

COVID-19 AID MEASURES IN THE EU & THE NETHERLANDS

AGRI-SECTOR

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HOUTHOFF

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THE NETHERLANDS

1. Private sector initiatives

MEASURING AND ISSUING AUTHORITIES	TYPE OF MEASURE	DETAILS	LINK TO PUBLICATION
Private banks	Six-month grace period	<p>ING, Rabobank, de Volksbank and Triodos Bank have granted an automatic six-month grace period on current loans to fundamentally solid SMEs. The banks' measure applies to corporate clients in all sectors with loans of up to EUR 2.5 million. Companies that do not require this deferral can inform the relevant bank of this.</p> <p>ABN AMRO has announced that it will apply the aforementioned grace period to corporate clients with loans up to EUR 50 million</p>	<p>https://www.reuters.com/article/health-coronavirus-netherlands-banks/corrected-update-1-dutch-banks-agree-to-6-month-freeze-on-loan-payments-for-small-business-idUSL8N2BC4PE</p>
LTO Nederland	Taskforce for employment issues	<p>Together with various employers' and employees' organisations in the agriculture sector, LTO, the Netherlands Agricultural and Horticultural Association, has set up a special taskforce to help and repair problems relating to employment, particularly potential staffing problems in the busy spring period.</p>	<p>https://www.lto.nl/lto-nederland-verschillende-noodmaatregelen-nodig/ (in Dutch only)</p>
Pension providers	Deferral of payments	<p>As far as currently legally allowed, pension providers are extending the payment period of premiums for companies severely affected by the COVID-19 outbreak and will not immediately impose fines for late payment. Employers who can temporarily pay less or no pension contribution can contact the pension providers to discuss payment arrangements.</p>	

2. Government measures

MEASURING AND ISSUING AUTHORITIES	TYPE OF MEASURE	DETAILS	LINK TO PUBLICATION
Ministry of Agriculture, Nature and Food Quality	Extension of Credit Guarantee Scheme for Agriculture (<i>Borgstellingskrediet Landbouw verruimd met borgstelling voor overbruggingskrediet "BL-C"</i>)	<p>The Dutch government temporarily added a new module to the existing Credit Guarantee Scheme for Agriculture ("BL"), the so-called Credit Guarantee Scheme for Agriculture ("BL-C"). The new module intends to provide more financial leeway for enterprises active in the agricultural, fisheries and aquaculture sectors that run into difficulties and need working capital and/or liquidity as a result of the COVID-19 crisis.</p> <p>The temporary extension is aimed at regular agricultural loans and means that the State guarantees 70% of the total amount of the loan granted by the financier. It can be used by agricultural SMEs to obtain a bridging loan or an increase in current account credit from a lender up to EUR 1.5 million per company (or EUR 2.8 million when it concerns a GL or BL <i>Plus</i>-guarantees with a MDV- or Green label certificate). The maximum term is two years. There is a provision of 0.5% for start-ups and acquiring companies and 1.5% for other enterprises.</p> <p>The measure is available for agricultural SMEs that are established in the Netherlands and have substantial activities in the Netherlands. Eligible companies can apply to an accredited financier, which is usually a bank, up until 31 March 2021. Accredited financiers can apply to the Netherlands Enterprise Agency</p>	https://www.rvo.nl/subsidie-en-financiering-swijzer/borgstellingskrediet-voor-de-landbouw-bl/verruimd-verband-met-corona (in Dutch only)
Ministry of Agriculture, Nature and Food Quality	Additional compensation scheme for enterprises in the ornamental horticulture sector and sections of the food horticulture sector	<p>On 15 April, the Ministry of Agriculture, Nature and Food Quality announced that an additional EUR 650 million has been reserved by the Dutch government to compensate damages suffered by companies active in the ornamental horticulture sector and specific sections of food horticulture sector as a result of the COVID-19 outbreak. Enterprises that have suffered a substantial loss of turnover in the period March, April and May 2020 compared to their average turnover in the same period in the previous three years will be eligible for financial compensation. The starting point is that the first 30% of the loss of turnover is covered by the enterprises themselves (as this is</p>	https://www.rijksoverheid.nl/documenten/kamerstukken/2020/04/15/kamerbrief-aanvullende-maatregelen-op-het-noodpakket (only in Dutch)

considered to constitute 'normal entrepreneurial risk'), and that the State will compensate a 'significant part' of the remaining 70% of the loss of turnover.

