



EUROPEAN COMMISSION

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Mr George Crin Laurențiu  
Antonescu  
President of the Senate  
Calea 13 Septembrie, Nr 1-3  
Intrarea A1, sector 5  
RO - BUCHAREST

Dear President,

*The Commission would like to thank the Romanian Senate for its Opinion on the Proposal for a Regulation of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) – {COM(2011) 627 final} and apologises for the delay in replying.*

*The Commission takes note of the fact that the Senate considers the above mentioned legal proposal to be in compliance with the principle of subsidiarity and the principle of proportionality. The Opinion raises a number of points to which the Commission would like to provide the following clarifications. The legal proposal is currently being scrutinized in the Council as well as in the European Parliament.*

*The Proposal for a Regulation on support for rural development for the period 2014-2020<sup>1</sup> provides for a specific measure on organic farming unlike the current legal framework where support for organic farming is an integral part of the agri-environment measures.*

*According to this proposal, the support under organic farming measure would be granted for undertaking a conversion to or maintenance of organic farming practices as defined in Council Regulation (EC) No 834/2007<sup>2</sup>. Such support would be given only for commitments going beyond the reference level made of relevant mandatory standards of cross-compliance, relevant minimum requirements for fertilisers and plant protection products use as well as other relevant mandatory requirements established by national legislation.*

*The elements of the reference level, described above, for organic farming support would not change compared to the current situation (cross compliance and minimum requirements for fertilisers and pesticides use), nor would the thresholds for the possible premiums for organic farming support, as indicated in Annex I of the Proposal.*

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<sup>1</sup> COM(2011)627/3

<sup>2</sup> OJ L 189, 20.07.2007

*Organic farmers would be entitled "ipso facto" to the greening payments of the 1<sup>st</sup> pillar. This would not affect the income foregone and cost incurred calculations for the purpose of the organic farming support in the 2<sup>nd</sup> pillar.*

*Beneficiaries of organic farming support in the future legal framework would also be entitled to apply for agri-environment-climate support. However, they would not be rewarded under agri-environment-climate measure for commitments and operations which are part of organic farming legislation and for which they are remunerated under organic farming measure.*

*As regards the reference level under agri-environment-climate measure, all beneficiaries, including organic farmers, would have to respect the same requirements and standards as defined in Article 29(3) of the Proposal.*

*We take note of your proposal to open the compensatory payments in Forest Natura 2000 to public beneficiaries. Let me clarify that public beneficiaries have been proposed to be excluded from support in a number of measures in light of the objective of concentrating the limited available resources, and following the principle of additionality of the Union funding.*

*The proposed ex-ante conditionalities aim at securing that minimum essential conditions for ensuring the effectiveness of the intervention are in place before the starting of the programmes. Nevertheless, an action plan may be defined by the Member States in case one or more of these conditions are not met at the outset, a fact which will allow the starting of the implementation of the programmes even in case of non respect of certain conditions. The ex-ante conditions proposed for the rural development policy are based on those defined for the Structural Funds, but are more limited in number, by focusing only on those which are considered relevant for the rural development policy.*

*Support for investments under Article 18 focuses on farm level infrastructure and concerns especially access to farm and forest land, land consolidation and improvement, energy supply and water management. The maximum aid intensity rate of 50% is in line with the current ceilings for the period 2007-2013. As regards local infrastructure in rural areas, it has also to be noted that support is available under Article 21 "Basic services and village renewal in rural areas", which covers, inter alia, investments in the creation, improvement or expansion of all types of small scale infrastructure, as defined by each Member State in the programme. In this context, no maximum thresholds are set in Annex I as non-agricultural state aid rules apply. Concerning farm restructuring, the Regulation already provides for the possibility for Member States to define the farms to be restructured. In fact, Article 18(2) stipulates that in the case of investments to support farm restructuring, only farms not exceeding a certain size shall be eligible, with this threshold having to be defined by the Member States in the programme based on the SWOT analysis carried out in relation to the Union priority for rural development "enhancing competitiveness of all types of agriculture and enhancing farm viability".*

*Regarding the definition of "intermediate" enterprises, both agricultural holdings and other types of enterprises, including those carrying out processing and marketing activities, are eligible for a wide range of measures under the proposed Regulation.*

*The support for setting up of young farmers has clear and long-lasting objectives - to help the generational renewal in agriculture in view of the progressive ageing of the farm population over the last decade. In this context, releasing the age threshold would eliminate the positive impacts of this measure and would diminish the value-added of the EAFRD support. Farmers of other ages can still set-up their farm business and benefit from all other measures. Imposing an area restriction is not possible as farm systems in the different Member States vary and it will be an additional burden (in general and for many agricultural sub-sectors). Member States would be able to define further limitations in their RDPs if this were considered necessary in their national context.*

*The Commission hopes that these clarifications address the concerns raised in the Opinion of the Senate and looks forward to continuing the policy dialogue in future on this and other issues.*

*Yours faithfully,*

*Maroš Šefčovič  
Vice-President*