European Commission - Press release





Coronavirus: Commission announces exceptional measures to support the agri-food sector

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The Commission is taking swift action and proposes additional exceptional measures to <u>further support</u> agricultural and food markets most affected. The EU agri-food sector is showing <u>resilience</u> in these unprecedented times, following the outbreak of the coronavirus. Still, some markets have been hit hard by the consequences of this public health crisis.

Today's package includes measures for <u>private storage aid</u> (PSA) in the dairy and meat sectors, the authorisation of self-organisation market measures by operators in hard hit sectors and flexibility in fruits and vegetables, wine and some other <u>market support programmes</u>.

Agriculture Commissioner Janusz **Wojciechowski** said: "The consequences of the coronavirus crisis are increasingly being felt in the agri-food sector and this is why we have decided to take swift action, in addition to the measures already taken since the outbreak of the crisis. The measures proposed are, in the present state of market developments, intended to send a signal aimed at stabilising markets and are considered to be the most appropriate for providing stability to future prices and production and thus stable food supplies and food security. Today we are announcing a new and exceptional package of measures to support the most affected agri-food sectors by addressing already observed disturbances as well as future risks. I am confident that these measures will relieve markets, and show concrete results rapidly."

Exceptional measures announced as a further response to the Coronavirus crisis include:

- **Private storage aid**: the Commission proposes to grant <u>private storage aid</u> for dairy (skimmed milk powder, butter, cheese) and meat (beef, sheep and goat meat) products. This scheme will allow the temporary withdrawal of products from the market for a minimum of 2 to 3 months, and a maximum period of 5 to 6 months. This measure will lead to a decrease of available supply on the market and rebalance the market on the long-term.
- **Flexibility for market support programmes**: the Commission will introduce flexibility in the implementation of <u>market support programmes</u> for wine, fruits and vegetables, olive oil, apiculture and the <u>EU's school scheme</u> (milk, fruits and vegetables). This will allow the reorientation of funding priorities towards crisis management measures for all the sectors.
- Exceptional derogation from EU competition rules: applicable to the milk, flowers and potatoes sectors, the Commission will authorise the derogation from certain competition rules under Article 222 of the Common Markets Organisation Regulation, that allows operators to adopt self-organisation market measures. Concretely, these sectors will be allowed to collectively take measures to stabilise the market. For example, the milk sector will be allowed to collectively plan milk production and the flower and potatoes sector will be allowed to withdraw products from the market. Storage by private operators will also be allowed. Such agreements and decisions would only be valid for a period of maximum six months. Consumer price movements will be monitored closely to avoid adverse effects.

The Commission aims to have these measures adopted by the end of April. Beforehand Member States will need to be consulted, and vote on these measures. They are therefore subject to change. The full detail of these proposals will be unveiled at the time of their final adoption.

The package announced today follows a comprehensive package of <u>other measures</u> adopted early on by the Commission to support the agri-food sector in the current crisis, such as increased amounts for state aid, higher advanced payments, and extended deadlines to submit payment requests. The increased flexibility regarding Common Agricultural Policy rules aims to alleviate the administrative burden on farmers and national administrations.

For more information

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