# COMMISSION IMPLEMENTING REGULATION (EU) 2023/739

## of 4 April 2023

## providing for an emergency support measure for the cereal and oilseed sectors in Bulgaria, Poland and Romania

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 ([1]), and in particular Article 221(1) thereof,

Whereas:

(1) Russia's invasion of Ukraine on 24 February 2022 is impacting shipping operations in Ukrainian Black Sea ports which accounted for about 90 % of Ukrainian cereal and oilseed exports. To avoid threats to global food security and support Ukrainian farmers, alternative logistic routes were urgently needed and the Union took concrete measures to facilitate Ukraine's agricultural exports outlined by the communication from the Commission entitled 'An action plan for EU-Ukraine Solidarity Lanes to facilitate Ukraine's agricultural export and bilateral trade with the EU ("EU-Ukraine Solidarity Lanes")' ([2]).

(2) Changes in logistical routes resulted in more expensive transport costs for Ukrainian cereals and oilseeds to reach their traditional markets. This led to a shift in exports to the Union market.

(3) The increased imports of cereals and oilseeds from Ukraine to the Member States of the Union close to Ukraine, where main 'EU-Ukraine Solidarity Lanes' corridors were developed, impact local farmers. In certain regions of the Union, the additional imports cause oversupply, depress local prices or saturate logistics chains.

(4) Considering the domestic supply situation and logistical challenges in Member States located close to the Ukrainian border, farmers in Bulgaria, Poland and Romania are considered to be the most affected, in particular, the ones closest to a border or transit hub. The drop in local cereal and oilseed prices affects the economic viability of those farmers and may impact their planting decisions. This situation is likely to cause a rapid deterioration of production in the concerned areas, as well as difficulties in the implementation of 'EU-Ukraine Solidarity Lanes'. This situation constitutes a specific problem within the meaning of Article 221 of Regulation (EU) No 1308/2013. This specific problem in a limited number of regions in some Union Member States cannot be addressed by measures taken pursuant to Article 219 or 220 of that Regulation since it is not specifically linked to an existing market disturbance or a precise threat thereof nor linked to measures for combating the spread of diseases of animals or a loss of consumer confidence due to public, animal or plant health risks. Furthermore, in order to avoid a rapid deterioration of the production of cereals and oilseeds, the situation requires an urgent intervention, such as the adoption of emergency measures provided for under Article 221 of that Regulation.

(5) It is therefore appropriate to provide Bulgaria, Poland and Romania with a financial grant to support farmers affected by the increased imports of cereals and oilseeds from Ukraine for a period strictly necessary. The amount available to each of those Member States should be set out, taking into account the potential loss in production value for selected crops and the farmers in the regions affected.

([1]) OJ L 347, 20.12.2013, p. 671.

([2]) COM/2022/217 final. (Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – An action plan for EU-Ukraine Solidarity Lanes to facilitate Ukraine's agricultural export and bilateral trade with the EU.

(6) Bulgaria, Poland and Romania should distribute the aid through the most effective channels on the basis of objective and non-discriminatory criteria that take account of the extent of the difficulties faced by farmers growing cereals and oilseeds in the affected areas, while ensuring these farmers are the ultimate beneficiaries of the aid, and avoiding any market and competition distortion.

(7) As the amount allocated to Bulgaria, Poland and Romania would compensate only part of the actual loss suffered by farmers in the affected regions, those Member States should be allowed to grant additional national support to those producers, under the conditions and within the time limit set by this Regulation.

(8) In order to give Bulgaria, Poland and Romania the flexibility to distribute the aid as circumstances require coping with farmers difficulties, they should be allowed to cumulate it with other support financed by the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development.

(9) As the Union aid is fixed in euro, it is necessary, in order to ensure a uniform and simultaneous application, to fix a date for the conversion of the amount allocated to Member States not having adopted the euro into their national currencies, as it is the case for Bulgaria, Poland and Romania. Since this Regulation does not provide for a deadline for the submission of the applications for aid, it is appropriate to consider, for the purposes of Article 30(3) of Commission Delegated Regulation (EU) 2022/127 ([3]), the date of entry into force of this Regulation as the operative event for the exchange rate regarding the amounts set out in this Regulation.

