### Basic information

**COD - Ordinary legislative procedure (ex-codecision procedure)**

European Agricultural Fund for Rural Development (EAFRD): specific measures to provide exceptional temporary support under EAFRD in response to the COVID-19 outbreak

Amending Regulation 2013/1305 2011/0282(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
- 4.20 Public health
- 4.20.01 Medicine, diseases

**Legislative priorities**
The EU's response to the Covid-19 pandemic

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### Key players

**European Parliament**

Committee responsible

AGRI Agriculture and Rural Development

Rapporteur

LINS Norbert

Appointed 20/05/2020

**Council of the European Union**

European Economic and Social Committee

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### Key events

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2020/0075(COD) - 30/04/2020 Legislative proposal

PURPOSE: to provide exceptional temporary support to farmers and rural businesses under the European Agricultural Fund for Rural Development (EAFRD) in response to the COVID-19 pandemic.


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

BACKGROUND: the consequences of the crisis caused by the COVID-19 pandemic for farmers and rural businesses are unprecedented. Mandatory closures of shops, outdoor markets, restaurants and other similar establishments have led to economic disruption to the agricultural sector and rural communities and led to liquidity and cash-flow problems for farmers and small rural businesses active in processing, marketing and/or development of agricultural products.

As a consequence, certain small businesses and farmers are in urgent need of emergency support in order to maintain their activities. The support will need to be in the form of a temporary aid, for a very targeted purpose in unprecendented circumstances.

CONTENT: the proposal includes limited and targeted amendments to Regulation (EU) No 1305/2013 providing exceptional and temporary support to farmers and SMEs active in processing, marketing and/or development of agricultural products, which are particularly affected by the COVID-19 crisis.

Exceptional temporary support

Support under this measure shall consist of temporary emergency aid to farmers and SMEs particularly affected by the COVID-19 crisis to ensure the continuity of their activities. It shall consist of a one-off lump sum payment to farmers and SMEs active in processing, marketing and/or development of agricultural products. Payments by the Commission shall be made in accordance with budget appropriations and subject to available funding. The maximum amount of support shall not exceed EUR 5 000 per farmer and EUR 50 000 per SME.
With a view to ensuring the most efficient use of resources available under existing rural development programmes, Member States shall be required to substantiate the targeting of the support to those most affected, based on objective and non-discriminatory criteria.

When granting support, 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 the COVID-19 crisis. The EAFRD support provided shall be limited to a maximum of 1% of the total EAFRD contribution to the rural development programme.

Budgetary implications

This new proposal does not imply any changes in the Multiannual Financial Framework (MFF) annual ceilings for commitments and payments as per Annex I to Regulation (EU) No 1311/2013. The total annual breakdown of commitment appropriations under European Agricultural Fund for Rural Development (EAFRD) remains unchanged.

Overall, this measure does not imply the need for extra payment appropriations. The 2021 payment appropriations needed to finance this measure will be offset by lower payment needs in subsequent years.

2020/0075(COD) - 19/06/2020 Text adopted by Parliament, 1st reading/single reading


The proposal aims to provide exceptional and temporary support to farmers and rural businesses under the European Agricultural Fund for Rural Development (EAFRD) in response to the COVID-19 pandemic. These temporary measures shall enable Member States to use the funds available under their existing rural development programmes to support farmers and small and medium-sized enterprises (SMEs) particularly affected by the crisis.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amended the Commission proposal.

Under the amended text, support shall take the form of a lump sum payment to be paid no later than 30 June 2021, on the basis of applications for support approved by the competent authority no later than 31 December 2020.

Parliament also voted in favour of an increase in support: the maximum amount of support shall not exceed EUR 7 000 per farmer (compared to EUR 5 000 in the original proposal) and EUR 50 000 per SME.

Lastly, the amount granted under support measures shall not exceed 2% of the total EAFRD contribution to the rural development programme (compared to 1% in the original proposal).