- 1. Approves the Commission proposal;
- 2. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
- 3. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
- 4. Instructs its President to forward its position to the Council and the Commission.

Support for rural development by the European Agricultural Fund for Rural Development (EAFRD) \*

P6 TA(2009)0352

European Parliament legislative resolution of 6 May 2009 on the proposal for a Council regulation amending Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (COM(2009)0038 - C6-0051/2009 - 2009/0011(CNS))

(2010/C 212 E/37)

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2009)0038),
- having regard to Articles 36 and 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0051/2009),
- having regard to Rule 51 of its Rules of Procedure,
- having regard to the report of the Committee on Agriculture and Rural Development and the opinions
  of the Committee on Regional Development and the Committee on Budgets (A6-0259/2009),
- 1. Approves the Commission proposal as amended;
- 2. Acknowledges that there are uncertainties concerning the availability of margins under heading 2; emphasises that the financing of the economic recovery plan should not put at risk future needs within that category of expenditure; expresses its preference for using the margins of the budget years that are coming to an end;
- 3. Recalls that the annual amount will be decided within the annual budgetary procedure, in accordance with the provisions of point 38 of the Interinstitutional Agreement of 17 May 2006 (¹);
- 4. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
- 5. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
- 6. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
- 7. Instructs its President to forward its position to the Council and the Commission.

## TEXT PROPOSED BY THE COMMISSION

## AMENDMENT

## Amendment 1

## Proposal for a regulation – amending act Recital 1 a (new)

(1a) Financing of the European economic recovery plan should be carried out in accordance with the provisions of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (1).

(1) OJ C 139, 14.6.2006, p. 1.

## Amendment 2

## Proposal for a regulation – amending act Recital 1 b (new)

(1b) The current margins in heading 2 cannot be taken for granted and any agreement on the economic recovery plan should not put at risk future needs within any category of expenditure.

## Amendment 3 Proposal for a regulation – amending act Recital 2

- (2) Of the above amount, **EUR 1.5 billion** should be made available to all Member States via the European Agricultural Fund for Rural Development (EAFRD) with a view to developing broadband internet in rural areas and to strengthening the operations related to the priorities laid down in Article 16a(1)(a) to (f) of Council Regulation (EC) No 1698/2005 (hereinafter 'new challenges').
- (2) Of the above amount, **EUR 1 020 million** should be made available to all Member States via the European Agricultural Fund for Rural Development (EAFRD) with a view to developing broadband internet in rural areas and to strengthening the operations related to the priorities laid down in Article 16a(1)(a) to (f) of Council Regulation (EC) No 1698/2005 (hereinafter 'new challenges'). **Of this amount, EUR 850 million should be available in 2009, while EUR 170 million should be secured through a compensation mechanism in the context of the conciliation on the 2010 budget and should be available in 2010.**

## Amendment 4

## Proposal for a regulation – amending act Recital 2 a (new)

(2a) The budgetary authority increased the 2009 budget line for rural development by EUR 249 840 000. These additional funds should be made available for the measures financed under the EAFRD in the European Economic Recovery Plan.

## Amendment 5

## Proposal for a regulation – amending act Recital 4

- (4) In order to ensure that the breakdown of the additional Community contribution in each Member State is used consistently with the objectives of the two policy packages
- (4) In order to ensure that the breakdown of the additional Community contribution in each Member State is used consistently with the objectives of the two policy packages

## TEXT PROPOSED BY THE COMMISSION

#### AMENDMENT

(new challenges and broadband internet), Member States should specify in their national strategy plans the indicative amount, resulting from the compulsory modulation together with the unused funds generated under Article 136 of Regulation (EC) No ... and the increase of the global commitments as laid down by Council Decision 2006/493/EC as amended by Decision .... These amounts will be devoted to broadband internet infrastructure in rural areas on the one hand and to the 'new challenges' on the other.

(new challenges and broadband internet), Member States should specify in their national strategy plans the indicative amount, resulting from the compulsory modulation together with the unused funds generated under Article 136 of Regulation (EC) No ... and the increase of the global commitments as laid down by Council Decision 2006/493/EC as amended by Decision .... These amounts will be devoted to broadband internet infrastructure in rural areas, to the 'new challenges', and to other measures aimed at improving take-up of the funds and creating new jobs.

