



Parlamentul României Senat

Bucharest, February 26, 2020

Courtesy translation

OPINION

of the SENATE OF ROMANIA

on the Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1306/2013 as regards financial discipline as from financial year 2021 and Regulation (EU) No 1307/2013 as regards flexibility between pillars in respect of calendar year 2020

COM (2019) 580 final

The Senate of Romania has examined the Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1306/2013 as regards financial discipline as from financial year 2021 and Regulation (EU) No 1307/2013 as regards flexibility between pillars in respect of calendar year 2020 - COM (2019) 580 final, according to the provisions of the Treaty of Lisbon (Protocol no.2).

Taking into account the report of the Committee for European Affairs no. LXII/369/10.12.2019, **the plenum of the Senate**, during its session of February 26, 2020, has decided the following:

1. Notes that the present proposal for a Regulation respects the principle of subsidiarity and the principle of proportionality with the mention that there are many aspects to be clarified.
2. Appreciates that the proposal initiated by the Commission is beneficial, but considers that further clarification discussions are needed, and one more year (2021) is inefficient given the state of negotiations on the future post-2020 CAP and the future MFF 2021-2027, of whose final compromises are expected to be delayed.
3. Considers that:
 - (1) The transfer of funds from pillar II (rural development measures) to pillar I (direct payments) is not appropriate, for the following reasons:
 - a) The support measures established by the NRDP are aimed at ensuring the sustainable development of the rural areas, in the context of the Union's promotion of the objective of environmental protection and improvement.
 - b) Agri-environment and climate measures, payments for areas facing natural or other specific constraints, measures for the development of farms and businesses occupy a significant share of the financial allocations. These measures are well

known by the beneficiaries, their expectations regarding the financial allocations must be further confirmed.

- (2) In order for flexibility between rural development and direct payments to be applied, the maximum amount that can be transferred should be based on a fixed amount and not on a percentage. It is appropriate to provide for the possibility of further application of flexibility and to establish the maximum amount that can be transferred from rural development to direct payments.
- (3) Given the level of the average amount per hectare of direct payments, 30% lower than the average amount per hectare of the EU-27 of other Member States, the growth dynamics of the area required for direct payments, the farmers' expectations regarding the level of direct payments, the transfer from the EAGF to the EAFRD would not be appropriate for 2020 either. The level of direct payments should be equal for all farmers no matter in which Member State they operate and in order not to affect the competitiveness in the context of the competitive conditions of the European Single Market.

The amounts in the Annex are those resulting from the calculation according to Article 14 (2) of Regulation (EU) No 1307/2013. In the case of Romania, the amount of 241 375 835 euros is foreseen, which results from multiplying the amount of 965 503 339 euros by 25%.

The amount of 965 503 339 is set out in Annex IX - Breakdown of Union support for the types of interventions for rural development (2021-2027), mentioned in Article 83 (3) of the Strategic Plans Regulation.

- (4) Given that Romania supports a larger budget, suitable for rural development measures from 2021-2027, this annex should be adopted subject to the adoption of the MFF 2021-2027.
- (5) Member States need at least a year and a half to develop and approve the strategic plan, national legislation, internal procedures, guides, but also adapting the IT system for managing interventions.
- (6) All interventions in the current regulations, including national transitional aid at the level of 2020, respectively 50%, have to be maintained.
- (7) The transition period should be longer than 1 year, depending on the estimates of each national administration for implementation and regulation.
- (8) Member States, including Romania, must analyze in detail the constitution of the amounts provided for in the Annex of the present proposal for a Regulation.

p. President of the Senate

Titus CORLĂȚEAN

