



European Commission
Directorate-General for Agriculture

Newsletter

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Commission offers assistance to agriculture in aftermath of floods

Specific assistance for agriculture in the areas worst affected by August's catastrophic floods was amongst reparation measures adopted by the European Commission in August. Expressing its 'willingness and readiness' (1) to 'help those farmers and people in rural areas most affected by the floods and in danger of losing their livelihoods' (2), the Commission has adopted a number of support measures for certain Member States and candidate countries. It would also like to see a special EU Solidarity Fund, with resources of up to EUR 1 billion per year, established to cater for costs generated by major natural, environmental or technological disasters.

Within the EU, financial assistance is available under rural development policy (3) to help farmers and rural communities cover the costs of flood-related damage. Where this can partly be obtained by modifying existing programmes to target efforts into the restoration process, additional steps have had to be taken to compensate farmers for the loss of harvest and grazing land.

Set-aside derogation, advance direct payments for arable crops and use of the intervention stocks of cereals

Where set-aside land should normally remain unused for agricultural production between 15 January and 31 August, the Commission has allowed it to be used from 9 August this year in the parts of Germany, Austria, Ireland and the United Kingdom which have been affected by the floods (4). On all holdings where at least 33 % of the forage area has been flooded, producers may use land that has been allocated as set-aside for feeding and sheltering livestock to compensate for the loss of other grazing areas.

In addition to this, Austria also requested, and was authorised, to sell its intervention stocks of cereals at concessionary prices to those producers that are encountering 'extreme problems in providing rations for their livestock' (2). As a result, those farmers affected by the floods are allowed to buy up to 30 600 tonnes of cereals at EUR 50/tonne for feeding their own livestock on the particular holding concerned.

Loss of revenue caused by flood-damaged harvests has also been a serious problem for farmers. To compensate for this, the Commission has authorised an advance of 50 % of arable crops direct payments from 1 September (instead of from 16 November) to be issued to producers in the worst-affected regions of Germany. At an estimated cost of EUR 516 million, brought forward from the 2003 budget, the measure will be applicable to farmers in parts of Brandenburg, Mecklenburg-Western Pomerania, Saxony-Anhalt, Thuringia, Lower Saxony and Saxony (whole *Bundesland*).

Candidate countries to benefit from Sapard assistance

Slovakia and the Czech Republic will receive EU support, amongst others, through the Sapard (5) scheme to compensate for flood-related damage. Advances of EUR 4.6 million and EUR 5.5 million of Sapard funds have been transferred respectively to the two countries, an amount that the Commission could double under existing legal provisions if the need arises. It will also consider modifying existing programmes where needed to give priority to actions aimed at restoring rural areas affected by the floods. In addition, it proposed increasing the ceiling on public aid under Sapard from 50 to 75 % and the Community contribution of total eligible public expenditure from 75 to 85 % in areas affected by exceptional natural disasters.

(1) COM(2002) 481 final: The European Community response to the flooding in Austria, Germany and several applicant countries: 28.8.2002.

(2) IP/02/1228 of 23 August 2002.

(3) Financed by the European Agriculture Guarantee and Guidance Fund (EAGGF).

(4) For the full list of regions eligible for set-aside derogation see IP/02/1228.

(5) Special accession programme for agriculture and rural development.

An EU disaster relief fund

In addition to the above-mentioned assistance provided for agriculture, the Commission also proposed that a disaster relief fund should be established as quickly as possible, to enable it to react more swiftly and efficiently to future catastrophes such as the flooding. With funds of up to EUR 1 billion per year available, it should provide a share of the emergency relief action for any area affected by a major disaster. The amount of support should be related to the size of the disaster

and account could be taken of other potential sources of finance. Primarily it will be focused on three areas:

- short-term reconstruction of destroyed infrastructures and facilities in the fields of energy, water and wastewater, telecommunication, transport, health and education;
- provisional measures to provide temporary accommodation and assistance with the immediate needs of the population;
- immediate securing of damaged preventive infrastructures such as dams and dykes.

News in brief

□ Drought in Italy

In response to this year's exceptional drought in Italy, the Commission has agreed to make advance payments for arable crops in the worst-affected regions of the Mezzogiorno, Sicily and Sardinia. An advance of 50 % of the area payments for cereals, including the supplement for durum wheat, and of 50 % of the payments for the set-aside took effect as of 26 August 2002 to compensate farmers for the losses incurred.

□ Information and promotion campaigns for EU agricultural products

A total of 40 programmes to promote agricultural products within the European Union (EU) were approved by the Commission in August. Covering fruit and vegetables, cheeses and milk products, flowers, green plants, wine and information campaigns for organically produced food, the programmes are 50 % co-financed by the Commission. Estimated EU expenditure is EUR 32.1 million with the aim of the programmes being to inform EU consumers about the quality of our farm products ⁽¹⁾.

□ New Commission web site on applications to register EU quality products

Applications for the registration of a product as a 'protected designation of origin' (PDO), 'traditional speciality guaranteed' (TSG), or 'protected geographical indication' (PGI) can now be checked on the Agriculture DG web site following the launch of a new service in August. It should contribute to a more simple, transparent, and effective consultation procedure, says the Commission, making it easier for other parties concerned to exercise their right to objection where necessary. All pending registrations can now be consulted at: http://europa.eu.int/comm/agriculture/foodqual/protec/firstpub/index_en.htm while detailed information on the products already registered as PDO, PGI or TSG can be found at: http://europa.eu.int/comm/agriculture/foodqual/quali1_en.htm

□ Agriculture DG at the 'Farmari' fair, Finland

The European Commission was present for the first time at a Nordic agricultural fair when the Agriculture DG took part in 'Farmari' from 1 to 4 August this year. There was significant press and television coverage of the Commission's stand, and the Finnish President, Tarja Halonen and the Minister for Agriculture, Jari Koskinen, were among approximately 15 000 visitors to it. The network of nine Finnish Carrefours was well represented at the stand and was of invaluable help to Commission staff. It was the first time that farmers and other members of the public had had the chance to put questions directly to the Commission about the common agricultural policy, and other issues such as animal welfare. The fair, which is mostly open-air, drew about 100 000 visitors.

⁽¹⁾ For further details, see IP 02/1230.