## Amendment 6 Proposal for a regulation – amending actRecital 4 a (new)

(4a) In order to increase the take-up of their programmes, Member States may use the additional resources for a guarantee and loan fund.

## Amendment 7

## Proposal for a regulation – amending act Recital 6

(6) The Conclusions of the European Council of 12 December 2008 record the European Council's supports under the EERP, in particular, developing broadband internet, including in areas that are poorly served. Because rural areas often suffer from insufficient internet access, support for broadband infrastructures in rural areas should be strengthened under the support of EAFRD. Given the importance of this priority, Member States should provide in their programmes for operations related to this priority by the end of 2009. A list of types of operations related to broadband infrastructures should be established in order to allow Member States to identify the relevant operations in the context of the legal framework for rural development.

(6) The Conclusions of the European Council of 12 December 2008 record the European Council's supports under the EERP, in particular, developing broadband internet, including in areas that are poorly served. Because rural areas often suffer from insufficient internet access, support for broadband infrastructures and related facilities in rural areas should be strengthened under the support of EAFRD. Given the importance of this priority, Member States should provide in their programmes for operations related to this priority by the end of 2009. A list of types of operations related to broadband infrastructures and facilities should be established in order to allow Member States to identify the relevant operations in the context of the legal framework for rural development.

# Amendment 8 Proposal for a regulation – amending act Recital 10

(10) Rural areas often lack broadband infrastructure both small and larger scale. The latter *may be* crucial for serving less accessible rural areas. In order to ensure the most effective use of available resources and to allow a substantive development of the broadband internet in rural areas, the pertinent operations should be considered eligible without limitation in the size of the related infrastructure. Therefore, the existing limitation in size for infrastructure in basic services for economy and rural population should not apply to the operations related to broadband infrastructures.

(10) Rural areas often lack broadband infrastructure both small and larger scale. The latter *is* crucial for serving less accessible rural areas *such as islands and mountain regions*. In order to ensure the most effective use of available resources *and existing infrastructure,* and to allow a substantive development of the broadband internet *and facilities* in rural areas, the pertinent operations should be considered eligible without limitation in the size of the related *active or passive* infrastructure *or part thereof*. Therefore, the existing limitation in size for infrastructure in basic services for economy and rural population should not apply to the operations related to broadband infrastructures.

## TEXT PROPOSED BY THE COMMISSION

#### **AMENDMENT**

#### Amendment 9

Proposal for a regulation – amending act Recital 11 a (new)

(11a) Given the need for rapid reaction to the current economic crisis, it is appropriate to provide for payments which can be made in budget year 2009.

## Amendment 10

Proposal for a regulation – amending act Recital 13 a (new)

(13a) Member States should make sure that specific information is available to regional and local authorities and potential beneficiaries on the new opportunities offered by the revised rural development programmes.

## Amendment 11

Proposal for a regulation – amending act Recital 13 b (new)

(13b) Special measures for the provision of educational and training courses on the use of broadband infrastructures and facilities in rural communities should be established, with special attention to the vocational training of agricultural specialists, whose practical skills could then be utilised. In that respect, stimulation of the research sector should be considered a priority.

## Amendment 12

Proposal for a regulation – amending act
Article 1 – point 3
Regulation (EC) No 1698/2005

Article 16a – paragraph 1 – point g

(g) broadband internet infrastructure in rural areas.

(g) broadband internet infrastructure in rural areas and facilities for public internet access in rural communities;

## Amendment 13

Proposal for a regulation – amending act Article 1 – point 3

 $\begin{array}{c} \text{Regulation (EC) No } 1698/2005 \\ \text{Article } 16a-\text{paragraph } 1-\text{point } g \text{ a (new)} \end{array}$ 

(ga) economic-crisis management in the agricultural sector, principally to provide support for infrastructures and to create a network of producers and organisations;

## Amendment 14

Proposal for a regulation – amending act Article 1 – point 3

Regulation (EC) No 1698/2005 Article 16a – paragraph 1 – point g b (new)

(gb) measures to preserve or create jobs in rural areas;

## TEXT PROPOSED BY THE COMMISSION

#### **AMENDMENT**

#### Amendment 15

## Proposal for a regulation – amending act Article 1 – point 3

Regulation (EC) No 1698/2005 Article 16a – paragraph 1 – point g c (new)

(gc) support measures for young farmers.

