



Brussels, 12 November 2024
(OR. en)

15452/24

Interinstitutional File:
2024/0274(COD)

AGRISTR 79
AGRI 789
AGRIORG 160
CODEC 2071

OUTCOME OF PROCEEDINGS

From:	General Secretariat of the Council
To:	Delegations
No. prev. doc.:	14767/24
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2020/2220 as regards specific measures under the European Agricultural Fund for Rural Development (EAFRD) to provide additional assistance to Member States affected by natural disasters - Letter to the Chair of the European Parliament Committee on Agriculture and Rural Development

Following the Special Committee on Agriculture meeting of 11 November 2024 and its confirmation of the final text with a view to agreement, delegations are informed that the Presidency sent the attached letter, together with its Annex, to the Chair of the European Parliament Committee on Agriculture and Rural Development.



SGS 24 / 004825

Brussels, 11/11/2024

Ms Veronika VRECIKOVÁ
Chair of the Committee on Agriculture and Rural Development
European Parliament
Rue Wiertz 60
B-1047 BRUSSELS

Subject: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2020/2220 as regards specific measures under the European Agricultural Fund for Rural Development (EAFRD) to provide additional assistance to Member States affected by natural disasters

Dear Ms VRECIKOVÁ

Following informal contacts between the European Parliament and the Council, the above-mentioned Commission proposal was agreed without amendments by the Special Committee on Agriculture today.

I am therefore now in a position to inform you that, should the European Parliament adopt its position at first reading, in accordance with Article 294(3) TFEU, in the exact form of the text set out in the Annex to this letter (subject to revision by the lawyer-linguists of the two institutions), the Council, in accordance with Article 294(4) TFEU, will approve the European Parliament's position and the act shall be adopted in the wording which corresponds to the position of the European Parliament.

On behalf of the Council, I also wish to thank you for your close cooperation which should enable us to reach agreement on this file at first reading.

Yours sincerely

dr. Péter BENKŐ
Chair of the Special Committee on Agriculture

Copy:
– Mr Janusz WOJCIECHOWSKI, Commissioner for Agriculture

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PE-CONS 101/2024

2024/0274 (COD)

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
amending Regulation (EU) 2020/2220 as regards specific measures under the European
Agricultural Fund for Rural Development (EAFRD) to provide additional assistance to
Member States affected by natural disasters

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure,

Whereas:

¹ OJ C , , p. .

² OJ C , , p. .

- (1) The recent natural disasters in Central and Eastern as well as in Southern Europe have had a devastating effect on the rural populations living and working in these regions. A considerable amount of agricultural and forestry production potential has been destroyed, and as a consequence farmers, forest holders and rural businesses in the affected regions are faced with important losses of income. In order to quickly address vulnerabilities of the European food system and rural communities resulting from these disasters, it is appropriate to rapidly provide exceptional effective support through the European Agricultural Fund for Rural Development (EAFRD) implemented under rural development programmes and provide for more flexibility for the existing measures.
- (2) In order to respond to the consequences of natural disasters occurring as from 1 January 2024, a new exceptional and temporary measure should be provided for addressing the liquidity problems that put at risk the continuity of farming and forestry activities and the continuity of small and medium businesses active in processing, marketing or development of agricultural and forestry products. Moreover, support for restoration of agricultural production potential available under Regulation (EU) No 1305/2013 of the European Parliament and of the Council³ should be reinforced by providing more budgetary flexibility as regards the non-regression threshold provided for Article 1(2) of Regulation (EU) 2020/2220 of the European Parliament and of the Council⁴.

³ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347, 20.12.2013, p. 487, ELI: <http://data.europa.eu/eli/reg/2013/1305/oj>).

⁴ Regulation (EU) 2020/2220 of the European Parliament and of the Council of 23 December 2020 laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022 (OJ L 437, 28.12.2020, p. 487, ELI: <http://data.europa.eu/eli/reg/2020/2220/oj>).

- (3) Since the financing of the new measure will be provided through the EAFRD, the legal framework laid down for the programming period 2014-2020, in particular the specific provisions of Regulation (EU) No 1305/2013 and Regulation (EU) No 1306/2013 of the European Parliament and of the Council⁵, as well as implementing provisions to those Regulations, are to apply to this new measure.
- (4) The EAFRD programming period was extended by Regulation (EU) 2020/2220 until 31 December 2022. The implementation of the extended programming period will run until the end of 2025. Regulation (EU) 2020/2220 has also provided for transitional rules within the period of extension. Since the EAFRD is currently being implemented in the extended period, it is appropriate to provide for the conditions for the new exceptional measure and further budgetary flexibilities as regards the non-regression threshold by amending Regulation (EU) 2020/2220.
- (5) In order to provide for more budgetary flexibility to reallocate funding for the new measure and the existing sub-measure for restoration of agricultural production potential, while continuing the planned investments and actions in disaster prevention and preparedness, as well as climate adaptation to mitigate the impact of the increasingly frequent climate-induced disasters, Member States should be allowed to decrease the non-regression threshold provided for in Article 1(2) of Regulation (EU) 2020/2220 by maximum 15 percentage points but not below the minimum threshold of 30%.

