

EUROPEAN PARLIAMENT

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Committee on Agriculture and Rural Development

2008/0105(CNS)

24.6.2008

DRAFT REPORT

on the proposal for a Council regulation amending Regulation (EC)
No 1698/2005 on support for rural development by the European Agricultural
Fund for Rural Development (EAFRD)
(COM(2008)0306 – C6-0242/2008 – 2008/0105(CNS))

Committee on Agriculture and Rural Development

Rapporteur: Luis Manuel Capoulas Santos

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend the common position
- *** Assent procedure
majority of Parliament's component Members except in cases covered by Articles 105, 107, 161 and 300 of the EC Treaty and Article 7 of the EU Treaty
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend the common position
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission.)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. In the case of amending acts, passages in an existing provision that the Commission has left unchanged, but that Parliament wishes to amend, are highlighted in **bold**. Any deletions that Parliament wishes to make in passages of this kind are indicated thus: [...]. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). Suggested corrections of this kind are subject to the agreement of the departments concerned.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a Council regulation amending Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)
(COM(2008)0306 – C6-0242/2008 – 2008/0105(CNS))**

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2008)0306),
 - having regard to Articles 36 and 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0242/2008),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development and the opinions of the Committee on the Environment, Public Health and Food Safety and the Committee on Regional Development (A6-0000/2008),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
 5. Instructs its President to forward its position to the Council and Commission.

Amendment 1

Proposal for a regulation – amending act Recital 10

Text proposed by the Commission

(10) In order to provide additional incentives to beneficiaries for the uptake of operations related to the new priorities, the possibility to establish higher amounts and rates of support for such operations should

Amendment

(10) In order to provide additional incentives to beneficiaries for the uptake of operations related to the new priorities, the possibility to establish higher amounts and rates of support for such operations should

be given.

be given. *The same option should be applicable by the Member States for the transfer of innovations resulting from applied research.*

Or. fr

Justification

It is important to ensure that there is innovation in the rural world, first and foremost through applied research. Transfer of expertise from research to the agricultural industry and the rural economy must be stimulated by raising the ceiling amounts in Annex I.

Amendment 2

Proposal for a regulation – amending act Recital 11

Text proposed by the Commission

(11) In accordance with Article 9(4) and Article 10(4) of Council Regulation (EC) No XXXX/XXXX of XX/XX/2008 [establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers] financial resources raised by way of the additional modulation are to be used for rural development support. It is appropriate to ensure that *an amount equal to* those financial resources should be used to support operations related to the new challenges.

Amendment

(11) In accordance with Article 9(4) and Article 10(4) of Council Regulation (EC) No XXXX/XXXX of XX/XX/2008 [establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers] financial resources raised by way of the additional modulation are to be used for rural development support. It is appropriate to ensure that *at least 50% of* those financial resources should be used to support operations related to the new challenges.

Or. fr

Justification

Although the new challenges and instruments identified by the Commission are important, it does not seem justified to allocate all the revenue from the additional modulation to them. Given that Article 17 of Regulation (EC) No 1698/2005 provides for minimum allocations of 10% to axis 1 and axis 3 and 25% to axis 2, it is appropriate to set a minimum threshold of 50% of resources for the new challenges.

Amendment 3

Proposal for a regulation – amending act Recital 12

Text proposed by the Commission

(12) Given the additional, specific ***and binding*** use of these ***amounts equal to those financial resources***, the established balance between objectives of the support for rural development should not be affected.

Amendment

(12) Given the additional ***and*** specific use of these ***equal*** amounts, the established balance between objectives of the support for rural development should not be affected.

Or. fr

Amendment 4

Proposal for a regulation – amending act Article 1 – point 3 a (new) Regulation (EC) No 1698/2005 Article 16 b (new)

Text proposed by the Commission

Amendment

3a. The following Article 16b shall be inserted:

“Article 16b

***Innovation and transfer of knowledge
from applied research***

1. From 1 January 2010, the Member States shall provide in their rural development programmes, in the light of their specific needs, types of operation targeting the transfer of innovation from applied research to the rural economy.

From 1 January 2010, for types of operation referred to in paragraph 1, the aid intensity rates fixed in Annex I may be increased by 10 percentage points.”

Or. fr

Justification

It is important to ensure that there is innovation in the rural world, first and foremost through applied research. Transfer of expertise from research to the agricultural industry and the rural economy must be stimulated by raising the ceiling amounts in Annex I.

