



European Commission activates exceptional measures to further support European farmers in crisis

Brussels, 14 March 2016

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The European Commission is announcing today an additional package of exceptional measures using all the tools made available in the Common Agricultural Policy (CAP) to support EU farmers while safeguarding the EU internal market.

The Commission acknowledges the depth and duration of the current agricultural crisis as well as the considerable efforts made at Member State level to support their farmers and is responding with a further meaningful package of measures.

The series of measures outlined by Commissioner **Hogan** to the agriculture Ministers of the European Union complements the €500 million support package from last September and shows the Commission's determination to play its full role in assisting European farmers.

"In the interest of EU farmers, I am prepared to use all instruments that the legislators have put at our disposal, both as a short term and long term measure. We must use the appropriate instruments and actions to enable farmers to be resilient in the face of volatility whilst providing immediate assistance to them. Today's response is a comprehensive one, taking on board as many of the proposals as can be done, within the legal and budgetary constraints that apply to all of us. I believe that this is a package of measures which, when taken with the full implementation of the September solidarity package, can have a material and positive impact on European agricultural markets and it should now be given the chance to succeed." Commissioner **Hogan** said today at the Council of Agriculture Ministers.

In times of numerous crises and budgetary constraints, the Commission has mobilised more than €1 billion over two years, including the €500 million support package from September 2015. We stand by our farmers and provide through the daily implementation of the CAP and the use of exceptional measures, full support and assistance to safeguard our agricultural model.

The measures activated today are highly adjustable so that Member States can use them to the best of their capacities depending on their specific national situation. Dairy, pigmeat and fruit and vegetable sectors are the main focus of this support package. The following is a summary of the proposals made at today's meeting.

Application of voluntary supply management (article 222)

The Commission will activate, for a limited period of time, the possibility to enable producer organisations, interbranch organisations and cooperatives in the dairy sector to establish voluntary agreements on their production and supply. This is the so-called Article 222 from the Common Market Organisation (CMO), which is specific to the agricultural sector and can be applied in case of severe imbalance in the market. The Commission has concluded that the strict conditions for the application of this article to the dairy sector are fulfilled in the current circumstances. This is an exceptional measure, which must also safeguard the EU internal market and was included by the legislators in the 2013 CAP reform but never used before.

Temporary increase in state aid

The Commission will give its full consideration to a temporary acceptance of state aid that would allow MS to provide to a maximum of €15,000 per farmer per year and no national ceiling would apply. This can be done immediately and much more quickly than an increase in de minimis ceilings.

Doubling intervention ceilings for skimmed milk powder and butter

The Commission will increase the quantity ceilings for skimmed milk powder and butter put into intervention from 109,000 tonnes and 60,000 tonnes respectively to 218,000 tonnes and 100,000 tonnes. This way, we clearly commit to supporting the fixed intervention price.

Strengthening the producer in the supply chain

The role and position of producers in the food supply chain continues to be of great concern. The Agricultural Markets Taskforce, launched as part of the €500 million support package from September 2015, will deliver in autumn conclusions and legislative recommendations to improve the balance in the chain. It was decided today that High Level national representatives will meet with the Agricultural Markets Taskforce with the view to specifically look at the dairy sector.

Support for pigmeat sector

In response to the proposals for a new private storage aid scheme for pigmeat, Commissioner **Hogan** will consider the introduction of a new scheme. The details of the scheme, including the timing of its introduction, will have to be confirmed.

Establishment of a Meat Market Observatory

Member States all recognised and praised the Commission's work in monitoring the market and sharing valuable information on trends. Following the footsteps of the Milk Market Observatory set in 2014, a Meat Market Observatory will be set up, covering beef and pigmeat.

International Trade

In relation to negotiations on TTIP and Mercosur, the Commission is well aware of the agricultural sensitivities. Commissioner **Hogan** alongside the college of Commissioners is determined to promote the EU's interests and open up new markets for EU products, while negotiating a differentiated treatment for sensitive products. While new markets are crucial for European agriculture, so too is a differentiated treatment of sensitive products.

Promotion

Promotion campaigns are a key instrument in finding new markets and over €110 million are available for 2016 only to support promotion of EU agricultural produce within the EU and on third countries. Over €30 million are specifically earmarked for the pigmeat and dairy sectors, a commitment made last September. An additional amount is added today to the €30 million to reflect the market disturbances in those sectors.

Russian/SPS Bans

The Commission as a whole is relentlessly continuing its efforts to lift the phytosanitary Russian ban. Despite our efforts to try to ensure a rapid resumption of trade between the EU and Russia, very little has happened. However, important progress has been made in lifting of unjustified or disproportionate phytosanitary measures by third countries which will contribute to substantially increased trade flows. This includes progress in the US, Japanese, Brazilian and Ukrainian markets.

Financial instruments/European Investment Bank/European Fund for Strategic Investments

The Commission will prioritise its engagement with the EIB, with a view to developing appropriate financial instruments to assist farmers and processors to invest in their enterprises to improve the competitiveness of those enterprises or to invest in making any necessary structural adjustments.

Member States are also encouraged to make full use of the opportunities offered by the European Fund for Strategic Investment for investment in the agricultural sector and to look into the possibilities of setting up dedicated platforms for EFSI financing.

Export Credit

The Commission is examining the feasibility of an export credit scheme, which could supplement the schemes which Member States are operating on a national basis scheme. In that regard, the Directorate General for Agriculture is stepping up its contacts with the EIB and the relevant agencies in the Member States.

Fruit & Vegetable Sector

The Commission is considering a prolongation of the exceptional measures for Fruit and Vegetables, arising from the Russian ban which will expire on 30 June.

Rural Development

The Commission will work together with the Member States to see where and how rural development programmes can be adjusted to make them more responsive to the current crisis.

[To read the full speech delivered by Commissioner **Hogan** at the Council](#)

[For more information on the €500 million support package from September 2015](#)

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