⁵ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L 347, 20.12.2013, p. 549, ELI: <http://data.europa.eu/eli/reg/2013/1306/oj>).

- (6) In order to enable Member States to fully address the consequences of natural disasters occurring as from 1 January 2024, it should be allowed to select for support operations that have been physically completed or fully implemented before the application for the funding under the programme is submitted to the managing authority, provided that the operation is in response to such natural disaster.
- (7) The support under the measure provided for in this Regulation, which aims to secure the competitiveness of SMEs as well as farm and forest holders viability, should concentrate the available resources on beneficiaries who are affected the most by natural disasters and be granted on the basis of objective and non-discriminatory criteria. The support should be provided only to those beneficiaries which were affected by a destruction of at least 30% of the relevant production potential.
- (8) Because of the urgent, temporary and exceptional character of this measure and the need for rapid and simple disbursement of the corresponding payments, a one-off payment and an end date for application of the measure should be set.
- (9) In order to give higher support to the farmers, forest holders or SMEs that are most severely affected, it is appropriate to allow Member States to adjust the level of the lump-sums for certain categories of eligible beneficiaries, for instance by fixing certain ranges or broad categories, based on objective and non-discriminatory criteria.
- (10) When granting support for the new measure, Member States should take into account the support granted under other national or Union support instruments or private schemes to respond to the impact of natural disasters.

- (11) The resources for the new measure should be programmed with a co-financing rate of up to 100%.
- (12) In order to ensure adequate funding of the new measure provided for in this Regulation without jeopardising other objectives of the rural development programmes, a maximum share of the Union contribution to that measure should be fixed.
- (13) Support for restoring agricultural and forestry production potential in response to natural disasters should prioritise operations based on the 'build back better' principle, this is the use of the recovery, rehabilitation and reconstruction phases after a disaster to increase the resilience of the farming and forestry sector through integrating disaster risk reduction measures, as indicated in the Sendai Framework for Disaster Risk Reduction 2015-2030 of the United Nations Office for Disaster Risk Reduction, while ensuring that selected operations present the best relationship between the amount of support and the objective to ensure disaster resilience.
- (14) To reduce administrative burden of affected beneficiaries and the Member States when applying "force majeure", Member States should have the possibility to consider the whole area to be gravely affected by a natural disaster.
- (15) In order to ensure a uniform implementation of the new measure through the rural development programmes within the legal framework of the programming period 2014-2020, as extended by Regulation (EU) 2020/2220, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁶.

⁶ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13, ELI: <http://data.europa.eu/eli/reg/2011/182/oj>).

- (16) The implementing powers of the Commission should relate to the presentation of the new measure in the rural development programmes, monitoring and evaluation of the rural development policy, presentation of the annual implementation reports and implementation of checks and penalties.
- (17) Regulation (EU) 2020/2220 should therefore be amended accordingly.
- (18) In view of the devastating effects of the current natural disasters and the urgency to address and mitigate their impact on the Union agri-food and forestry sector, it is considered necessary to use the exception to the eight-week period referred to in Article 4 of Protocol No 1 to the Treaties on the role of national Parliaments in the Union.
- (19) Given the urgency of the situation related to the natural disasters, it is appropriate that this Regulation enters into force on the day of its publication in the Official Journal of the European Union.

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) 2020/2220 is amended as follows:

(1) in Article 1(2), the following subparagraph is added:

‘By way of derogation from the first subparagraph, second sentence of this paragraph, when reallocating funds to and spending funds for measures referred to in Article 6a of this Regulation and in Article 18(1), point (b), of Regulation (EU) No 1305/2013, Member States may decrease the overall share of the EAFRD contribution reserved for the measures referred to in Article 59(6) of Regulation (EU) No 1305/2013. That decrease shall not go beyond the EAFRD amounts reallocated to the measures referred to in Article 6a of this Regulation and in Article 18(1), point (b) of Regulation (EU) No 1305/2013 and shall not exceed 15 percentage points of the overall share of the EAFRD contribution set in the rural development programmes for the measures referred to in Article 59(6) of Regulation (EU) No 1305/2013. For that purpose, the overall share of the EAFRD contribution set in the rural development programmes as planned at the time of the extension of the period of duration of programmes supported by the EAFRD until 31 December 2022, in accordance with Article 1(2) of this Regulation, shall be taken into account. The overall share reserved for the measures referred to in Article 59(6) of Regulation (EU) No 1305/2013 shall not be lower than the minimum threshold set out in that Article. The same decrease in percentage points may be applied to the additional resources referred to in Article 58a(2) of Regulation (EU) No 1305/2013 without reallocating funds to the measures referred to in Article 6a of this Regulation and in Article 18(1), point (b), of Regulation (EU) No 1305/2013.’;

(2) in Article 2, the following paragraph 5 is added:

