

Country Profile

GERMANY

Access to Land · Land Markets · Generational Renewal

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Sources: Agrarstrukturerhebung 2020/2023; JRC Report on Land Market Regulation (2021); Destatis; BMEL; Thünen Institut; AbL; Netzwerk Flächensicherung

16.6 Mio. ha Utilised Agric. Area (UAA)	262,780 Farms (2020)	63 ha Avg. Farm Size	~60% Land Leased
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I. GENERAL AGRICULTURAL CONTEXT

Farm Structure & Land Use

Germany has around 16.6 million hectares of utilised agricultural area (UAA), covering approximately half of the country's total land surface. Of this, 70% is arable land, 28.5% permanent grassland, and 1.2% permanent crops (2020).

The number of farms has declined sharply over decades: from 1.6 million farms in West Germany in 1960, to 632,000 at reunification (1991), to 450,000 in 2001, and just 262,780 in 2020. Average farm size has grown correspondingly — from 56 ha in 2010 to 63 ha in 2020. Eastern German states show significantly larger averages: Sachsen averages 138 ha and Mecklenburg-Vorpommern 281 ha per farm.

Farm Size	% of Farms	% of Agricultural Land
< 5 ha	8%	0.2%
5-50 ha	60%	19%
50-500 ha	30%	56%
> 500 ha	1.5%	25%

Source: Bodennutzungshaupterhebung 2020 / Destatis

Land Use Distribution

Of Germany's arable land (11.66 million ha in 2020), only 28% is used for plant-based food production. Some 48% goes to animal feed, 21% to renewable resources (mainly energy crops), and around 3% is set aside. In total, 61% of UAA supports animal feed production. Permanent grassland covers 4.7 million ha, used primarily as forage area.

Organic & Agroecological Farming

Germany has a strong but unevenly distributed organic farming sector. In 2021, organic farming accounted for approximately 11% of UAA (around 1.8 million ha), with 36,307 certified organic farms — 14% of all farms. Bavaria and Baden-Württemberg together host over 60% of organic farms.

The previous German government set a target of 30% organic by 2030 (Bio-Strategie 2030). As of 2024, this goal remains ambitious. Organic shares vary significantly by sector: organic goats (34%), organic sheep (14%), organic vegetables (14% of cultivation area), organic fruit (22.1%). Organic pig and poultry farming remain marginal shares of total production.

II. FARM SUCCESSION & GENERATIONAL RENEWAL

Age Profile of Farmers

Germany faces a significant ageing challenge in farming. According to the 2020 Agricultural Census (Agrarstrukturerhebung), 77% of farmers are older than 45, around 47% are over 55, and 12% are over 65. Only 23% of farmers are younger than 45.

36% Farms with secured succession	17% Female successors	77% Farmers over age 45	12% Farmers over age 65
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Succession Rates

Among all farmers over 55, farm succession is secured for only around 36% of individual farm businesses. Women account for just 17% of identified successors — an improvement of 4 percentage points since 2010, but still a low figure. Larger farms are significantly more likely to secure a successor than smaller holdings.

Germany has no national succession policy. However, half of the federal states have introduced new entrant and succession support programmes under the CAP framework, following Sachsen-Anhalt's pioneering programme in 2017. Current participating states include Sachsen, Thüringen, Brandenburg, Rheinland-Pfalz, Saarland and Niedersachsen (from 2025).

Support Programmes for Young Farmers (State Level)

State-level programmes provide non-repayable grants of €35,000-100,000, paid over 5 years. Eligibility conditions across states include:

- Applicant must be 40 years or under
- First-time establishment in the relevant federal state
- Controlling at least 51% of farm management
- Submission of a farm development concept
- Minimum agricultural apprenticeship or equivalent qualification
- Income limits in previous years must not be exceeded
- Both family and non-family successions are eligible; some states prioritise new start-ups

Höfeordnung: Special Inheritance Rules

- In Schleswig-Holstein, Hamburg, Niedersachsen, Brandenburg, and Nordrhein-Westfalen, the Höfeordnung governs farm inheritance.
- This law aims to ensure farm continuation is not blocked by high compensation costs for departing heirs.
- All other German states apply general inheritance law (BGB / Bürgerliches Gesetzbuch).