Amendment 5

Proposal for a regulation – amending act

Article 1 – point 4 a (new)

Regulation (EC) No 1698/2005

Article 30

Text proposed by the Commission

Amendment

4a. Article 30 shall be replaced by the following text:

“Article 30

Infrastructure relating to the development and adjustment of the agriculture and forestry sectors

The aid provided for in Article 20(b)(v) may, inter alia, cover operations relating to access to agricultural areas and wooded land, reparable and improvement of land, provision of energy, access to information and communication technologies, and water management.”

Or. fr

Justification

According to the European Parliament’s resolution of 19 June 2007 on developing a European policy on broadband, the development and competitiveness of rural regions depends on innovative uses of information and communication technologies (ICT). These technologies should therefore be included in Article 30 of this regulation.

Amendment 6

Proposal for a regulation – amending act

Article 1 – point 7

Regulation (EC) No 1698/2005

Article 69 – paragraph 5 a

Text proposed by the Commission

Amendment

(5a) An amount equal to the amounts resulting from the application of the compulsory modulation under Articles 9(4) and 10(4) of Regulation (EC) [No XXXX/2008 (new Regulation on direct support schemes)] shall be spent by Member States in the period from 1 January 2010 to 31 December 2015 as Community support under the current rural development programmes for operations of the types referred to in Article 16a of this Regulation approved after 1 January 2010.

(5a) An amount equal to ***or greater than 50% of*** the amounts resulting from the application of the compulsory modulation under Articles 9(4) and 10(4) of Regulation (EC) [No XXXX/2008 (new Regulation on direct support schemes)] shall be spent by Member States in the period from 1 January 2010 to 31 December 2015 as Community support under the current rural development programmes for operations of the types referred to in Article 16a of this Regulation approved after 1 January 2010.

Or. fr

Justification

Same justification as Amendment 2.

Amendment 7

Proposal for a regulation – amending act

Article 1 – point 7

Regulation (EC) No 1698/2005

Article 69 – paragraph 5 b

Text proposed by the Commission

Amendment

(5b) If at the closure of the programme, the total amount spent on the operations referred to in paragraph 5a of this Article is lower than the amount referred to in Article 16a(3)(b), the difference shall be reimbursed by the Member State to the Community budget up to the amount by which the total allocations available for operations other than those referred to in Article 16a have been exceeded.

deleted

Or. fr

Justification

Although the new challenges and instruments identified by the Commission are important, it does not seem justified to allocate all the revenue from the additional modulation to them.

Amendment 8

Proposal for a regulation – amending act

Article 1 – point 10 – point a a (new)

Regulation (EC) No 1698/2005

Annex

Text proposed by the Commission

Amendment

aa) Line 1 shall be replaced by the following text:

**22, Start-up aid 75 000
paragraph (*)
2**

(*) Start-up aid may be granted in the form of a single premium the amount of which shall not exceed EUR 50 000 or of an interest subsidy the capitalised value of which shall not exceed EUR 50 000. Where the two forms of aid are combined, the total amount shall not exceed EUR 75 000.

Or. fr

Justification

Given the difficulties young farmers face in setting up in business, the maximum amount of aid should be increased.

Amendment 9

Proposal for a regulation – amending act

Annex – Annex II – Priority: renewable energies – line 4 a (new)

Amendment

<i>Improving waste management and reuse of material</i>	<i>Article 26: modernisation of agricultural holdings</i> <i>Article 53:</i>	<i>Reducing waste and replacing fossil fuels</i>
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	<p><i>diversification into non-agricultural activities</i></p> <p><i>Article 54: support for business creation and development</i></p> <p><i>Article 56: basic services for the rural economy and population</i></p>	
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Or. fr

Justification

Managing and reusing waste can contribute to the ‘renewable energies’ priority.

Amendment 10

Proposal for a regulation – amending act

Annex – Annex II – Priority: renewable energies – line 4 b (new)

Amendment

<i>Production and use of solar, wind and geothermic power and combined heat and power</i>	<p><i>Article 26: modernisation of agricultural holdings</i></p> <p><i>Article 53: diversification into non-agricultural activities</i></p> <p><i>Article 54: support for business creation and development</i></p> <p><i>Article 56: basic services for the rural economy and population</i></p>	<i>Replacement of fossil fuels</i>
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Or. fr

Justification

‘Non-agricultural’ renewable energies help to replace fossil fuels.

Amendment 11

Proposal for a regulation – amending act

Annex – Annex II – Priority: water management – line 1 a (new)

Amendment

<i>Flood risk management</i>	<i>Article 39 : agri- environment payments</i> <i>Article 41 : non- productive investments</i>	<i>Improving capacity to manage water in the event of floods</i>
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Or. fr

Justification

Water management should include preventive measures, including quantitative management ones.