



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Budgets

2011/0286(COD)

25.4.2012

OPINION

of the Committee on Budgets

for the Committee on Agriculture and Rural Development

on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 73/2009 as regards the application of direct payments to farmers in respect of the year 2013 (COM(2011)0630 – C7-0337/2011 – 2011/0286(COD))

Rapporteur: Giovanni La Via

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SHORT JUSTIFICATION

The Commission has presented a proposal for a regulation on the application of direct payments to farmers in respect of the year 2013 intended to amend Council Regulation (EC) 73/2009. While Council Regulation (EC) 73/2009 continues to apply in 2013, there are some financial provisions within it, which only run until the end of 2012. Moreover, calendar year 2013 accounts to financial year 2014, and therefore falls under the new multi-financial framework of 2014-2020.

The purpose of the Commission proposal is to set net ceilings for direct payments for the calendar year 2013 to ensure continuity in payment levels, whilst taking into account the phasing-in effect of direct payments in the new Member States and the discontinuation of voluntary modulation.

The Commission proposals set the level of reduced direct payments to farmers in 2013 at the same rate to be applied through compulsory modulation in 2012. In keeping with the existing structure it is made clear that EU-10 Member States will have a 0% level of adjustment for payments between EUR 5,000 and EUR 300,000 and a 4% for amounts above EUR 300,000 in 2013, whereas the adjustment for EU-15 Member States will be 10% for amounts between EUR 5,000 and EUR 300,000 and 14% above EUR 300,000. Excluded from this rule are the outermost regions, as well as Bulgaria and Romania, since the phasing-in period has not been completed.

Due to the fact that the financial year 2013 falls under the new multi-financial framework of 2014-2020 and with that the amounts for rural development are defined, the concept of voluntary modulation should be abolished. The Commission proposal also outlines the total amount of direct payments each Member State can grant in 2013. By and large the net ceilings are carried forward from the 2012 ceilings, with some adjustments concerning the phasing-in effects and voluntary modulation.

The net ceiling in 2013 for EU-15 Member States would be equal to the value of the net ceiling in 2012, with the adjustments deriving from grubbing-up in 2012 and the appraised transfer of the wine envelopes to the single payment scheme. This provision has an exception for Germany, Sweden and UK. For Germany and Sweden the amount corresponding to the temporary transfer made to rural development in the financial year 2011 would be added to the ceiling of 2012. For the UK the amount corresponding to the annual transfer made by voluntary modulation would be added to the ceiling of 2012. For EU-10 Member States the net ceiling of 2013 is adjusted to the amounts committed through the specific support, as agreed in the Health Check, plus the phasing-in funds.

The rapporteur would like to continue with the existing financial structure for the year 2013 to ensure continuity in payment levels. Moreover, the current financial discipline requires a minimum margin of EUR 300 million as a 'safety net' in cases of unforeseen events requiring additional financing. Complementary to a new multi-financial framework would be a newly installed crisis reserve, removing the EUR 300 million margin rule for the year 2014.

Therefore, for the above-mentioned reasons, the rapporteur supports in its entirety the proposal by the Commission.

The Committee on Budgets calls on the Committee on Agriculture and Rural Development, as the committee responsible, to propose that Parliament adopts its position at first reading taking over the Commission proposal.

PROCEDURE

Title	Amendment of Council Regulation (EC) No 73/2009 as regards the application of direct payments to farmers in respect of the year 2013
References	COM(2011)0630 – C7-0337/2011 – 2011/0286(COD)
Committee responsible Date announced in plenary	AGRI 25.10.2011
Committee(s) asked for opinion(s) Date announced in plenary	BUDG 25.10.2011
Rapporteur(s) Date appointed	Giovanni La Via 6.2.2012
Date adopted	25.4.2012
Result of final vote	+: 31 –: 1 0: 0
Members present for the final vote	Zuzana Brzobohatá, Jean-Luc Dehaene, Isabelle Durant, Göran Färm, José Manuel Fernandes, Eider Gardiazábal Rubial, Salvador Garriga Polledo, Jens Geier, Ivars Godmanis, Estelle Grelier, Carl Haglund, Lucas Hartong, Jutta Haug, Monika Hohlmeier, Sidonia Elżbieta Jędrzejewska, Anne E. Jensen, Ivailo Kalfin, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, George Lyon, Barbara Matera, Juan Andrés Naranjo Escobar, Vladimír Remek, Dominique Riquet, Potito Salatto, Helga Trüpel, Derek Vaughan
Substitute(s) present for the final vote	Maria Da Graça Carvalho, Derk Jan Eppink, Georgios Papastamkos, Paul Rübig