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Origine:	Secrétariat général du Conseil
Destinataire:	Délégations
N° doc. Cion:	9347/22
Objet:	Règlement modificatif concernant une aide exceptionnelle au titre du Feader en réaction à l'invasion russe de l'Ukraine - <i>Commentaires</i>

Les délégations trouveront à l'annexe les commentaires reçus au sujet de la proposition de la Commission mentionnée ci-dessus.

CZECH REPUBLIC

1) Comment on targeting - paragraph 3

3. Member States shall target the support to beneficiaries who are most affected, by determining, on the basis of available evidence, eligibility conditions and, where considered appropriate, selection criteria, which shall be objective and non-discriminatory. The support provided by the Member States shall contribute to food security or address market imbalances. ~~and shall support farmers or SMEs who engage in one or more of the following activities pursuing these goals:~~

~~a) circular economy;~~

~~b) nutrient management;~~

~~c) efficient use of resources;~~

~~d) environmental and climate friendly production methods.~~

Justification: We propose to simplify the targeting of funds without restrictive criteria to allow easier implementation of support.

2) Comment on co-financing rates

We would like to kindly ask if the co-financing rates according to the Article 59 of Regulation No 1305/2013 can be applied.

DENMARK

(x) In article 59, paragraph 6 is replaced by the following:

“6. At least 30 % of the total EAFRD contribution to the rural development program shall be reserved for measures under the following Articles: Article 17 for environment and climate related investments; Articles 21, 28, 29, 30, 31, 32, 34 and 39c.”

Justification:

The proposal by the Commission addresses important aspects of the difficulties currently facing the agricultural sector. However, it is essential to keep in mind that the current economic environment puts additional strain on the implementation of the RDP's, leading to difficulties for beneficiaries and authorities with regard to both the initiation and completion of projects, which causes a very significant risk of serious decommitment of funds under the RDP in the coming years. This has to be viewed in the context of the overall framework of rules, which may inhibit the possibility of Member states to use the new possibility of exceptional temporary support in response to the impact of the Russian invasion of Ukraine, as well more funds could be made available to the benefit of the environment. This is the case with support towards the implementation of the Water Frame Directive (WFD), as article 59(6) of the Rural Development Regulation excludes payments for such measures from counting towards the green ring-fencing. To obtain more green support, the reference to WFD in article 59(6) should be removed, and brought in parallel with support for Natura 2000. This would also be consistent with the treatment of such payments under the SPR, where such payments are counted towards ring-fencing requirements relating to environment and climate. Moreover, the new lump-sum payment must be tied to green goals. Hence, those payments should also count as green support and be included in article 59 (6).

HUNGARY

Hungary would like to have clarification about the maximum percentages and the additional national financing (top-up). Are the rules set out in the Article 82 (Additional national financing) of 1305/2013/EU regulation valid for this kind of support scheme? Is it up to the Member State to use as many additional national financing as they have in their budget?

ITALY

COMMENTI DELEGAZIONE ITALIANA

“Modifica del regolamento relativo al sostegno eccezionale del FEASR in in risposta all'invasione dell'Ucraina da parte della Russia”

La Proposta di REGOLAMENTO DEL PARLAMENTO EUROPEO E DEL CONSIGLIO che modifica il regolamento (UE) n. 1305/2013 introduce l'Articolo 39 quater “Sostegno temporaneo eccezionale a favore di agricoltori e PMI particolarmente colpiti dall'impatto dell'invasione russa dell'Ucraina”, che si sostanzia come un contributo in forma forfettaria fino ad un massimo di € 15.000 per agricoltore e di € 100.000 per PMI da concedere ai beneficiari maggiormente colpiti dalla crisi.

Pur accogliendo in senso favorevole la proposta di Regolamento in discussione, è utile precisare che, relativamente all'efficacia di attuazione della nuova Misura nei PSR italiani, la stessa è soggetta alla reale capacità di impegno residua degli attuali PSR. Sarà, infatti, necessaria una rimodulazione dei piani finanziari dei correnti PSR per assegnare le risorse non ancora impegnate sulle attuali Misure alla nuova Misura.

