Temporary support and payment of advances regarding the increased fertiliser prices due to the Middle East crisis

2026/0150(COD) - 12/06/2026 - Legislative proposal

PURPOSE: to provide liquidity to farmers to help them overcome the effects of rising fertiliser prices due to the crisis in the Middle East.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the recent Middle East crisis and the de facto closure of the Strait of Hormuz have led to significant increases of global prices for oil, gas and fertilisers. The agricultural sector is directly affected by the severe increase of fertiliser prices, since purchases of fertilisers constitute one of the highest input costs for farmers.

The rising costs of fertilisers may force farmers to cut back on their usage, with a clear risk of reduction in quality and yields. It could also reduce the area they cultivate, which would affect Union agricultural production.

In order to quickly address vulnerabilities of the Union food system resulting from this crisis and to assist farmers facing liquidity problems, it is appropriate to allow exceptional and temporary support by introducing a new type of intervention for crisis support in Regulation (EU) 2021/2115 of the European Parliament and of the Council, financed by the European Agricultural Fund for Rural Development (EAFRD) and by granting more flexibility to Member States concerning the payment of advances for direct payments in Regulation (EU) 2021/2116 of the European Parliament and of the Council.

CONTENT: as announced in the communication on a fertiliser action plan, the Commission proposes amending Regulation (EU) 2021/2115 and Regulation (EU) 2021/2116 to introduce **a new type of intervention** enabling Member States to provide **exceptional and temporary financial support** to farmers affected by rising fertiliser costs due to the crisis in the Middle East. This new type of intervention can be co-financed up to **65%** by the EAFRD, with the maximum EU contribution amounting to **25%** of the amounts reserved for crisis payments for 2026-2027. Member States can add additional national funding of up to **200%**.

The Commission proposes **targeted adjustments** to the Common Agricultural Policy (CAP) enabling Member States to provide farmers with faster and more flexible support to access fertilisers. These measures include:

- a new liquidity scheme under rural development for crisis support;

- the option for Member States to **pay direct payments** to farmers earlier;

- the possibility for Member States to **adjust their direct payment budget** for calendar year 2027.

This proposal has no budgetary implication for the 2021-2027 MFF, as any change is within the existing CAP envelopes.