

Rural development: support by the European Agricultural Fund for Rural Development (EAFRD)

2009/0011(CNS) - 31/03/2009

The Committee on Agriculture and Rural Development adopted the report drawn up by Petya STAVREVA (EPP-ED, BG) amending, under the consultation procedure, the proposal for a Council regulation amending Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD). The committee acknowledges that there are uncertainties concerning the availability of margins under heading 2, but emphasises that the financing of the economic recovery plan should not put at risk future needs within that category of expenditure. It expresses its preference for using the margins of the budget years that are at their closure.

The main amendments are as follows:

Increase of EUR 250 million in rural budget: the budgetary authority increased the 2009 budget line for rural development by EUR 249 840 000. These additional funds should be made available for the measures financed under the EAFRD in the European Economic Recovery Plan.

Payments to be made in year 2009: the financial table annexed to the Commission proposal indicates that the full amount of EUR 1.5 billion is committed in 2009, but that payments are executed only during the budgetary years 2010 and 2011. Given the need for rapid reaction to the current economic crisis, the committee states that it is appropriate to provide for payments which can be made in budget year 2009. The amended clause stipulates that EUR 250 million shall be made available for payments in budget year 2009.

Content of programmes: this will include economic-crisis management in the agricultural sector, principally to provide support for infrastructures and to create a network of producers and organisations; measures to preserve or create jobs in rural areas; and support measures for young farmers.

Support for broadband infrastructures and related facilities: given the economic realities in many rural areas, not all citizens would be able to profit from private access to broadband infrastructure. In addition to the proposed infrastructure operations, Member States should therefore have the option of supporting public internet facilities in rural communities (e.g. in public libraries or town halls).

Differences in coverage: the Commission shall take into account the differences in existing broadband coverage in the Member States, particularly in areas where access is difficult, and the different needs resulting from them. The committee feels that using the historical breakdown for rural development funds is not appropriate for the allocation of the specific funds dedicated to the support of broadband infrastructure.

Guarantee and loan fund: the committee notes that the Commission proposal is part of the European Economic Recovery Plan, which focuses on priority action to enable European economies to adjust rapidly to the current challenges. It states that it is necessary to give Member States the option to the funds for loans and credit guarantees, which would enable rural stakeholders to launch investments, thus increasing the take-up of the programmes.

Specific information: Member States should make sure that specific information is available to regional and local authorities and potential beneficiaries on the new opportunities offered by the revised rural development programmes.

Lastly, the committee states that the EAFRD contribution may be increased to 100 % for convergence regions.