In relazione alle osservazioni pervenute dalle AdG regionali, si segnala la seguente criticità attinente il contenuto della seconda parte del comma 3 del nuovo articolo 39 quater del reg UE 1305/2013 laddove si limita il sostegno temporaneo eccezionale alle "attività che perseguono gli obiettivi: a) economia circolare, b) gestione dei nutrienti, c) uso efficiente delle risorse, d) metodi di produzione rispettosi dell'ambiente e del clima". Tale restrizione appare poco giustificata in relazione alla dichiarata finalità della proposta legislativa di "fornire un sostegno agli agricoltori e alle PMI più duramente colpiti dalle conseguenze dell'invasione russa dell'Ucraina".

Si chiede pertanto se tali obiettivi possano essere considerati prioritari, ferma restando la possibilità di concedere l'aiuto a iniziative con obiettivi diversi da quelli individuati dalle lettere a), b), c) e d).

Inoltre, si chiedono i seguenti chiarimenti:

1) Art. 39 quater, paragrafo 2: la dizione "attive nella trasformazione, commercializzazione " si applica solo per le PMI (come sembrerebbe) od anche agli agricoltori?

2) Art. 39 quater, paragrafo 3: ferma restando la richiesta di ampliamento del campo di azione, come già evidenziato, la concessione del sostegno è subordinata all'impegno dei beneficiari a svolgere una serie di attività che perseguano determinate finalità. In concreto, però,

- a. che tipo di azioni devono essere messe in atto dai beneficiari per essere ammissibili al sostegno (es. investimenti, pratiche agricole, altro)?*
- b. per quanto tempo deve durare tale impegno?*
- c. come e quando devono essere verificate e controllate tali attività ? Prima del pagamento del contributo pubblico o dopo (ex post)?*

Italy – Reg. 1305/2013 amendment proposal – main observations (Courtesy translation by google translator - for a formal following – up, please make reference to the italian language version document only)

“In relation to the observations received from Italian Regional Managing Authorities, following issues should be noted regarding the content of the second part of paragraph 3 of the new article 39 quater of EU Regulation 1305/2013 where exceptional temporary support is limited to "activities that pursue the objectives: a) circular economy, b) nutrient management, c) efficient use of resources, d) environmentally and climate-friendly production methods". In our understanding, such restrictions appear to be little justified in relation to the declared aim of the legislative proposal to "provide support to the farmers and SMEs hardest hit by the aftermath of the Russian invasion of Ukraine". Consequently, Italy wonders if these objectives can be considered priorities, without prejudice to the possibility of granting aid to initiatives with objectives other than those identified in letters a), b), c) and d).

Furthermore, the following clarifications are requested:

1) Article 39c, paragraph 2: does the term "active in processing, marketing" apply only to SMEs (as it would seem) or also to farmers?

2) Art. 39 quater, paragraph 3: without prejudice to the request for extension of the field of action, as already highlighted, the granting of support is subject to the commitment of the beneficiaries to carry out a series of activities that pursue certain purposes. In practice, however,

a) what kind of actions must be implemented by the beneficiaries to be eligible for support (e.g. investments, agricultural practices, other)?

b) how long should this commitment last?

c) how and when should these activities be verified and controlled? Before the payment of the public contribution or after (ex post)?”

Written replies of Member states questions and European Commission answers are very welcome.

LATVIA

1. Clarification is needed on Article 39c. (3) of the proposal – should farmer carry out any compulsory action in the field of circular economy, nutrient management, efficient use of resources or environmental and climate friendly production methods? Given that the objective of the aid is to ensure the competitiveness of agricultural enterprises and the viability of agricultural holdings, setting such additional criteria in the current situation could have a negative impact on the range of potential beneficiaries and support would not reach those farmers for whom the aid would be most necessary.
2. Please provide an example the application of paragraph 6 of Article 39 c. Should the aid granted under Article 219 of the CMO or State aid or the exceptional aid of Covid be assessed here?

LITHUANIA

Lithuania supports the intention of the Presidency to move swiftly with this file.

However, Lithuania would like to propose some improvements to the Proposal.