‘5. By way of derogation from Article 65(6) of Regulation (EU) No 1303/2013, the managing authority may select for support operations that have been physically completed or fully implemented before the submission of an application for funding to the managing authority, provided that the operation is implemented through the measure referred to in Article 6a of this Regulation as well as in Article 18(1), point (b), or Article 24(1), point (d), of Regulation (EU) No 1305/2013 and provided that such operation provides a response to a natural disaster which occurred as of 1 January 2024.’;

(3) the following Articles are inserted:

‘Article 6a

Exceptional temporary support to farmers, forest holders and SMEs particularly affected by natural disasters

1. Support under this measure shall provide emergency assistance to farmers, forest holders and SMEs particularly affected by natural disasters, aiming at ensuring continuity of their business activity, subject to the conditions set out in this Article.
2. Support under this measure shall be subject to the formal recognition by the competent public authorities of Member States that a natural disaster as defined in Article 2(1), point (k), of Regulation (EU) No 1305/2013 has occurred as of 1 January 2024 and that this disaster or measures adopted in accordance with Regulation (EU) 2016/2031* to eradicate or contain a plant disease or pest have caused the destruction of at least 30% of the relevant production potential.

3. Support shall be granted to

(a) farmers,

(b) private and public forest holders and other private law and public bodies and their associations, excluding State owned forest managed by the State,

(c) SMEs active in processing, marketing or development of agricultural products covered by Annex I to the TFEU or cotton, except fishery products or

(d) SMEs active in processing, mobilising and marketing of forest products.

With regard to processing of agricultural products, the output of the production process may be a product not covered by Annex I to the TFEU.

4. Member States shall target the support to beneficiaries who are most affected, by determining eligibility conditions on the basis of available evidence.

5. The support shall take the form of a lump sum payment to be paid by 31 December 2025, based on applications for support approved by the competent authority by 30 June 2025. The level of payment may be differentiated by categories of beneficiaries, according to objective and non-discriminatory criteria.

6. The maximum amount of support shall not exceed EUR 42 000 per beneficiary.

7. When granting support under this Article, Member States shall take into account the support granted under other national or Union support instruments or private schemes to respond to the impact of natural disasters in order to ensure sound financial management in accordance with Article 33 of Regulation (EU, Euratom) 2018/1046 while targeting the support to beneficiaries who are most affected.

Article 6b

Provisions applicable to the exceptional temporary support to farmers, forest holders and SMEs particularly affected by natural disasters

1. The exceptional temporary support referred to in Article 6a of this Regulation shall be financed by the EAFRD as a measure within the meaning of Article 13 of Regulation (EU) 1305/2013.
2. The maximum EAFRD contribution for the measure referred to in Article 6a of this Regulation shall be 100%.
3. The support provided for this measure shall not exceed 10% of the total EAFRD contribution to the rural development programme for the years 2021-2022.

Article 6c

Force majeure

As regards the implementation of Regulation (EU) No 1306/2013 for the purposes of the financing, management and monitoring of the CAP when applying a ‘force majeure’ principle, as referred to in Article 2(2) of that Regulation, where a severe natural disaster gravely affects a well-determined area, the Member State concerned may consider that whole area to be gravely affected by that disaster or event.

Article 6d

Commission powers

1. The Commission may adopt implementing acts laying down rules necessary for the implementation of the measure referred to in Article 6a of this Regulation through rural development programmes within the legal framework applicable in the programming period 2014-2020, extended in accordance with Article 1 on:
 - (a) monitoring and evaluation of the rural development policy;
 - (b) rules on presentation of the rural development programmes;
 - (c) presentation of the annual implementation reports;
 - (d) implementation of checks and penalties.
2. The implementing acts referred to in paragraph 1 of this Article shall be adopted in accordance with the examination procedure referred to in Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council**.

Article 6e

Committee procedure

1. In exercising the empowerment as described in Article 6d(1) points (a), (b) and (c) of this Regulation, the Commission shall be assisted by the "Rural Development Committee" established by Article 84 of Regulation (EU) No 1305/2013.

2. In exercising the empowerment as described in Article 6d(1), point (d), of this Regulation the Commission shall be assisted by the "Committee on the Agricultural Funds" established by Article 103(1) of Regulation (EU) 2021/2116 of the European Parliament and of the Council***.

* Regulation (EU) 2016/2031 of the European Parliament of the Council of 26 October 2016 on protective measures against pests of plants, amending Regulations (EU) No 228/2013, (EU) No 652/2014 and (EU) No 1143/2014 of the European Parliament and of the Council and repealing Council Directives 69/464/EEC, 74/647/EEC, 93/85/EEC, 98/57/EC, 2000/29/EC, 2006/91/EC and 2007/33/EC (OJ L 317, 23.11.2016, p. 4, ELI: <http://data.europa.eu/eli/reg/2016/2031/oj>).

** Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13, ELI: <https://eur-lex.europa.eu/eli/reg/2011/182/oj>).

***Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 (OJ L 435, 6.12.2021, p. 187, ELI: <https://eur-lex.europa.eu/eli/reg/2021/2116/oj>).’.

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament

For the Council

The President

The President
