



Increased support for EU farmers through rural development funds

Brussels, 20 May 2022

Today, the European Commission proposed **an exceptional measure funded by the <u>European</u> <u>Agricultural Fund for Rural Development</u> (EAFRD) to allow Member States to pay a one-off lump sum to farmers and agri-food businesses affected by significant increases in input costs. Such increases in prices, notably for energy, fertiliser and animal feed, are disrupting the agricultural sector and rural communities, leading to liquidity and cash flow problems for farmers and small rural businesses active in processing, marketing or development of agricultural products. By directly addressing these cash-flow challenges, helping to keep them afloat, the support will address the market disturbances and thus contribute to global food security.**

Agriculture Commissioner Janusz **Wojciechowski** said: "Farmers, with the support of the Common Agricultural Policy, continue to relentlessly prove their worth by producing food under difficult circumstances. After the COVID-19 pandemic, they are now being heavily hit by the consequences of the Russian invasion of Ukraine. For some, survival is at stake. With this measure, the latest in a series deployed under the CAP, we support them so they can keep producing the food the world needs, care for their land and provide for their families."

Once adopted by the co-legislators, this measure will allow Member States to decide to use available funds of up to **5%** of their EAFRD budget for the years 2021-2022 for direct income support for farmers and SMEs active in processing, marketing or development of agricultural products. This represents a potential budget of ≤ 1.4 billion in the EU. Member States are required to target this support to beneficiaries who are most affected by the current crisis and who are engaged in circular economy, nutrient management, efficient use of resources or environmental and climate friendly production methods. Selected farmers and SMEs could receive up to $\leq 15,000$ and $\leq 100,000$ respectively. The payments should be made by 15 October 2023. To make use of that exceptional possibility, Member States will have to submit a modification to their <u>rural development</u> programme(s) introducing this new measure.

Today's exceptional proposal follows the €500 million support package for EU farmers adopted on 23 March in the framework of the <u>Communication on "safeguarding food security and reinforcing the</u> resilience of food systems". In these two measures, the Commission encourages Member States to support farmers engaged in sustainable practices.

In this context, the Commission is also stepping up its monitoring of the main agricultural markets impacted by the war. Following <u>a decision published today</u>, Member States will have to **notify the Commission their monthly level of stocks** of cereals, oilseeds, rice and certified seeds of these products held by relevant producers, wholesalers and operators. The European Commission has also launched a <u>dedicated dashboard</u> presenting **up-to-date**, **detailed statistics** on prices, production, and trade of milling wheat, maize, barley, rapeseed, sunflower oil, and soya beans at EU and global level. This provides market operators a timely and accurate picture of the availability of essential commodities for food and feed.

For More Information

<u>Proposal to provide exceptional temporary support under the European Agricultural Fund for Rural</u> <u>Development in response to the impact of the Russian invasion of Ukraine</u>

<u>The European Commission steps up its monitoring of agricultural markets impacted by Russia's</u> <u>invasion of Ukraine</u>

Dashboard on the impact of Russia's invasion of Ukraine on selected agricultural sectors

<u>Commission acts for global food security and for supporting EU farmers and consumers</u>

Factsheet: Tackling global food security and affordability challenges

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