



2021/0227(BUD)

30.9.2021

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2022 -
all sections
(2021/0227(BUD))

Rapporteur for opinion: Pina Picierno

PA_NonLeg

SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that under the common agricultural policy (CAP) transitional rules, the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) measures will continue in 2022 under the rules of the 2014-2020 framework until the implementation of the reformed CAP in 2023; highlights the importance of transitional CAP measures to bridge the gap to the new legal basis while contributing to the achievement of the European Green Deal objectives, guaranteeing a smooth and harmonious transition to the new provisions, giving legal certainty to the agricultural sector and safeguarding the legal framework for funding and the economic stability of European farms; draws attention to the need to bring the 2014-2020 programmes progressively to a successful closure with the final payments on outstanding commitments; welcomes the reinforcement of the EAFRD by EUR 5,7 billion from Next Generation EU (NGEU) in 2022; recalls that NGEU funds will be available as external assigned revenue not subject to the annual budget procedure; highlights that NGEU support to local actors is not only essential to the recovery of farmers and rural areas from the impact of the pandemic, but also crucial to the Union's ambitious environmental targets, the resilience of the agricultural system in achieving the new strategic biodiversity and 'farm to fork' objectives as well as the objectives of the Long-Term Vision for the Development of Rural Areas in the first phase of its implementation; highlights therefore the need for a strong EAFRD and swift operation of the NGEU funds in 2022, taking into account Union commitments from that new recovery instrument;
2. Points out that a reformed and modernised CAP will support the transition towards a fully sustainable agricultural sector and the development of dynamic rural areas, in line with the ambitious objectives of the European Green Deal and its related strategies, namely the 'farm-to-fork' and biodiversity strategies;
3. Welcomes the recovery funds which are devoted to supporting agri-food operators in their efforts to adapt to climate change and to provide European consumers with sustainable and local products; stresses that special attention must be paid to the quality agri-food products hardest hit by the COVID-19 crisis;
4. Calls on the Commission and Member States in 2022 to focus on projects that safeguard existing jobs in the agriculture sector and create quality jobs with labour rights, stable and regulated pay and working conditions, in order to effectively and incisively combat poverty and social exclusion in rural areas;
5. Takes note of the EUR 54 117 million in commitments and EUR 55 859 million in payments for agriculture; takes note of the Council's mandate and the absence of further cuts to the Commission's draft budget; nonetheless calls for an increase of the budget considering the amount of challenges that the agri-food sector has faced in 2021 and still needs to tackle in 2022; welcomes the fact that Heading 3 - natural resources and environment - is to provide around half the total budget resources earmarked for

combating climate change in the period 2021-2027; stresses that appropriations under that heading are earmarked for investments in a sustainable agricultural and maritime sector, seeking to ensure safe and high quality food supplies through the adoption of updated agricultural and maritime policy objectives; highlights the need for a strong contribution of the EAGF and EAFRD to a range of development objectives including the mainstreaming of climate and the protection of biodiversity in the budget 2021-2027; highlights the preliminary estimates showing that the EAGF and EAFRD contribution to climate mainstreaming reaches over 20 % of the Union target while their contribution to biodiversity mainstreaming represents over 60 % of the Union objective, thus estimated to compensate for programmes which do not contribute to those goals; stresses, however, the need for those estimates to be confirmed by accurate tracking of expenditure; recalls the Union responsibility to track its biodiversity-related expenditure to fulfil its reporting obligations under the Convention on Biological Diversity; stresses that a transparent, comprehensive and meaningful tracking methodology should be adopted swiftly, and adapted if necessary during the MFF mid-term revision, for both climate-related spending and biodiversity-related spending; highlights that a year 2022 without adequate climate and biodiversity spending and reliable tracking risks impeding the achievement of those targets throughout the current MFF;

6. Welcomes the establishment of the new Digital Europe programme to address the current digital investment gap; emphasises that the Digital Europe programme will enhance essential EU digital capabilities by focusing on key areas of artificial intelligence, cyber security, advanced computing, infrastructure, governance and data processing and their interoperability, development and optimal use in critical sectors, including agriculture and the environment;
7. Questions the cost-benefit analysis of the current crisis reserve which has remained unused despite several demands for support during the COVID-19 pandemic; reiterates its request to use that reserve in the case of possible new market disruption or a sectoral crisis linked to the still ongoing COVID-19 pandemic; welcomes the political agreement to improve the crisis reserve as reached in the framework of the CAP reform but regrets that it has not incorporated more ambitious proposals supported by the European Parliament;
8. Recalls that the COVID-19 pandemic has emphasised the strategic role that the CAP plays in avoiding a food crisis by ensuring safe, high-quality, nutritious and varied food at affordable prices; welcomes the slight increase in demand and appropriations for agricultural market interventions in the 2022 budget over the 2021 budget; insists that some of the COVID-19 crisis measures supporting agricultural sectors need to be continued and provided with additional funds in 2022 to mitigate the impact of the COVID-19 pandemic and to steadily reinvigorate rural communities so as to guarantee medium and long-term food security; asks the Commission to implement in the budgetary year 2022 exceptional measures to help farmers overcome the COVID-19 crisis, which has strongly hit some agricultural sectors, including flowers, wine, cheese and some meat producers and to do so in coherence with long term health and environmental goals of the Farm to Fork Strategy; is of the opinion that the Union should dedicate for that purpose the margin of 340 million euro that will remain after assigned revenues;

