Basic information

2019/0254(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
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 Amending Regulation 2013/228 2010/0256(COD) Amending Regulation 2013/229 2010/0370(COD) Amending Regulation 2013/1307 2011/0280(COD) Amending Regulation 2013/1308 2011/0281(COD) Amending Regulation 2013/1305 2011/0282(COD) Amending Regulation 2013/1306 2011/0288(COD) Amended by 2024/0274(COD) **Subject** 3.10.01.02 Rural development, European Agricultural Fund for Rural Development (EAFRD) 3.10.03 Marketing and trade of agricultural products and livestock 3.10.13 European Agricultural Guidance and Guarantee Fund, EAGGF and EAGF 4.70.06 Outlying and outermost regions, overseas countries and territories	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	KATAINEN Elsi (Renew)	27/11/2019
	Shadow rapporteur AMARO Álvaro (EPP) AGUILERA Clara (S&D) ROPĖ Bronis (Greens/EFA) AGUILAR Mazaly (ECR) DAVID Ivan (ID) KOKKALIS Petros (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
DEVE Development	The committee decided not to give an opinion.	
BUDG Budgets	Chair on behalf of committee VAN OVERTVELDT Johan (ECR)	18/11/2019

	CONT Budgetary Control	The committee decided not to give an opinion.	
	ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
	REGI Regional Development	DORFMANN Herbert (EPP)	05/12/2019

Council of the European Union	

European Commission	Commission DG	Commissioner
	Agriculture and Rural Development	WOJCIECHOWSKI Janusz

European Economic and Social Committee
European Committee of the Regions

Key events

Date	Event	Reference	Summary
31/10/2019	Legislative proposal published	COM(2019)0581	Summary
25/11/2019	Committee referral announced in Parliament, 1st reading		
28/04/2020	Vote in committee, 1st reading		
28/04/2020	Committee decision to open interinstitutional negotiations with report adopted in committee		
11/05/2020	Committee report tabled for plenary, 1st reading	A9-0101/2020	
13/05/2020	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
15/05/2020	Results of vote in Parliament		
15/05/2020	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 72 - vote)		
01/12/2020	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE661.866	
15/12/2020	Results of vote in Parliament		
15/12/2020	Debate in Parliament		
16/12/2020	Decision by Parliament, 1st reading	T9-0354/2020	Summary
23/12/2020	Act adopted by Council after Parliament's 1st reading		
23/12/2020	Final act signed		
23/12/2020	End of procedure in Parliament		

28/12/2020	Final act published in Official Journal		

Technical information

Procedure reference	2019/0254(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation 2013/228 2010/0256(COD) Amending Regulation 2013/229 2010/0370(COD) Amending Regulation 2013/1307 2011/0280(COD) Amending Regulation 2013/1308 2011/0281(COD) Amending Regulation 2013/1305 2011/0282(COD) Amending Regulation 2013/1306 2011/0288(COD) Amended by 2024/0274(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 043-p2 Treaty on the Functioning of the European Union TFEU 349-p1sub1-as1
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/9/01803

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Specific opinion	BUDG	PE644.725	12/12/2019	
Committee draft report		PE646.753	28/01/2020	
Amendments tabled in committee		PE648.383	02/03/2020	
Amendments tabled in committee		PE648.384	02/03/2020	
Committee opinion	REGI	PE646.963	28/04/2020	
Committee report tabled for plenary, 1st reading/single reading		A9-0101/2020	11/05/2020	
Text agreed during interinstitutional negotiations		PE661.866	11/12/2020	
Text adopted by Parliament, 1st reading/single reading		T9-0354/2020	16/12/2020	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00029/2020/LEX	23/12/2020	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2019)0581	31/10/2019	Summary
Commission response to text adopted in plenary	SP(2021)34	27/01/2021	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	RO_SENATE	COM(2019)0581	27/02/2020	
Contribution	EL_PARLIAMENT	COM(2019)0581	04/03/2020	
Contribution	IT_CHAMBER	COM(2019)0581	29/04/2020	
Contribution	IT_SENATE	COM(2019)0581	06/08/2020	

Additional information

Source	Document	Date
European Parliament	Briefing	16/04/2020
European Commission	EUR-Lex	

Final act

Regulation 2020/2220
OJ L 437 28.12.2020, p. 0001

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.

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) - 31/10/2019 - Legislative proposal

PURPOSE: to ensure certainty and continuity in the granting of support to European farmers and for rural development in the transitional period for those Member States that have used their 2014-2010 EAFRD allocations by extending the current legal framework until the new common agricultural policy (CAP) becomes applicable.