III. ACCESS TO LAND

Ownership & Tenure

According to the 2023 Agricultural Census, approximately 60% of Germany's agricultural land is leased, 38% is farmed by its owner, and just under 2% is made available free of charge. This represents a major shift: in 1965, only around 15–20% of land was leased.

Approximately 80% of agricultural land is owned by natural persons. Around 2.3 million people across Germany own more than half a hectare of agricultural land — indicating a relatively broad formal distribution of ownership. However, natural persons who are not farmers constitute 45% of landowners. Agricultural companies own around 8%, the public sector holds 9%, and churches nearly 2%.

Land ownership remains predominantly local: around two thirds of privately owned land belongs to people or companies located in the same municipality as the land.

Land Prices & Market Trends

Land prices have risen sharply and continuously over the past decade. In 2023, the average purchase price across Germany was €33,400/ha — up 5% from 2022, which itself rose 8% from the prior year. Regional disparities are extreme:

- Western Germany: avg. €49,800/ha (2023)
- Eastern Germany: avg. €17,000/ha (2023)
- Bavaria: up to €135,000/ha in some areas
- Nordrhein-Westfalen (Münster region): ~€129,300/ha
- Arable land avg.: €40,300/ha | Permanent grassland: €24,900/ha

A major pressure driver is Germany's daily loss of 118 hectares of agricultural land to development — far above the national sustainability target of less than 30 ha/day by 2030. Additionally, demand from photovoltaic investors (EEG-funded ground-mounted systems) is creating fierce competition with farmers for land, with investors offering €3,000–6,000/ha in annual lease income — roughly ten times the agricultural lease rate.

Largest Known Landowners (Germany)

Landowner	Estimated Holdings
JLW Holding AG	22,000–24,000 ha
Lindhorst Gruppe	ca. 22,000 ha
Igneo (DAH)	20,600 ha
Odega	18,000 ha
Steinhoff Holding	17,000–20,000 ha

Source: Netzwerk Flächensicherung research (figures approximate)

IV. LAND MARKET REGULATION

Legal Framework

The two key laws governing Germany's agricultural land market are the Grundstückverkehrsgesetz (GrdstVG, 1962), which regulates land sales, and the Landpachtverkehrsgesetz (LPachtVG, 1986), which governs land leasing.

Under the GrdstVG, all land purchases must be registered and approved by local agricultural offices. Approval may be denied if:

- The purchase would lead to an "unhealthy distribution of land"
- The transaction leads to uneconomical fragmentation of plots
- The purchase price exceeds 50% above comparable plot values (20% in Baden-Württemberg)

Farmers hold pre-emptive rights, but the process is complex: a regional land settlement organisation (Landgesellschaft) must first purchase and register the land. Farmers then buy it from the settlement organisation at the original price plus registration fees and land sales tax (~5%), effectively paying these costs twice.

Critical Regulatory Gaps

The JRC (2021) and AbL identify several structural weaknesses in Germany's current regulatory framework:

- Share deals — the sale of entire farm companies (rather than individual land parcels) — fall entirely outside the GrdstVG. They are not notifiable, not registered, and not regulated. This is the primary vehicle for investor land acquisition.
- The LPachtVG lacks sanctions for non-registration. Only an estimated 25–30% of lease contracts are registered, undermining price monitoring and data quality.
- Price caps (50% above market rate) exist in law but have reportedly never been applied in practice.
- New entrants are formally treated as non-farmers under the GrdstVG, making direct land purchase extremely difficult without an existing registered farm.
- Land settlement organisations (Landgesellschaften) are not permitted to acquire land proactively — only when a farmer exercises a pre-emptive right.

Calls for Agrarstrukturgesetze (New Agricultural Land Laws)

- Since 2006, responsibility for land market legislation has rested with federal states (Länder). Campaigners call for new state-level Agrarstrukturgesetze to:
- Regulate the acquisition of farms and their land by domestic and foreign investors
- Introduce share deal oversight and compulsory notification
- Strengthen and simplify pre-emptive rights for farmers
- Introduce effective tools to slow rising land and lease prices
- Create mandatory reporting and transparency in land and lease markets
- Expand powers of Landgesellschaften, enabling them to acquire land proactively

Leasing Market

With around 60% of agricultural land leased, Germany's rental market is central to farm viability. Lease prices have risen sharply, driven by demand from biogas producers (since 2000), and more recently from solar energy investors offering ten times typical agricultural rates. The result is severe pressure on farming tenants and new entrants.

