

**COMMISSION IMPLEMENTING REGULATION (EU) 2023/1343****of 30 June 2023****providing for an emergency support measure for the cereal and oilseed sectors in Bulgaria, Hungary, Poland, Romania and Slovakia**

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 <sup>(1)</sup>, and in particular Article 221(1) thereof,

Whereas:

- (1) Russia's unprovoked and unjustified war of aggression against Ukraine since 24 February 2022 is impacting shipping operations in Ukrainian Black Sea ports which accounted for about 90 % of Ukrainian cereal and oilseed exports. To support Ukrainian farmers and contribute to global and Union food security, alternative logistic routes were urgently needed and the Union took concrete measures to facilitate Ukraine's agricultural exports and wider bilateral trade with the Union 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")' <sup>(2)</sup>.
- (2) As a result of joint efforts by Member States, in particular Bulgaria, Hungary, Poland, Romania and Slovakia, as well as Ukraine, Moldova, international partners and the Commission, the EU-Ukraine Solidarity Lanes have become a lifeline for Ukraine's economy and a new connectivity with the Union, also serving as a safeguard against a global food crisis.
- (3) While many improvements have been achieved, significant logistical bottlenecks still remain. Infrastructure remains insufficient to handle the surge in traffic, there is lack of transshipment equipment and capacity is scarce, resulting in high logistics costs. Connectivity can be improved by better coordinating transit, enhancing infrastructure, and lowering overall logistics costs, thereby ensuring that Ukrainian cereals and oilseeds can move deeper into the Union and beyond as needed.
- (4) As a result of the high logistics costs and bottlenecks described above, there has been an increase in imports of cereals and oilseeds from Ukraine to the Member States close to Ukraine.
- (5) This situation exerts pressure on prices in a number of regions of Bulgaria, Hungary, Poland, Romania and Slovakia. Besides, these imports are saturating the storage capacity and logistical chains. Those circumstances affect the economic viability and market perspectives of farmers in some regions of those Member States. This could ultimately endanger the normal operation of the EU-Ukraine Solidarity Lanes corridors.
- (6) To avoid a rapid deterioration of the situation, the Commission adopted a first emergency support measure targeted to affected farmers in Bulgaria, Poland and Romania with Commission Implementing Regulation (EU) 2023/739 <sup>(3)</sup>, considering in particular the domestic supply situation and logistical challenges in those Member States.
- (7) Having regard to the scale of the negative economic impact in the Member States concerned, it is necessary to expand the scope of the support measure adopted under Implementing Regulation (EU) 2023/739 to Hungary and Slovakia and provide additional funding to better address this situation.

<sup>(1)</sup> OJ L 347, 20.12.2013, p. 671.

<sup>(2)</sup> COM(2022) 217 final.

<sup>(3)</sup> 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 (OJ L 96, 5.4.2023, p. 80).

- (8) 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 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 further deterioration of the economic viability of farmers in some regions of Bulgaria, Hungary, Poland, Romania and Slovakia, the situation requires an urgent intervention.
- (9) It is therefore appropriate to set up an emergency support measure and provide Bulgaria, Hungary, Poland, Romania and Slovakia with a financial grant to support farmers affected by the increased imports of cereals and oilseeds from Ukraine for a period strictly necessary.
- (10) The amount available to Bulgaria, Hungary, Poland, Romania and Slovakia should be set out, taking into account in particular their respective weight in the Union's agricultural sector, on the basis of the net ceilings for direct payments set out in Annex III to Regulation (EU) No 1307/2013 of the European Parliament and of the Council <sup>(4)</sup> and the relative growth in trade for cereals and oilseeds into those countries.
- (11) Bulgaria, Hungary, Poland, Romania and Slovakia 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 and economic damages 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.
- (12) As the amount allocated to Bulgaria, Hungary, Poland, Romania and Slovakia 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.
- (13) In order to give Bulgaria, Hungary, Poland, Romania and Slovakia 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, without overcompensating the farmers.
- (14) In order to avoid overcompensation, Bulgaria, Hungary, Poland, Romania and Slovakia should take into account the support granted under other national or Union support instruments or private schemes to respond to the impact of increased imports of cereals and oilseeds from Ukraine in the affected regions.
- (15) 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 as their national currencies, as it is the case for Bulgaria, Hungary, 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 <sup>(5)</sup>, 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.
- (16) For budgetary reasons, the Union should finance the expenditure incurred by Bulgaria, Hungary, Poland, Romania and Slovakia only where such expenditure is made by a certain eligibility date.

<sup>(4)</sup> Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347, 20.12.2013, p. 608).

<sup>(5)</sup> 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).

- (17) The support for this emergency measure should be paid by 31 December 2023. As no payments are to be made after 31 December 2023, Article 5(2) of Delegated Regulation (EU) 2022/127 should not be applicable.
- (18) To allow the Union to monitor the efficiency of this emergency measure, Bulgaria, Hungary, Poland, Romania and Slovakia should communicate to the Commission detailed information on its implementation.
- (19) In order to ensure that farmers receive aid as soon as possible, Bulgaria, Hungary, Poland, Romania and Slovakia 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*.
- (20) 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 100 000 000 shall be available to Bulgaria, Hungary, Poland, Romania and Slovakia, 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, Hungary, Poland, Romania and Slovakia 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. The measures shall be taken on the basis of objective and non-discriminatory criteria that take account of 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, Hungary, Poland, Romania and Slovakia 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 31 December 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) of this Regulation 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 9 770 000 for Bulgaria;
  - (b) EUR 15 930 000 for Hungary;
  - (c) EUR 39 330 000 for Poland;
  - (d) EUR 29 730 000 for Romania;
  - (e) EUR 5 240 000 for Slovakia.
2. Bulgaria, Hungary, Poland, Romania and Slovakia may grant additional national aid for the measures taken under Article 1 up to a maximum of 200 % 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, or overcompensation.
3. Bulgaria, Hungary, Poland, Romania and Slovakia shall pay the additional support referred to in paragraph 2 by 31 December 2023.

*Article 3*

In order to avoid overcompensation, when granting support under this Regulation, Bulgaria, Hungary, Poland, Romania and Slovakia shall take into account the support granted under other national or Union support instruments or private schemes to respond to the impact increased imports of cereals and oilseeds from Ukraine in the affected regions.

*Article 4*

1. Without delay and no later than 30 September 2023, Bulgaria, Hungary, Poland, Romania and Slovakia 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 the calculation of 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 and overcompensation;
- (f) the forecast for payments of the Union expenditure broken down per month until 31 December 2023;
- (g) the level of additional support granted pursuant to Article 2(2);
- (h) the actions taken to control the eligibility of farmers and to protect the financial interests of the Union.

2. No later than 15 May 2024, Bulgaria, Hungary, Poland, Romania and Slovakia 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 5*

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, 30 June 2023.

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

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## ANNEX

## LIST OF PRODUCTS REFERRED TO 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