COMMISSION IMPLEMENTING REGULATION (EU) 2024/2434

of 11 September 2024

derogating in respect of the year 2024 from Article 44(2), second subparagraph, of Regulation (EU) 2021/2116 of the European Parliament and of the Council as regards the level of advance payments for interventions in the form of direct payments and area-based and animal-based rural development interventions

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 (¹), and in particular Article 44(6) thereof,

Whereas:

- (1) Pursuant to Article 44(2), second subparagraph, point (a), of Regulation (EU) 2021/2116, from 16 October to 30 November Member States may pay advances of up to 50 % for interventions in the form of direct payments and for the measures referred to in Chapter IV of Regulation (EU) No 228/2013 of the European Parliament and of the Council (²) and in Chapter IV of Regulation (EU) No 229/2013 of the European Parliament and of the Council (³). Pursuant to Article 44(2), second subparagraph, point (b), of Regulation (EU) 2021/2116, prior to 1 December Member States may pay advances of up to 75 % for area-based and animal-based rural development interventions under Regulation (EU) 2021/2115 of the European Parliament and of the Council (⁴).
- (2) Pursuant to Article 44(6) of Regulation (EU) 2021/2116, upon request of a Member State, in the event of an emergency, the Commission may adopt implementing acts derogating from Article 44(2) of that Regulation to the extent and for such period as strictly necessary.
- (3) In the Agriculture and Fisheries Council meeting of 15 July 2024 Member States requested the Commission to derogate from Article 44(2) of Regulation (EU) 2021/2116 to enable Member States to pay increased advances to address an emergency that has arisen due to an exceptional combination of adverse events, including the ongoing Russian invasion of Ukraine, the consequence of the conflicts in the Middle East as well as extreme weather events in central, southern and eastern Europe. In the joint meeting of Committee on the Agricultural Funds, the Common Agricultural Policy Committee and the Committee for the Common Organisation of the Agricultural Markets of 24 July 2024, Member States confirmed that their agricultural producers face liquidity problems due to a combination of adverse events which impacted prices of agricultural inputs and commodities. They requested the Commission to adopt implementing acts derogating from Article 44(2) of Regulation (EU) 2021/2116 to enable payment of increased advances for all interventions and measures in respect to claim year 2024.

⁽¹⁾ OJ L 435, 6.12.2021, p. 187, ELI: http://data.europa.eu/eli/reg/2021/2116/oj.

⁽²⁾ Regulation (EU) No 228/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in the outermost regions of the Union and repealing Council Regulation (EC) No 247/2006 (OJ L 78, 20.3.2013, p. 23, ELI: http://data.europa.eu/eli/reg/2013/228/oj).

⁽³⁾ Regulation (EU) No 229/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in favour of the smaller Aegean islands and repealing Council Regulation (EC) No 1405/2006 (OJ L 78, 20.3.2013, p. 41, ELI: http://data.europa.eu/eli/reg/2013/229/oj).

^(*) Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/2115/oj).

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(4) The ongoing Russian invasion of Ukraine and the conflicts in the Middle East risk prolonging existing difficulties, such as high input prices, and create new disruptions of international trade in goods, including a redirection of trade, leading to higher shipping costs and delays. Such developments and uncertainties put upward pressure on input prices. These events also disrupt trade patterns and significantly impact agricultural commodity prices and agricultural markets.

- (5) Input prices, such as energy and fertilisers remain significantly high in all agricultural sectors. Within the Union, the prices of other inputs for farmers and food chain operators such as plant protection products, animal health treatments, machinery and packaging have increased in line with the general inflation. However, the prices of agricultural commodities, for example, cereals and feed, remain relatively low, which reduces the profit margins for farmers. In some Member States the situation has become particularly difficult, as the input-to-commodity price ratio has further deteriorated compared to 2023, especially for the cereal and feed producers.
- (6) Moreover, it is expected that recent adverse meteorological events, such as excessive rainfall, late frost and local floods in certain regions, and water deficit, as well as heatwaves, in several parts of central, southern, and eastern Europe, will negatively affect crop yields.
- (7) These circumstances are likely to cause liquidity problems for agricultural producers throughout the Union, considering that the adverse events impact prices of inputs and agricultural commodities. This is further aggravated by the high interest rates on the European financial markets. In view of these circumstances, Member States should be allowed to pay increased advances in respect of claim year 2024 to address the liquidity problems that agricultural producers are likely to face throughout the Union.
- (8) The measures provided for in this Regulation are in accordance with the opinion of the Committee on the Agricultural Funds, the Common Agricultural Policy Committee and the Committee for the Common Organisation of the Agricultural Markets,

HAS ADOPTED THIS REGULATION:

Article 1

- 1. By way of derogation from Article 44(2), second subparagraph, point (a), of Regulation (EU) 2021/2116, in respect of claim year 2024, Member States may pay advances of up to 70 % for interventions in the form of direct payments under Title III, Chapter II, of Regulation (EU) 2021/2115, and for the measures referred to in Chapter IV of Regulation (EU) No 228/2013 and in Chapter IV of Regulation (EU) No 229/2013.
- 2. By way of derogation from Article 44(2), second subparagraph, point (b), of Regulation (EU) 2021/2116, in respect of claim year 2024, Member States may pay advances of up to 85 % for the support granted under rural development areabased and animal-based interventions under Title III, Chapter IV, of Regulation (EU) 2021/2115.

Article 2

This Regulation shall enter into force on the third 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, 11 September 2024.

For the Commission
The President
Ursula VON DER LEYEN