9. Recalls that Article 174 of the Treaty on the Functioning of the European Union provides for the priority treatment of rural areas; notes, however, that rural areas are undervalued in the distribution of funds under cohesion policy and the European Regional Development Fund (ERDF); calls, therefore, on the Commission to give higher priority to the funding of rural areas under the ERDF and cohesion policy;
10. Encourages Member States, under Regulation (EU) No 1307/2013 establishing rules for direct payments, as amended, to channel direct payments under their national ceilings into the voluntary scheme for small farmers;
11. Reaffirms the significance of the Union's school fruit, vegetables and milk scheme to help children follow a healthy diet; therefore cannot agree with the Commission's proposal to reduce support for the school scheme by almost 10 percent, particularly given the varied but often detrimental effects of the COVID-19 pandemic on children and young people's food security, their dietary habits and financial resources; invites Member States to fully use their allocations and prioritise sustainable, local and high-quality production;
12. Stresses the necessity to allocate a significant share of the Horizon Europe funds to the agri-food sector to support research and innovation in food, agriculture, bioeconomy and rural development in order to improve agricultural productivity and accommodate the ambitions of the European Green Deal; urges the Commission to ensure that the results reach farm level; calls on the Commission to implement the multi-actor approach in the Horizon Europe programme in an effective and practical manner, so that farmers can hold an appropriate role in those programmes and can be involved in the process of design, implementation and dissemination throughout the life of the project; recalls the importance of proper and accessible advisory services for farmers to integrate state-of-the-art technologies and practices, including cultivation and breeding methods, and improve the sector's competitiveness and sustainability; stresses the need to maintain efforts for a geographical balance between all Member States as regards access to Horizon Europe funding;
13. Supports the extension, beyond 15 October 2021, of exceptional measures for the wine sector to help farmers overcome the COVID-19 crisis, taking into account the deterioration of the market due to persistent lockdowns; highlights the economic consequences of the crisis, which threaten to significantly alter consumption trends; underlines the fact that, for a year and a half, the Airbus/Boeing dispute worsened the economic damage suffered by the wine sector;
14. Regrets the conclusion of the Court of Auditors' opinion n° 10/2021 that the Commission does not yet have a fully effective framework in place for supporting gender mainstreaming in the Union budget; stresses the importance of gender analyses and gender monitoring and evaluation in the agricultural sector to adjust for inequalities; calls on the Commission to develop specific actions to implement the new 2020-2025 Gender Equality Strategy in the agricultural sector;
15. Fragile agricultural sectors play an important role in economic, social or environmental terms; takes the view that voluntary coupled support to those sectors should be maintained at the same level; therefore opposes to the reduction of EUR 13 million

proposed in the 2022 draft budget;

16. Stresses that future food sovereignty relies significantly on generational renewal in the agricultural sector; calls on the Member States to strengthen existing support measures for young farmers in 2022 in view of the lack of generational renewal in farming, which is currently one of European agriculture's biggest challenges; calls on the Council and Commission to maintain at least levels of support for young farmers in the General Budget 2022; stresses the need to facilitate access to land and farm succession as a key prerequisite to enable young and new farmers to enter the sector; therefore rejects the reduction of EUR 5 million proposed in the draft budget for the young farmers' payments;
17. Stresses that, in view of the progressive liberalisation of agricultural trade and the existence in our trading partners of different production standards, environmental practices and animal welfare rules, it is imperative to strengthen border controls; calls on the Commission to monitor existing trade agreements with countries where there are serious doubts about compliance with Union rules and which have been the subject of complaints made to the European Anti-Fraud Office (OLAF).

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	30.9.2021
Result of final vote	+: 37 -: 0 0: 8
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Álvaro Amaro, Attila Ara-Kovács, Carmen Avram, Benoît Bîteau, Mara Bizzotto, Daniel Buda, Isabel Carvalhais, Asger Christensen, Angelo Ciocca, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Luke Ming Flanagan, Dino Giarrusso, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Gilles Lebreton, Norbert Lins, Colm Markey, Alin Mituța, Marlene Mortler, Ulrike Müller, Maria Noichl, Juozas Olekas, Pina Picierno, Maxette Pirbakas, Eugenia Rodríguez Palop, Bronis Ropè, Bert-Jan Ruissen, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Veronika Vrecionová, Sarah Wiener, Juan Ignacio Zoido Álvarez
Substitutes present for the final vote	Claude Gruffat, Tilly Metz, Irène Tolleret

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

37	+
ECR	Mazaly Aguilar, Krzysztof Jurgiel, Bert-Jan Ruissen, Veronika Vrecionová
ID	Gilles Lebreton, Maxette Pirbakas
NI	Dino Giarrusso
PPE	Álvaro Amaro, Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Jarosław Kalinowski, Norbert Lins, Colm Markey, Marlene Mortler, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Juan Ignacio Zoido Álvarez
Renew	Atidzhe Alieva-Veli, Asger Christensen, Jérémy Decerle, Martin Hlaváček, Alin Mituța, Ulrike Müller, Irène Tolleret
S&D	Clara Aguilera, Attila Ara-Kovács, Carmen Avram, Isabel Carvalhais, Paolo De Castro, Maria Noichl, Juozas Olekas, Pina Picierno
The Left	Luke Ming Flanagan, Eugenia Rodríguez Palop

0	-

8	0
ID	Mara Bizzotto, Angelo Ciocca, Ivan David
Verts/ALE	Benoît Biteau, Claude Gruffat, Tilly Metz, Bronis Ropé, Sarah Wiener

Key to symbols:

+ : in favour

- : against

0 : abstention