

AGRICULTURAL FINANCING IN THE EU: THE CAP FRAMEWORK

**NIKOLCHE JANKULOVSKI, KATERINA BOJKOVSKA, TRAJAN DOJCHINOVSKI,
GORAN MIHAJLOVSKI**

University “St. Kliment Ohridski” Bitola
Department of Agricultural Economics
ul. Partizanska bb. Bitola, Republic of Macedonia
nikolce.jankulovski@uklo.edu.mk

Agriculture is a very critical economic activity in the European Union (EU). The regional bloc estimates that 22 million of its citizens are dependent on primary agricultural activities for their livelihoods. The organization of agricultural activities in the EU ranges from small family- owned and run farms to larger and commercialized farms which produce on a sizeable scale. Apart from that, agriculture also supports 44 million jobs in value addition activities such as food processing, food retail, and other food- related activities. Further, the EU relies on food exports for upwards of €130 billion in export revenues each year, further underlining the importance of the sector (European Commission, 2015). The numbers here illustrate just how key agriculture is for the economy in the European Union. They may not even capture the true picture which would require one to include other linkages and spillover effects to other industries. Just like any other economic activity, agriculture requires financing.