We suggest to supplement Article 39c by including separately as eligible beneficiaries persons (natural and legal persons, groups of them) who are currently implementing investment projects in accordance with the 2014-2022 Rural development programme, without applying condition to be engaged in activities pursuing the goals set out in paragraph 3 of Article 39c.

It should be also stipulated that the support granted in such case does not affect the aid intensity applied to the investment project in progress.

In addition, we would like to have a clear answer if it is possible to use an aggregate data in the selection of beneficiaries (statistical data on particular agricultural sector etc.). Analysis of situation on individual level (farmer, SME) would increase an administrative burden and could jeopardise the whole idea of rapid and swift support.

POLAND

Poland welcomes this proposal. It responds to the *Common paper of Bulgaria, Croatia, Cyprus, Greece, Italy, Poland, Portugal, Romania, Slovakia, Slovenia and Spain on the need for an Exceptional temporary support under the European Agricultural Fund for Rural Development (EAFRD) in response to the unprecedented crisis and its impact on the agricultural production systems and food security* presented and discussed at the meeting of the AGRIFISH Council in April 2022.

We support swift adoption of the proposal. It is important to implement this new measure as soon as possible, in order to enable effective assistance to farmers and other agro-food sector operators experiencing negative consequences of the Russian aggression on Ukraine, especially an increase in the costs of feed, fertilizers, fuels and energy. We consider however that more flexibility should be allowed for approving applications for support. Therefore, we propose to remove the provisions regarding the deadline for approving applications. In our opinion, setting up such a deadline introduces substantial rigidity in the possibilities of servicing applicants, especially taking into account the different implementation systems functioning in Member States. Negative consequences of such rigidity were experienced in the implementation of the COVID-19 extraordinary measures when the competent authority refused to grant aid before provided deadline but after appeal the aid was granted but after this deadline. In such a case, the expenditures related to the granted support would not be eligible for the reimbursement. In our opinion, the deadline for payment of support has key importance and the one proposed by the European Commission for the new extraordinary measure is acceptable.

We agree that the proposed exceptional support should contribute to food security. Therefore, it is important that under proposed measure, support should be granted to a wide range of beneficiaries experiencing the negative effects of the situation caused by the Russian aggression on Ukraine. In this context, we consider as too restrictive targeting support only to the potential beneficiaries “who engage in one or more of the following activities pursuing these goals:

- a) circular economy;
- b) nutrient management;
- c) efficient use of resources;
- d) environmental and climate friendly production methods.”

Therefore we propose following amendment in the proposed Article 39c(3):

“3. Member States shall target the support to beneficiaries who are most affected, by determining, on the basis of available evidence, eligibility conditions and, where considered appropriate, selection criteria, which shall be objective and non-discriminatory. The support provided by the Member States shall contribute to food security or address market imbalances, ~~and shall support farmers or SMEs who engage in one or more of the following activities pursuing these goals:~~

~~a) circular economy;~~

~~b) nutrient management;~~

~~c) efficient use of resources;~~

~~d) environmental and climate friendly production methods.”~~

In our opinion, the proposed measure is primarily an emergency support to ensure viability of farms and agro-food sector in an exceptional situation related to the negative impact of the Russian invasion of Ukraine. The key objective of this new exceptional measure is to address “liquidity problems”, as mentioned in the recital (1). Therefore we consider that the wording of the recital (3) should be aligned accordingly:

“The support, which aims to ~~address liquidity problems of secure~~ the agro-business ~~competitiveness~~ and farm ~~and to secure~~ their viability, should, (...)”

SLOVAKIA

In order to be able to implement this regulation, it is necessary to lay down conditions that can be easily verified against available sources / data. Therefore, we would like to ask the Commission for its idea in this respect. Our comment is whether the European Commission considers meeting the conditions for direct payments for agricultural practices beneficial for the climate and the environment (greening) as meeting the objectives.

Among other things, we will greatly appreciate the European Commission's proposals on verification of conditions in case of the circular economy or climate goals. In any case, it would be appropriate to use existing data sources and existing country databases. We also perceive this issue in processing companies which meet this condition, but the process is difficult for verification. In this case, we would appreciate it if the European Commission presented a proposal on how to demonstrate that the company is applying climate and environment friendly practices in processing.
