



EUROPEAN COMMISSION

*Brussels, 14.7.2020
C(2020) 4954 final*

*Mr. Roberto FICO
President of the Camera dei
Deputati
Piazza Montecitorio
IT – 00100 ROMA*

Dear President,

The Commission would like to thank the Camera dei Deputati for its Opinion 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 {COM(2019) 581 final} (hereinafter referred to as “Transitional Regulation”).

This proposal forms part of a broader legislative package for the agricultural policy beyond 2020, which includes Regulation (EU) No 2020/127 and the proposals for the reform of the Common Agricultural Policy (CAP). The Transitional Regulation and Regulation (EU) No 2020/127 were proposed to ensure continuity of support for the agricultural sector before the new CAP and its Strategic Plans are in place. Indeed, they do not intend to prejudge or (partly) replace the finalisation of the EU legislative framework for the future CAP, for which the 2018 Commission proposals are still undergoing the ordinary legislative procedure, as indicated in your letter.

The Transitional Regulation was proposed in October 2019 and is currently being discussed by the European Parliament and the Council. The Commission fully agrees that, as pointed out by the Camera dei Deputati, a swift agreement of the co-legislators on the proposal for the Transitional Regulation is key, since the regulation shall be applicable as of 1st January 2021.

A pre-requisite for the adoption of the Transitional Regulation is the agreement on the Multiannual Financial Framework (MFF). The prompt conclusion of the MFF negotiations is therefore of utmost priority. Furthermore, for the sake of long-term predictability and clarity for the agricultural sector, as well as meeting the enhanced environmental ambition, it is essential to allow for a timely application of the rules contained in the CAP post-2020. The Commission thus remains committed to striving for a one-year transitional period.

The Transitional Regulation will ensure adequate resources for the financing of the CAP by providing continuity of support in 2021, based on 2014-2020 rules, but with the 2021 budgetary allocation. Based on the Commission proposal, those Member States that risk running out of funds in 2021 may extend their rural development programmes 2014-2020 using their EAFRD (second pillar) budget allocation of the year 2021. As regards the EAGF (first pillar), the current measures would also continue in 2021 under the rules of the period 2014-2020 with, however, financial envelopes and ceilings to be adjusted to the outcome of the MFF negotiations.

The Commission's proposal for the CAP post-2020 was made in a very challenging budgetary context, both addressing new challenges and taking into account the United Kingdom's departure from the Union. Even so, the Commission proposed a substantial amount of EUR 365 billion in current prices for the CAP, which shows that the CAP will remain a key EU policy under the next MFF. On 27 May 2020, the Commission presented a revised 2021-2027 MMF proposal, together with a specific, time-limited and powerful Recovery Instrument, that will guide the Union back from crisis to the path of long-term recovery. These proposals substantially reinforce the CAP funding, commensurate to the importance of agriculture and rural development in the EU.

The Commission agrees with the Camera dei Deputati that the agricultural sector plays an important role for the climate and environment and welcomes its support for an adequate budget over the period of the next MFF. The CAP will indeed continue to be the key instrument of the EU to support farmers in their transition to sustainable farming with a view to delivering on the Green Deal objectives.

The 2018 Commission CAP reform proposals dedicate three out of the nine CAP specific objectives to the environment and climate, covering the issues of climate change, natural resources, biodiversity, habitats and landscapes. The new green architecture puts forward a mix of mandatory and voluntary tools providing important instruments to support and accompany farmers in the uptake of sustainable practices, such as precision agriculture, agro-ecology, agro-forestry and organic farming.

The Commission also analysed the opportunities and gaps of the CAP reform with regard to the achievement of the Green Deal Objectives. The conclusions of this analysis were communicated on 20 May, together with the publication of the Farm to Fork Strategy, which sets out a comprehensive strategic approach for more resilient EU food systems of which agriculture is a key component.

As highlighted by the Staff Working Document ‘Analysis of links between CAP reform and Green Deal’¹, the Commission maintains that the CAP proposals are compatible with the Green Deal’s ambitions. Nonetheless, some aspects can be improved, such as the ring fencing of funding for eco-schemes. Additionally, the Commission proposes to reinforce its support to Member States in preparing their CAP strategic plan.

The Commission appreciates the Opinion of the Camera dei Deputati on the Common Agricultural Policy and the Transitional Regulation and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

*Janusz Wojciechowski
Member of the Commission*

¹ https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/sustainability_and_natural_resources/documents/analysis-of-links-between-cap-and-green-deal_en.pdf