(10) For budgetary reasons, the Union should finance the expenditure incurred by Bulgaria, Poland and Romania only where such expenditure is made by a certain eligibility date.

(11) The support for this emergency measure should be paid by 30 September 2023. As no payments are to be made after 30 September 2023, Article 5(2) of Delegated Regulation (EU) 2022/127 should not be applicable.

(12) To allow the Union to monitor the efficiency of this emergency measure, Bulgaria, Poland and Romania should communicate to the Commission detailed information on its implementation.

(13) In order to ensure that farmers receive aid as soon as possible, Bulgaria, Poland and Romania should be enabled to implement this Regulation without delay. Therefore, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.

(14) The measures provided for in this Regulation are in accordance with the opinion of the Committee for the Common Organisation of the Agricultural Markets,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. Union aid of a total amount of EUR 56 300 000 shall be available to Bulgaria, Poland and Romania, to provide exceptional support to farmers producing cereals and oilseeds referred to in the Annex subject to the conditions set out in this Regulation.

2. Bulgaria, Poland and Romania shall use the amounts referred to in Article 2 for measures aiming to compensate farmers for the economic loss due to increased imports of cereals and oilseeds from Ukraine in the affected regions.

([3]) Commission Delegated Regulation (EU) 2022/127 of 7 December 2021 supplementing Regulation (EU) 2021/2116 of the European Parliament and of the Council with rules on paying agencies and other bodies, financial management, clearance of accounts, securities and use of euro (OJ L 20, 31.1.2022, p. 95).

3. The measures shall be taken on the basis of objective and non-discriminatory criteria that take account the economic losses borne by the affected farmers and ensure that the resulting payments do not cause any market or competition distortion.

4. Expenditure borne by Bulgaria, Poland and Romania in relation to the payments for the measures referred to in paragraph 2 shall only be eligible for Union aid if those payments have been made by 30 September 2023.

5. For the purposes of Article 30(3) of Delegated Regulation (EU) 2022/127, the operative event for the exchange rate as regards the amounts set out in Article 2(1) shall be the date of entry into force of this Regulation.

6. Measures under this Regulation may be cumulated with other support financed by the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development.

*Article 2*

1. The Union expenditure incurred in accordance with Article 1 shall not exceed a total amount of:

(a) EUR 16 750 000 for Bulgaria;

(b) EUR 29 500 000 for Poland;

(c) EUR 10 050 000 for Romania.

2. Bulgaria, Poland and Romania may grant additional national aid for the measures taken under Article 1 up to a maximum of 100 % of the corresponding amount set out in paragraph 1 of this Article, on the basis of objective and non-discriminatory criteria, provided that the resulting payments do not cause any market or competition distortion.

3. Bulgaria, Poland and Romania shall pay the additional support referred to in paragraph 2 by 30 September 2023.

*Article 3*

1. Without delay and no later than 30 June 2023, Bulgaria, Poland and Romania shall notify the Commission of the following:

(a) a description of the measures to be taken;

(b) the criteria used to determine the methods for granting the aid and the rationale for distributing the aid across farmers;

(c) the intended impact of the measures in view of compensating farmers from economic loss caused by imports of cereals and oilseeds from Ukraine;

(d) the actions taken to check that the intended impact of the measures is reached;

(e) the actions taken to avoid distortion of competition;

(f) the forecast for payments of the Union expenditure broken-down per month until 30 September 2023;

(g) the level of additional support granted pursuant to Article 2 paragraph 2.

2. No later than 15 May 2024, Bulgaria, Poland and Romania shall notify the Commission of the total amounts paid per measure, when applicable, broken down by Union aid and additional national aid, the number and type of beneficiaries and the assessment of the effectiveness of the measure.

*Article 4*

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 4 April 2023.

*For the Commission*
*The President*
Ursula VON DER LEYEN

*ANNEX*

**List of products referred to in Article 1(1)**

| CN code | Description |
|---|---|
| 1001 | Wheat and meslin |
| 1002 | Rye |
| 1003 | Barley |
| 1004 | Oats |
| 1005 | Maize |
| 1008 60 | Triticale |
| – | Mixes of products with CN codes 1001, 1002, 1003, 1004, 1005 and 1008 60 |
| 1205 | Rape or colza seeds, whether or not broken |
| 1206 | Sunflower seeds, whether or not broken |