

Transitional provisions for the support by the European Agricultural Fund for Rural Development (EAFRD) and by the European Agricultural Guarantee Fund (EAGF) in the year 2021

2019/0254(COD) - 16/12/2020 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 653 votes to 19, with 22 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council laying down certain transitional provisions for the support by the European Agricultural Fund for Rural Development (EAFRD) and by the European Agricultural Guarantee Fund (EAGF) in the year 2021 and amending Regulations (EU) No 228/2013, (EU) No 229/2013 and (EU) No 1308/2013 as regards resources and their distribution in respect of the year 2021 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards their resources and application in the year 2021.

Parliament adopted its position at first reading in accordance with the ordinary legislative procedure by amending the Commission proposal as follows:

Smooth transition between the current and future EU agricultural policy

The regulation should allow the continued application of the rules under the current Common Agricultural Policy (CAP) framework covering the period from 2014 to 2020 and ensure the continuity of payments to farmers and other beneficiaries of the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) in 2021 and 2022 until the date of application of the new legal framework covering the period from 1 January 2023.

For new commitments to be undertaken in 2021 and 2022, Member States could determine a period of longer than three years in their rural development programmes based on the nature of the commitments and the animal welfare benefits sought.

Resources for the recovery of the EU agricultural sector and rural areas

EUR 8 070 486 840 in current prices should be made available as additional resources for budgetary commitment under the EAFRD for the years 2021 and 2022:

- 2021: EUR 2 387 718 000;

- 2022: EUR 5 682 768 840.

At least 37 % of the additional resources should be reserved in each rural development programme in particular for:

- organic farming;

- mitigation of, and adaptation to, climate change, including reduction of greenhouse gas emissions from agriculture;

- soil conservation, including the enhancement of soil fertility through carbon sequestration;
- improvement of the use and management of water, including water saving;
- creation, conservation and restoration of habitats favourable to biodiversity;
- reduction of the risks and impacts of pesticide and antimicrobial use;
- animal welfare;
- LEADER cooperation activities.

At least 55% would be devoted to measures promoting economic and social development in rural areas, i. e. physical investment, farm and business development, support for basic services and village renewal in rural areas and cooperation:

- short supply chains and local markets;
- resource efficiency, including precision and smart farming, innovation, digitalisation and modernisation of production machinery and equipment;
- safety conditions at work;
- renewable energy, circular and bio-economy;
- access to high-quality ICT in rural areas.

Up to 4% of the total targeted additional resources could, at the initiative of Member States, be allocated to technical assistance to rural development programmes.

Crisis reserve fund

In an annex to the legislative resolution, Parliament stated that the increasing frequency of economic, as well as adverse climate and sanitary, conditions resulting in significant market disruption, demonstrates the urgent need for a fully-functioning crisis reserve fund, which can be activated and made available in a responsive and efficient manner.

Parliament insisted that a fully financed crisis reserve fund, initially set at EUR 400 million in addition to the EAGF and EAFRD budgets, which would be cumulative and with unused appropriations carried over and added to the following year throughout the programming period, would function more effectively and provide better assistance in the event of a crisis.

The European Parliament and the Council also recalled the importance of the specific measures for the outermost regions, as well as the specific agricultural measures for the smaller Aegean islands.