EUROPEAN COMMISSION



Brussels, 22.04.2020 *C*(2020) 2530 final

Mr Titus CORLĂŢEAN interim President of the Senat Calea 13 Septembrie nr. 1-3, sector 5 RO – 050711 BUCHAREST

Dear President,

The Commission would like to thank the Senat for its Opinion 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 Commission welcomes the support of the Senat for the proposed Regulation. The main aim of this proposal was to ensure that the Member States may transfer funds between the Common Agricultural Policy (CAP) pillars, as already laid down in the Regulation (EU) No 2019/288\[^1\]. The Regulation (EU) No 2019/288 provides for the possibility of transfer of funds from rural development to direct payments as a percentage of the amount allocated to support financed under the European Agricultural Fund for Rural Development in financial year 2021 by the Regulation on the multi-annual financial framework (MFF). Since the MFF Regulation is not adopted yet, the Regulation {COM(2019) 580 final} was proposed in order to establish the maximum amounts that may be transferred by Member States between rural development and direct payments. These amounts are based on the current maximum percentages provided in the Commission's proposal for the MFF.

Moreover, the proposal {COM(2019) 580 final} also aimed at ensuring that the financial discipline mechanism that makes it possible to respect the maximum ceiling set by the MFF can still operate after 2020.

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¹ Regulation (EU) 2019/288 of the European Parliament and of the Council of 13 February 2019 amending Regulations (EU) No 1305/2013 and (EU) No 1307/2013 as regards certain rules on direct payments and support for rural development in respect of the years 2019 and 2020, *OJ L 53*, 22.2.2019.

Since the above-mentioned proposal {COM(2019) 580 final} contained rules applicable for the calendar year 2020 and Member States had to take their decision on the transfer on the basis of Regulation (EU) 2019/288 by 31 December 2019, the timely adoption of the proposal was considered a priority. Thus, the proposal has recently entered into force as Regulation (EU) No 2020/127.²

This proposal was submitted at the same time as the proposal for a 'Transitional Regulation'³. Both legislative acts should ensure the continuity of support for the agricultural sector before the new CAP and its Strategic Plans are in place.

The Commission is of the view that new elements compared to the current CAP should be kept for the CAP reform post-2020. The Regulation (EU) No 2020/127, as well as the Transitional Regulation, are thus based on the principle of continuity with the current rules in order to ensure support for farmers and other beneficiaries in year 2020 and 2021.

The Commission notes that most of the aspects in the Opinion of the Senat relate to the proposal for the Transitional Regulation. The Commission would therefore like to draw the attention of the Senat to the separate letter where the Commission reacts to the Opinion of the Senat on the proposal for the Transitional Regulation. The answers concern, among other, the duration of the transitional period and the continuation of the transitional national aids.

The Commission appreciates that the Senat decided to analyse the proposal for Regulation (EU) No 2020/127 and believes that the political dialogue with national Parliaments is essential for linking the Institutions and the citizens of the European Union, and looks forward to continuing it with the Senat in the future.

Yours faithfully,

Maroš Šefčovič Vice-President

Janusz Wojcziechowski Member of the Commission

Regulation (EU) No 2020/127 of the European Parliament and of the Council of 29 January 2020 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; OJ L 27, 31.1.2020.

³ 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}.