#### Amendment 16

## Proposal for a regulation – amending act Article 1 – point 3

Regulation (EC) No 1698/2005 Article 16a – paragraph 3 – point b

- (b) a table setting out, for the period from 1 January 2009 to 31 December 2013, the total Community contribution for types of operations referred to in points (a) to (f) of paragraph 1 and the Community contribution for types of operations referred to in point (g) of paragraph 1.
- (b) a table setting out, for the period from 1 January 2009 to 31 December 2013, the total Community contribution for types of operations referred to in points (a) to (f) and (ga) to (gc) of paragraph 1 and the Community contribution for types of operations referred to in point (g) of paragraph 1.

#### Amendment 17

Proposal for a regulation – amending act
Article 1 – point 6 – subpoint a
Regulation (EC) No 1698/2005
Article 69 – paragraph 2a

- '2a. The part of the amount referred to in paragraph 1 of this Article resulting from the increase of the global commitments as laid down by Council Decision 2006/493/EC as amended by Decision ... shall be available as from 1 January 2009. It shall be devoted to types of operations related to priorities laid down in Article 16a(1) and it shall be spent as follows:
- (a) one third (EUR 0.5 billion) on types of operations related to priorities laid down in Article 16a(1)(a) to (f);
- (b) two thirds (EUR 1 billion) on types of operations related to priority laid down in Article 16a(1)(g).'

'2a. The part of the amount referred to in paragraph 1 of this Article resulting from the increase of the global commitments as laid down by Council Decision 2006/493/EC as amended by Decision ... as well as the amount of EUR 249 840 000 added to budget line 05 04 05 01 in budget year 2009 shall be available as from 1 January 2009. They shall be devoted to types of operations related to priorities laid down in Article 16a(1).'

## Amendment 18

Proposal for a regulation – amending act
Article 1 – point 6 – subpoint aa (new)
Regulation (EC) No 1698/2005
Article 69 – paragraph 4 - subparagraph 1 a (new)

(aa) In paragraph 4, the following subparagraph is added: 'For the amount referred to in paragraph 2a(b), the Commission shall take into account the differences in existing broadband coverage in the Member States, particularly in areas where access is difficult, and the different needs resulting therefrom.'.

## TEXT PROPOSED BY THE COMMISSION

#### **AMENDMENT**

## Amendment 19

Proposal for a regulation – amending act
Article 1 – point 6 – subpoint b
Regulation (EC) No 1698/2005
Article 69 – paragraph 5a – subparagraph 1 a (new)

The Commission's annual report on rural development shall contain a section dealing specifically with monitoring operations connected with the priorities listed in Article 16a(1)(g).

## Amendment 20

Proposal for a regulation – amending act
Article 1 – point 6 – subpoint b

Regulation (EC) No 1698/2005

Article 69 – paragraph 5 b

'5b. If, at the closure of the programme, the actual amount of Community contribution spent on the operations referred to in Article 16a(1) is lower than the total of the amounts referred to in paragraph 5a of this Article, the difference shall be **reimbursed** by the Member State **to the general** budget **of the European Communities** up to the amount by which the total allocations available for operations other than those referred to in Article 16a(1) have been exceeded.

In addition, if, at the closure of the programme, the actual amount of Community contribution spent on the operations referred to in Article 16a(1)(a) to (f) is lower than the amount referred to in paragraph 5a of this Article for those types of operations, the difference shall be reimbursed by the Member State to the general budget of the European Communities up to the amount by which the allocations available for operations referred to in Article 16a(1)(g) have been exceeded. However, if the actual amount of Community contribution spent on the operations other than those referred to in Article 16a(1) is lower than the allocations available for those types of operations, the amount to be reimbursed shall be reduced of that difference.

In parallel, if at the closure of the programme, the actual amount of Community contribution spent on the operations referred to in Article 16a(1)(g) is lower than the amount referred to in paragraph 5a of this Article for those types of operations, the difference shall be reimbursed by the Member State to the general budget of the European Communities up to the amount by which the allocations available for operations referred to in Article 16a(1)(a) to (f) have been exceeded. However, if the actual amount of Community contribution spent on the operations other than those referred to in Article 16a(1) is lower than the allocations available for those types of operations, the amount to be reimbursed shall be reduced of that difference.'.

