

[Press release – COVID-19: Boosting aid for farmers from the EU rural development fund](#)



The emergency measure, approved in the Parliament by 636 votes in favour to 21 against, with 8 abstentions, will allow EU member states to use EU money remaining from their rural development programmes to pay out a one-off lump-sum in compensation to farmers and small rural businesses particularly affected by the COVID-19 crisis. This targeted liquidity support from the European Agricultural Fund for Rural Development (EAFRD) should help them stay in business.

More money and time to make payments

The compensation payable to the worst-hit farmers could be as high as €7,000, which is €2,000 more than proposed by the EU Commission. The ceiling for the support for agri-food SMEs should remain at the level of €50,000, in line with the Commission's original proposal.

The amount to finance the liquidity support measure should be limited to 2% of the EU envelope for rural development programmes in each member state, up from 1% initially proposed by the EU Commission.

MEPs also decided to give member states more time to release the support. They extended the 31 December 2020 deadline for payments until 30 June 2021, but applications for support will have to be approved by the competent authorities before 31 December 2020.

Quote

"I very much welcome the results of today's plenary vote. This proves once again that Council and Parliament can work closely and quickly together when

EU agriculture urgently needs help. We have now given EU countries another tool to help farmers financially during the Coronavirus crisis. My thanks go also to the Croatian Council Presidency for their fruitful and straightforward cooperation”, said rapporteur and Agriculture Committee Chair [Norbert Lins \(EPP, DE\)](#).

Next steps

The draft regulation, as approved by MEPs and informally agreed by member states, will now be submitted to the Council for final endorsement. Once approved by both the Parliament and the Council, the new EU law will be published in the EU’s Official Journal. It will enter into force immediately afterwards.

Background

The emergency measure was [proposed](#) by the EU Commission as a part of a [wider package](#) to help farmers deal with effects of the COVID-19 crisis. To ensure its swift approval, the Agriculture Committee asked for the draft legislative proposal to be dealt with under [urgent procedure](#) and forwarded it directly to the plenary. But MEPs also decided, after consulting the Council, to improve it by proposing amendments to raise the ceilings for the aid and to extend the time to release it.