Question for written answer E-002945/2013
to the Commission
Rule 117
Rolandas Paksas (EFD)

Subject: Application of the modulation of direct payments in the transitional period

The new method of calculating payments applies to Lithuania from this year onwards, as it does to the other new EU Member States. Under the modulation of direct payments, farmers who receive the total amount of European Union and national payments for milk, cattle, agricultural land and other support in excess of EUR 5 000, the amount of support exceeding this amount is reduced by 10 % by reducing the national payment. Financing is reduced by 4 % for farmers whose payments exceed EUR 300 000.

It should be noted that Lithuanian farmers compete with farmers from other Member States in production, labour and agricultural raw material markets. However, Lithuanian farmers receive direct payments that are significantly lower than the EU average, while there is virtually no difference in the cost of production. Furthermore, establishing a transitional period creates unequal conditions of competition.

In the Commission's opinion, can the modulation be applied to the new Member States during the transitional period?

Would this not distort the conditions of competition and infringe the legitimate expectations of Lithuanian farmers?