



*Committee on Agriculture and Rural Development
The Chair*

30.3.2020

Mr Johan Van Overtveldt
Chair
Committee on Budgets
BRUSSELS

Subject: Opinion on Guidelines for the 2021 Budget - Section III (2019/2213 (BUD))

Dear Mr Van Overtveldt,

Under the procedure referred to above, the Committee on Agriculture and Rural Development has been asked to submit an opinion to your committee. At its meeting of 22 January 2020, the committee decided to send the opinion in the form of a letter.

The Committee on Agriculture and Rural Development considered the matter on 26 March with a written procedure. It decided to call on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution.

Yours sincerely,

(signed) Norbert Lins

SUGGESTIONS

- A. whereas 2021 should be the first year of implementation the next multiannual financial framework (MFF) and whereas the Commission shall propose a new budgetary structure;
- B. whereas the Commission has proposed a revision of the common agricultural policy (CAP) that includes 3 distinct legislative proposals and whereas the entry into force of the newly reformed CAP will, almost certainly, not take place in 2021;
- C. whereas the Commission has proposed a regulation 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) as regard their resources and application in the year 2021;
- D. whereas Agriculture and Rural Development domain will remain the biggest share of the Budget's expenditures because, unlike in most other sectors, spending at Union level largely replaces national spending; whereas it is essential to ensure that any new demands made of the agricultural sector as a result of the European Green Deal are adequately supported by additional budgetary resources;
 - 1. Calls on the Commission to propose a budgetary structure that is compliant with the general principles of unity, universality, annuality, specification and in particular the principles of transparency and sound financial management to allow the Parliament to fully exercise its scrutiny power; therefore, urges the Commission to propose a budgetary structure for Agriculture and Rural Development that is detailed enough, like it is the case for the current MFF;
 - 2. Takes note that the CAP, together with other Union policies, will have an important role to play in fulfilling the Green Deal 'ambitions;
 - 3. Reiterates Parliament's position that the CAP budget should be maintained at current level at the very least, especially in light of the new demands that will be made of it to contribute to the Union's climate and biodiversity objectives, in line with the Paris Agreement, and also in the fields of food security, economic growth, territorial and social balance, health and economic crises, markets at risk of volatility or closure, as well as other factors affecting food security;
 - 4. Calls on the Commission to take into account in its proposal and subsequent amending act for the draft Budget 2021, the outcome of the political agreement to be reached on the transitional measures for the year 2021 (COM(2019)0581, 2019/0254(COD))"; further calls on Member States for timely allocation of sufficient resources for continued improvement of the quality of data and indicators reported to the Union in order to fully comply with the "Budget for Result" policy; insists on the high quality of data and indicators to properly assess the CAP;
 - 5. Urges Member States to tackle the demographic problem and lack of generational renewal faced by the agricultural sector and further insists to give sufficient support measures for young farmers and gender equality in rural area;

6. Continues to insist that revenue to the Union budget deriving from any assigned revenues or repayments of irregularities from agriculture in previous years should remain under this domain;
7. Recalls the necessity to dedicate a significant share of the funds from the Horizon Europe programme to the agri-food sector, especially in the broader context of the “Farm to Fork Strategy”; is convinced of the importance of research, development and innovation in this sector and of ensuring that the results of research and innovation reach farm level; support increasing the programme’s appropriations to ensure safe, high quality food and innovative forms of agriculture in the Union;
8. Asks for continued support for ongoing and new pilot project and preparatory actions.