Commission Delegated Regulation (EU) 2020/743 of 30 March 2020 amending Delegated Regulation (EU) 2017/891 as regards the calculation of the value of marketed production of producer organisations in the fruit and vegetables sector

COMMISSION DELEGATED REGULATION (EU) 2020/743

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amending Delegated Regulation (EU) 2017/891 as regards the calculation of the value of marketed production of producer organisations in the fruit and vegetables sector

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 37(c)(i) and (iv) thereof,

Whereas:

(1) Plant diseases or pest infestations have increasingly damaged the production of fruit and vegetables in the Union for several years. For instance, in 2013–2018 outbreaks and spread of *Xyllela fastidiosa* affected, among others, stone fruit trees, such as plums, cherries and almonds in Italy, Spain and France. In 2018–2019 the introduction and spread of invasive Tomato brown rugose fruit virus (ToBRFV) damaged tomato (*Solanum lycopersicum L.*) and pepper (*Capsicum annuum*) production in Italy and Germany. As for pests, for instance *Eurytoma schreineri Schreiner* introduced in the Union with imports in 2013, caused damage to plum, apricot and cherry production in Bulgaria and in the neighbouring countries. Most recently, in 2019, the Asian brown marmorated stink bug (*Halyomorpha halys*) caused high production losses in the northern regions of Italy, namely Emilia Romagna, Veneto, Trentino Alto-Adige, Lombardia, Piemonte and Friuli Venezia Giulia and impacted negatively on the value of marketed production of the producer organisations operating in those regions.

(2) In view of the increase in the frequency of phytosanitary damage, a long-term solution regarding the calculation of the value of marketed production of producer organisations is needed, in order to reinforce their resilience for the future. It is necessary to amend Commission Delegated Regulation (EU) 2017/891[(2)] by providing for flexibility in the calculation of the value of marketed production of producer organisations in the Union in case they face phytosanitary damage, making the production unusable for consumption and processing.

(3) Large losses in the value of marketed production caused by phytosanitary damage have a major impact on the amount of Union aid received by producer organisations in the subsequent year, as the amount of Union aid is calculated as a percentage of the value of marketed production of each producer organisation. Where a large part or the entire

Changes to legislation: *There are currently no known outstanding effects for the Commission Delegated Regulation (EU) 2020/743. (See end of Document for details)*

harvest is lost, producer organisations risk losing their recognition, as one of the criteria for the recognition is reaching a certain minimum value of marketed production fixed at national level. This would entail a double economic loss, which would put at risk the long-term stability of producer organisations.

(4) More flexibility should therefore be allowed as regards the calculation of value of marketed production for producer organisations. This is necessary to avoid situations where producer organisations that invest in preventive measures and nonetheless incur substantial phytosanitary damage not only incur losses of their value of marketed production but also see their Union financial assistance substantially and abruptly decreased in the subsequent year. Such flexibility in calculation of the value of marketed production should however only be available to producer organisations, that prove that they have taken the necessary preventive measures against plant diseases and pest infestations, such as protective nets, pest and disease monitoring, biological pest control and other measures reducing the occurrence of pests and diseases and the damage to production that they cause.

(5) In view of the increased frequency of pest infestations or plant diseases and the resulting significantly larger production loss compared to weather-related damage, the safeguard established by Article 23(4) of Delegated Regulation (EU) 2017/891 pursuant to which the value of marketed production of a product is to be deemed to represent 65 % of its value in the previous reference period, is insufficient.

(6) Therefore, and due to the need to achieve economic and financial stability of producer organisations concerned by large losses in the value of marketed production caused by phytosanitary damage the threshold for the calculation of the value of marketed production should be increased. In view of this, and taking into consideration the important damage caused by the recent pest infestations, the value of marketed production laid down in Article 23(4) of Delegated Regulation (EU) 2017/891 should be increased to 85 %.

(7) In view of the implementation of operational programmes by calendar years and considering that the calculation of value of marketed production that determines the amount of Union financial assistance is based on the previous calendar year, it is necessary that this Regulation enter into force on the day following that of its publication in the *Official Journal of the European Union.*

(8) Delegated Regulation (EU) 2017/891 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Amendment to Delegated Regulation (EU) 2017/891

In Article 23 of Delegated Regulation (EU) 2017/891, paragraph 4 is replaced by the following:

4. Where a reduction of at least 35 % in the value of a product has occurred due to reasons falling outside the responsibility and control of the producer organisation, the value