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 Commission's legislative proposals on the common agricultural policy (CAP) beyond 2020 aimed to make the CAP more responsive to current and future challenges such as climate change or generational renewal, while continuing to support farmers in the Union for a sustainable and competitive agricultural sector. Those proposals are closely linked to the multiannual financial framework (MFF) of the Union for the years 2021 to 2027.

The legislative procedure was not concluded in time to allow Member States and the Commission to prepare all elements necessary to apply the new legal framework and the CAP Strategic Plans as of 1 January 2021, as initially proposed by the Commission.

Therefore, in order to ensure that support can be granted to farmers and other beneficiaries from the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) in 2021, the Union should continue to grant such support for one more year under the conditions of the existing legal framework, which covers the period 2014 to 2020.

CONTENT: this proposal aims at providing certainty and continuity in the granting of support to European farmers and ensuring the continuity of support for rural development in the transitional period for those Member States that have used their 2014-2010 EAFRD allocations by extending the current legal framework until the new CAP becomes applicable. In order to allow Member States to make the necessary adaptations at national level, these changes would need to be adopted by the Council and the European Parliament by mid-2020

Extension of the applicability of the existing regulations

The existing legal framework is laid down in particular in Regulations (EU) No 1303/2013, (EU) No 1305/2013, (EU) No 1306/2013, (EU) No 1307/2013 , (EU) No 1308/2013, (EU) No 228/2013 and (EU) No 229/2013 of the European Parliament and of the Council. In addition, to facilitate the transition from existing support schemes to the new legal framework which covers the period starting on 1 January 2022, rules shall be laid down to regulate how certain support granted on a multiannual basis will be integrated into the new legal framework.

In light of the fact that the Union should continue to support rural development in 2021, Member States, that demonstrate the risk to run out of funds and not to be able to undertake new legal commitments in accordance with Regulation (EU) No 1305/2013, shall have the possibility to extend their rural development programmes or certain of their regional rural development programmes supported by the EAFRD to 31 December 2021 and to finance those extended programmes from the corresponding budget allocation for the year 2021.

Transition to the next CAP period

The new CAP comes with significant changes. Transitional rules are needed to ensure a smooth transition from the current to the next CAP period, in particular concerning the continuation of multiannual commitments undertaken in the current and previous programming periods.

The Single CMO Regulation (EU) No 1308/2013 lays down rules for the common organisation of agricultural markets, including aid schemes for specific sectors. It sets out the parameters for intervening on agricultural markets and providing sector-specific support. To ensure coherence, most interventions of the new CAP will be part of one strategic CAP support plan per Member State, including several sectorial interventions that have previously been set out in Regulation (EU) No 1308/2013.

Under the current rules, the different sectoral programmes follow different time frames. To ensure coherence, continuity and a smooth transition between the aid schemes under Regulation (EU) No 1308/2013 and the sectoral types of interventions under the new CAP it is necessary to set rules regarding the duration of each of these aid schemes with respect to the entry into application of the Member States' CAP Strategic Plans.

For aid schemes in the fruit and vegetables sector and in the olive oil and table olives sector, it is necessary to regulate the continuation and modification of operational programmes and work programmes.

Budgetary implications

The current Regulations (EU) No 1305/2013 on rural development and (EU) No 1307/2013 on direct payments do not lay down allocations for the transitional period (beyond calendar year 2020). Therefore, the initiative has a budgetary impact in the sense that it adds the allocations for direct payments and rural development for the relevant transitional period to ensure smooth continuity. These allocations are equal to those in the CAP Plan proposal and they are coherent with the Commission's proposal on the MFF 2021-2027. Where Member States do not decide to prolong their current rural development programmes, the 2021 EAFRD allocations will be transferred to the 2022 – 2025 EAFRD allocations.

Similarly, for the transitional period, the allocations contained in Regulations (EU) No 1308/2013, (EU) No 228/2013 and (EU) No 229/2013 need to be adjusted to respect the overall amounts for the European Agricultural Guarantee Fund (EAGF) included in the MFF proposal.

The reserve for agricultural crises referred to in Regulation (EU) No 1306/2013 is proposed to be maintained throughout the transitional period to ensure continuity. It is to be financed through financial discipline applied on direct payments. As such, it does not entail any additional expenditure.

The present proposal is neutral in terms of overall budgetary commitments. The impact as regards the estimated schedule for payment appropriations will depend on Member States decisions as regards the prolongation of the current rural development programmes.

Similarly, any decision of Member States to transfer funds between direct payments and rural development will be neutral in terms of overall budgetary commitments but may have an impact in terms of timing of payments that however cannot be estimated.