



News Flash 7

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The European Commission announces a new set of measures to help the agri-food sector in this unparalleled crisis, following the outbreak of the Coronavirus.

The [Coronavirus response investment initiative plus](#) (CRII+) proposed on 2 April by the European Commission introduces exceptional flexibility and simplification in the use of the European structural investment funds (ESIF), including the [European agricultural fund for rural development](#) (EAFRD).

Regarding the EAFRD, the CRII+ will support farmers, rural areas and EU countries by increasing flexibility in the use of those funds, including:

- **flexibility in the use of financial instruments:** Farmers and other rural development beneficiaries will be able to benefit from loans or guarantees of up to €200,000 at favourable conditions, such as very low interest rates or favourable payment schedules.
- **reallocation of funds:** EU countries will be allowed to use money left unused under their rural development programmes (RDP), rather than sending it back into the EU budget. The money will still have to be used in the framework of the respective RDP.
- **postponement for the submission of annual reports:** the deadline for EU countries to submit these reports on the implementation of their RDPs is postponed, giving more time to national authorities to put it together.
- **no amendments to partnership agreements required:** EU countries will not have to amend their partnership agreements to modify their RDPs, lifting some administrative procedures.

In addition to the measures directly linked to the EAFRD under the CRII+, the Commission is proposing further flexibility and simplification of other common agricultural policy (CAP) instruments:

- **Extension of deadline for CAP payment applications:** the deadline will be extended by a month, from 15 May to 15 June 2020, offering more time to farmers to fill in their application for both direct payments and rural development payments.
- **Higher advances of payments:** to increase the cash flow of farmers, the Commission will increase the advances of direct payments (from 50% to 70%) and rural development payments (from 75% to 85%). Farmers will start receiving these advances from mid-October.
- **Reduction of physical on-the-spot checks and leeway for timing requirements:** EU countries have to carry out checks to ensure that eligibility conditions are met. However, in the current exceptional circumstances, it is crucial to minimise physical contact between farmers and the inspectors carrying out the checks. This measure will help reduce administrative burden and avoid unnecessary delays.

The final legal steps are currently being taken to adopt these measures.