5b. If, at the closure of the programme, the actual amount of Community contribution spent on the operations referred to in Article 16a(1) is lower than the total of the amounts referred to in paragraph 5a of this Article, the difference shall be *incorporated* by the Member State *into its agricultural development* budget up to the amount by which the total allocations available for operations other than those referred to in Article 16a(1) have been exceeded.

### TEXT PROPOSED BY THE COMMISSION

## AMENDMENT

#### Amendment 21

Proposal for a regulation – amending act Article 1 – point 6 – subpoint ba (new) Regulation (EC) No 1698/2005 Article 69 – paragraph 6 a (new)

(ba) The following paragraph is added:

'6a. From the amount referred to in paragraph 2a,
EUR 250 million shall be made available for payments
in budget year 2009.'.

#### Amendment 22

Proposal for a regulation – amending act Article 2 – point 6 a (new) Regulation (EC) No 1698/2005 Article 69 a (new)

(6a) The following Article is inserted:

'Article 69a

Guarantee and loan funds

Notwithstanding the provisions of Article 69, Member States can use the amount referred to in Article 69(2a) for guarantee and loan funds. For the implementation of this Article, the provisions of Commission Regulation (EC) No 1974/2006 of 15 December 2006 laying down detailed rules for the application of Council Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (2), and in particular Articles 50, 51 and 52 thereof, shall apply.

(2) OJ L 368, 23.12.2006, p. 15.'

## Amendment 23

Proposal for a regulation – amending act
Article 1 – point 7
Regulation (EC) No 1698/2005
Article 70 – paragraph 4 – subparagraph 2

Notwithstanding the ceilings set out in paragraph 3, the EAFRD contribution may be increased to **90%** for convergence and to 75% for non-convergence regions for the operations of the types referred to in Article 16a(1) of this Regulation, up to the amount resulting from the application of the compulsory modulation under Article 9(4) and Article 10(3) of Regulation (EC) No ..., the amount referred to in Article 69(2a) of this Regulation and, as from 2011, the amounts generated under Article 136 of Regulation (EC) No ....;

Notwithstanding the ceilings set out in paragraph 3, the EAFRD contribution may be increased to 100 % for convergence and to 75 % for non-convergence regions for the operations of the types referred to in Article 16a(1) of this Regulation, up to the amount resulting from the application of the compulsory modulation under Article 9(4) and Article 10(3) of Regulation (EC) No ..., the amount referred to in Article 69(2a) of this Regulation and, as from 2011, the amounts generated under Article 136 of Regulation (EC) No ....;

## TEXT PROPOSED BY THE COMMISSION

## AMENDMENT

## Amendment 24

## Proposal for a regulation – amending act Article 1 – point 8 a (new)

Regulation (EC) No 1698/2005 Article 76 – paragraph 2 a (new)

(8a) In Article 76, the following paragraph is added:

'2a. Member States shall provide specific information with regard to the new priorities outlined in Article 16a. Such information shall be provided for the benefit of regional and local authorities and potential beneficiaries of the measures.'.

## Amendment 25

## Proposal for a regulation - amending act

Annex

Regulation (EC) No 1698/2005 Annex III – Title

List with types of operations related to the priority under Article 16a(1)(g)

**Indicative** list with types of operations related to the priority under Article 16a(1)(g)

#### Amendment 26

## Proposal for a regulation – amending act

Annex

Regulation (EC) No 1698/2005 Annex III – column 1 – line 1

Creation of new broadband infrastructure including backhaul facilities (e.g. fixed, terrestrial wireless, satellite-based or combination of technologies)

Creation of new broadband infrastructure including backhaul facilities and ground equipment (e.g. fixed, terrestrial wireless, satellite-based or combination of technologies) and other necessary forms of support (e.g. installation and maintenance)

## Amendment 27

## Proposal for a regulation - amending act

## Annex

Regulation (EC) No 1698/2005 Annex III – line 3 a (new)

> Providing public access to broadband facilities Article 56: basic services for the economy and rural population