient analytical evidence to move beyond the interpretation of individual policy decisions and towards identifying the future contours, development trajectories and possible scenarios of the Common Agricultural Policy. It is this convergence that makes the second quarter of 2026 a particularly significant period for understanding the direction of Europe's agricultural transformation.

5. Contours of the Future Agricultural Policy and Its Transformation Trajectories

Contours of the Future Agricultural Policy

The analysis presented in this Position Paper indicates that the transformation of the European Union's agricultural policy extends well beyond the reform of individual CAP instruments. The combined impact of geopolitical, economic, institutional and technological drivers is shaping the contours of a new policy model that is likely to define the development of European agriculture over the coming decades.

First and foremost, the role of agricultural policy within the European Union is changing fundamentally. The Common Agricultural Policy is gradually evolving beyond its traditional function as a sectoral policy supporting agriculture and is becoming an integral component of the European Union's broader architecture of economic resilience, strategic autonomy, competitiveness and security.

At the same time, the economic logic of public support is being transformed. Rather than primarily compensating farmers for market or production risks, public intervention is increasingly expected to stimulate structural modernisation, investment, technological innovation, climate adaptation, resource efficiency and effective risk management, thereby strengthening the long-term competitiveness of the agricultural sector.

Future agricultural policy will rely increasingly on digital infrastructure, data, artificial intelligence, robotics, biotechnology, the bioeconomy and new energy solutions. Technology is progressively becoming not merely an instrument of agricultural modernisation, but one of the fundamental conditions for maintaining Europe's competitiveness in global agri-food markets.

Agricultural policy is also expected to become more closely integrated with trade, industrial, environmental, research, energy and security policies. As these boundaries continue to diminish, the future Common Agricultural Policy will increasingly evolve into a comprehensive policy framework for the development of sustainable and competitive agri-food systems.

Within this emerging architecture, Ukraine's role is also likely to evolve. Its agricultural potential, natural resource base, technological capabilities, strategic importance for global food security and future membership perspective create the conditions for Ukraine to become an integral element of the future European agri-food system rather than simply a participant in it.

Possible Transformation Trajectories of the Common Agricultural Policy

The political signals observed during the second quarter of 2026 do not allow for a definitive prediction of the future model of the Common Agricultural Policy. They do, however, provide sufficient evidence to identify the most plausible trajectories of its further transformation. These trajectories should not be understood as mutually exclusive scenarios. Rather, they represent different strategic logics that may develop simultaneously and reinforce one another.

The Geopolitical Mobilisation Trajectory

Under this trajectory, agricultural policy becomes increasingly embedded within the European Union's broader security architecture. Food security, strategic autonomy, resilient supply chains, resource independence and the capacity to operate under prolonged geopolitical instability are expected to become defining priorities of the future CAP. Agricultural policy thus evolves beyond sectoral regulation into one of the European Union's strategic instruments for ensuring resilience and security.

The Adaptive Resilience Trajectory

This trajectory envisages the continued evolution of agricultural policy as a system capable of continuously adapting to a rapidly changing external environment. Climate change, volatile global markets, geopolitical conflicts, resource constraints and technological disruption are increasingly recognised not as isolated crises but as permanent structural conditions. Consequently, the future CAP is likely to place greater emphasis on resilience, adaptive governance, integrated risk management and the long-term stability of European agri-food systems.

The Technological Leadership Trajectory

The third trajectory assumes that technological capability will become the principal determinant of agricultural competitiveness. Artificial intelligence, digitalisation, robotics, biotechnology, the bioeconomy, renewable energy and data-driven decision-making are expected to redefine productivity, resource efficiency and the competitive position of European agriculture. Within this trajectory, the Common Agricultural Policy increasingly serves as a catalyst for technological modernisation and innovation across the agri-food sector.

Analytical Assessment

The future Common Agricultural Policy is unlikely to develop exclusively along any single trajectory. Instead, its evolution will most probably result from the interaction of all three. Geopolitical mobilisation is expected to define the strategic priorities of agricultural policy; adaptive resilience will shape the institutional principles governing agri-food systems; and technological leadership will determine their long-term competitiveness.

The interaction of these three trajectories is therefore likely to shape not only the future architecture of the Common Agricultural Policy, but also the conditions under which Ukraine will integrate into the European agricultural and food system.

Conclusion

The analysis presented in this Position Paper demonstrates that the second quarter of 2026 marked an important stage in the transformation of the European Union's agricultural policy. During this period, regulatory, budgetary, trade, technological and geopolitical developments converged for the first time into a coherent logic of change that extends beyond individual policy decisions and points to the emergence of a new architecture for European agricultural policy.