Only Brandenburg has established a public land-matching platform (flaechenplattform.de), aimed primarily at connecting institutional landowners with farmers. Several community land initiatives exist nationally: Kulturland eG, BioBoden eG, Regionalwert AGs, and Ökonauten eG provide alternative pathways to land access outside the commercial market.

Key Legislative Developments

The Renewable Energy Sources Act (EEG), first enacted in 2000 and significantly revised in 2023, has profoundly shaped land use. It has driven 16% of Germany's UAA into energy crop production and is now fuelling a wave of ground-mounted photovoltaic installation. The EEG's 2030 targets (215 GW) and 2040 targets (400 GW) would require significant agricultural land for open-space PV systems, adding pressure to an already tight market.

Germany's sustainability strategy targets a reduction of daily land sealing to less than 30 ha/day by 2030 and 0 ha/day by 2050, but current rates remain at 118 ha/day — far from the target.

Farmer Organisations

Germany's agricultural sector is represented by a range of organisations with divergent positions on land regulation:

Organisation	Constituency & Position
Bauernverband	Largest farmers' association; also includes agroindustry and bioenergy — not fully independent
AbL (Arbeitsgemeinschaft bäuerliche Landwirtschaft)	Small/medium family farms; strong advocate for land regulation and share deal reform
BÖLW	Organic sector umbrella; supports stronger land governance
Familienbetriebe Land & Forst	Represents large landowners and former aristocracy
Land schafft Verbindung	Loosely organised protest movement; emerged 2019; politically diverse
Netzwerk Solawi	Community supported agriculture networks

VI. KEY BARRIERS & OPPORTUNITIES

Top Barriers to Land Access

- Rising land and lease prices — driven by investor demand (financial sector, PV developers, biogas), making it increasingly impossible for new entrants and small farms to access land at viable cost.
- Outdated and fragmented legislation — the GrdstVG (1962) and LPachtVG (1986) were designed for a different era; share deals fall entirely outside regulatory reach.
- Lack of local networks and market transparency — only ~30% of lease contracts are registered; new entrants lack knowledge of who is selling or leasing what land.
- Daily loss of 118 ha of agricultural land to development — reducing the overall available UAA and intensifying competition.
- New entrants legally treated as non-farmers — preventing them from exercising pre-emptive rights under current law without a prior registered farm.

Opportunities for Change

- Introduction of new Agrarstrukturgesetze at state level — long-awaited legislative reform to close share deal loopholes, empower Landgesellschaften, and introduce mandatory lease registration.
- Public land for public goods (Gemeinwohlverpachtung) — leasing public land (local authorities, churches) with criteria favouring ecological and social farming, creating access pathways for new entrants.

- Stopping daily agricultural land loss — implementing the national sustainability target would free up land currently consumed for development.
- Community land models — Kulturland eG, BioBoden eG and similar organisations offer solidarity-based alternatives to the commercial land market.
- Alliance-building between urban and rural actors — shared concern about land financialisation creates potential for broad coalitions.

VII. ADVOCACY & ALLIANCE PRIORITIES

National & State-Level Priorities

- Pushing for adoption of Agrarstrukturgesetze in remaining federal states — particularly those with high land concentration in the east.
- Campaigning for share deal regulation — making acquisitions of entire farm companies notifiable, reviewable, and governable.
- Working with public landowners (municipalities, churches) to establish community-benefit leasing frameworks.
- Building public awareness of land financialisation as a shared issue between city dwellers and farmers.
- Supporting incubator models for new farm entrants (e.g. farm start-up support, training farm networks).

Key Alliances

- AbL — national and state-level advocacy for family farm interests and land regulation
- Netzwerk Flächensicherung — coordination of land access campaigns
- Bündnis Bodenschutz — preventing further sealing of agricultural land
- Access to Land Network (A2LN) — European coordination and sharing of good practice

VIII. KEY SOURCES

Agrarstrukturerhebung 2020 / Bodennutzungshaupterhebung — Destatis ([destatis.de](https://www.destatis.de))
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