



PRESS RELEASE

AREFLH welcomes the European Parliament's adoption of the report on the European Recovery Instrument for Rural Development

AREFLH strongly welcomes the European Parliament Agriculture Committee's approval on Tuesday of its report on the European Recovery Instrument for Rural Development. Adopted with 46 votes and 2 abstentions, MEP Paolo de Castro's report aims to anticipate the availability of funds under the European Recovery Instrument already from 2021 until the end of 2022, thus modifying the Commission's original plan to release the funds from 2022 to 2024, after the enter into force of the new CAP.

The report, which will now have to be negotiated with the Council, contains several provision aiming to provide a fast, targeted and sustainable recovery package for EU farmers, food producers and rural areas that should also boost their resilience. For the European Parliament, around 30% of the €8.07 billion aid should become available in 2021, while the remaining 70% would then be released in 2022.

The Agriculture Committee has also decided to earmark at least 37% of the available recovery funding for environment and climate-related actions. Additionally, at least 55% of the recovery fund should support young farmers' business start-ups and on-farm investments that contribute to a resilient, sustainable and digital economic recovery in line with the European Green Deal.

Another welcomed provision is the decision to increase the current rates of EU co-financing and contributions. According to the Parliament's report, the EU will finance 90% of eligible recovery and resilience measures, while investments by farmers and food processors contributing to a sustainable and digital economic recovery could be co-financed by the EU to a total of 80% (up from 40%).

MEPs have also decided to increase the maximum level of support granted by the European Agricultural Fund for Rural Development (EAFRD) for crop, animal and plant insurance, mutual funds for adverse climatic events and plant diseases as well as the support provided under the income stabilization tool (from 70% to 80%). Lastly, EU quality schemes will benefit from an increased support from €3.000 to €5.000 per holding per year while the ceiling for the business start-up aid for young farmers will also be increased from €70.000 to €100.000.

For Simona Caselli, President of AREFLH, *'the Parliament's decision to frontload the frontload all the funds made available by the EU recovery instrument to the years 2021 and 2022 will not only pave the way for a faster economic and social recovery of our food producers and rural communities in the aftermath of the COVID-19 pandemic but will also do so while respecting Europe's engagement towards more sustainable and resilient food systems as outlined in the Commission's Green Deal and Farm to Fork Strategy'*.

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AREFLH's (Assembly of European Horticultural Regions) main missions are:

- to represent its 18 member regions and 28 APOs and POs, from 9 countries in Europe;
- to defend the economic and social interests of the fruit, vegetable and horticultural sectors in Europe;
- to foster exchanges of best practices, partnerships and joint projects between regions and professional organisations;
- to actively seek new solutions for the main issues affecting the future of the fruit and vegetables production in Europe.

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