Unlike the Position Paper for the first quarter of 2026, which focused primarily on identifying the key drivers of transformation, the second quarter revealed their further consolidation, growing interdependence and systemic interaction. It is this interaction—rather than individual legislative or budgetary initiatives—that now defines the direction of the ongoing transformation of the Common Agricultural Policy.

The findings of this research provide strong grounds for interpreting these developments not as another stage of CAP reform, but as the gradual emergence of a new paradigm for the European Union's agricultural policy. This new paradigm is increasingly characterised by the integration of agricultural policy with economic competitiveness, strategic autonomy, technological development, risk management and the long-term resilience of agri-food systems.

For Ukraine, these developments are of fundamental importance. The country's European integration process will unfold within the context of this emerging policy model rather than the historical framework of the Common Agricultural Policy. Consequently, Ukraine's strategic objective extends beyond legislative approximation to the EU acquis. It also requires a deep understanding of the evolving logic of the CAP, the strengthening of institutional capacity, and the development of a proactive role in shaping the future European agri-food architecture.

At the same time, this Position Paper does not seek to provide a definitive assessment of the transformation currently underway. The evolution of the Common Agricultural Policy remains an ongoing process, with many of its components still at different stages of development. Continuous quarterly analysis of the drivers of transformation therefore provides an opportunity not only to monitor new policy developments, but also to identify long-term patterns, assess the dynamics of change and progressively refine the contours of the future European agricultural policy.

It is in this context that the authors see the principal purpose of this series of Position Papers: to contribute to a systematic understanding of the transformation of the European Union's agricultural policy, to identify emerging drivers of change in a timely manner, and to support the development of a strategic vision for Ukraine's place within the future European agri-food system.

Documents and Sources Used

This Position Paper is based on the analysis of European Union legislative documents, official publications of EU institutions, materials from international organisations, analytical studies by leading European think tanks, academic publications, statistical databases, and other publicly available information sources. The list below presents the principal documents and resources that served as the factual and analytical foundation of this research.

European Union Documents and Official Resources

European Commission. Proposal for the Multiannual Financial Framework (MFF) 2028–2034.
European Commission. Proposal for the Common Agricultural Policy (CAP) post-2027.
European Commission. CAP 2028–2034 Proposal Explained.
European Commission. Vision for Agriculture and Food.
European Commission. Proposal for the National and Regional Partnership Fund (NRPF).
European Commission. Proposal for the European Competitiveness Fund (ECF).
European Parliament. Resolution on the Multiannual Financial Framework after 2027.
Council of the European Union. Conclusions on the Future of Agriculture and Food.
Council of the European Union. EU–Mercosur Partnership Agreement.
Council of the European Union. Interim Trade Agreement (EU–Mercosur).
Directorate-General for Agriculture and Rural Development (DG AGRI).
Directorate-General for Trade (DG TRADE).
EUR-Lex – Access to European Union Law.
European Parliament Legislative Train Schedule.
Eurostat.

International Organisations

Food and Agriculture Organization of the United Nations (FAO).
Organisation for Economic Co-operation and Development (OECD).
Agricultural Market Information System (AMIS).
World Trade Organization (WTO).
World Bank.
International Monetary Fund (IMF).
European Bank for Reconstruction and Development (EBRD).
International Food Policy Research Institute (IFPRI).

Think Tanks and Research Institutions

Jacques Delors Institute.
Centre for European Policy Studies (CEPS).
Institute for European Environmental Policy (IEEP).
Bruegel.
Farm Europe.
CAP Reform.
Joint Research Centre (European Commission).
Horizon Europe.
CORDIS – EU Research Results.
European Innovation Partnership for Agricultural Productivity and Sustainability (EIP-AGRI).

About This Position Paper

This Position Paper has been prepared on the basis of publicly available official documents, legislative acts, publications of international organisations, analytical studies, statistical data and other open information sources available as of 30 June 2026.

The paper represents an independent analytical assessment and reflects the author's expert perspective on the transformation of the European Union's agricultural policy. Its objective is to identify the key drivers of change, analyse their systemic interaction, and develop a strategic understanding of the possible directions for the evolution of the Common Agricultural Policy in the context of Ukraine's European integration.

This Position Paper forms part of a quarterly analytical series dedicated to monitoring and assessing the transformation of the European Union's agricultural policy. Each subsequent publication builds upon previous research, enabling continuous assessment of emerging trends, refinement of expert evaluations, and the progressive development of a comprehensive understanding of the new architecture of European agricultural policy.