For chip/fries potato growers, the government will introduce a specific scheme, allowing growers to receive compensation in relation to the quantity of potatoes they still have in storage. The compensation applies to potatoes that can no longer be processed into chips this season. The total compensation will amount to 40% of the average market value of the potatoes in the period September 2019 up to February 2020.

Eligible undertakings can apply for compensation to the Netherlands Enterprise Agency. The amount of compensation will be capped to enable all affected companies to benefit from the scheme. The government has indicated that it will provide further details on the conditions for the aid and the way the aid can be applied for shortly.

Ministry of Agriculture, Nature and Food Quality	No extension to deadline for applications Common Agricultural Policy (<i>Gemeenschappelijk landbouwbeleid</i>)	Certain agricultural enterprises can benefit from subsidies from the Common Agricultural Policy (" CAP "). Dutch farmers can apply for payment as of 1 March in a Combined Application (<i>Gecombineerde opgave</i>). While the Commission offered Member States the possibility to extend their deadline for CAP applications with one month due to the COVID-19 crisis (see here), the Netherlands Enterprise Agency on 7 April announced that the last date for sending the Combined Declaration remains 15 May. The agency has said it will offer help if companies run into difficulties with filling in the statement online, and will 'take [the special circumstances] into account' if companies are unable to fill in the statement on time. Companies can correct possible errors up to 31 May 2020 without additional costs.	https://www.rvo.nl/actueel/nieuws/gecombineerde-opgave-nog-steeds-15-mei (in Dutch only)
Ministry of Economic Affairs	The Emergency Desk (<i>Tegemoetkoming Ondernemingen Getroffen Sectoren</i> , " TOGS ")	The Emergency Desk (" TOGS ") measure provides financial compensation to SMEs that are active in sectors which are directly affected by the government COVID-19 measures and meet the eligibility conditions (which can be found here).	https://business.gov.nl/subsidy/compensation-sectors-affected-corona-measures-togs/

The measure is available for companies whose main activity is registered with the Dutch Chamber of Commerce (KVK) under specific SBI codes. On 7 April, the government [extended](#) the eligible SBIs, which now include several SBIs relevant to the agricultural sector, such as growers of flowers and plants, fruits and vegetables, potatoes and more (see the full list [here](#)). The newly eligible companies can apply for compensation as from 15 April.

Eligible undertakings can receive a one-time payment of EUR 4,000. Applications may be submitted up until 26 June 2020.

Ministry of Social Affairs and Employment	Emergency Bridging Measure to Preserve Employment (<i>'Noodmaatregel Overbrugging voor Werkbehoud, "NOW"</i>)	<p>The new Temporary Emergency Bridging Measure for Sustained Employment ("NOW") provides financial help for employers to pay their employees' wages and replaces the unemployment benefit during short-time working scheme.</p> <p>The subsidy is available for employers that pay Dutch wages and expect to see at least a 20% decline in turnover over a three-month consecutive period between 1 March 2020 and 31 July 2020. Applications can be made up until 31 May 2020. The payment covers max. 90% of the wage bill in proportion to the decrease in turnover, with retroactive effect from 1 March. The benchmark for companies which existed in 2019 is the average turnover over the course of three months in 2019.</p> <p>Due to the method of calculating turnover, companies with seasonal peaks, as can often be the case in the agricultural sector, cannot fully benefit from the subsidy yet. The government has said it will work on solutions to overcome these bottlenecks in the liquidity and cost side for these specific sectors (see here).</p>	<p>https://www.rvo.nl/subsidie-en-financiering-swijzer/tegemoetkoming-schade-covid-19 (in Dutch only)</p>
Ministry of Social Affairs and Employment	Income support for self-employed professionals (<i>'Tijdelijke overbruggingsregeling zelfstandig ondernemers, "Tozo"</i>)	Income support for self-employed professionals (" Tozo ") is available for those suffering financial difficulties due to the coronavirus outbreak. The support can take the form of a benefit payment and/or a loan for working capital to solve liquidity problems. There will be no viability test so that the requests may be processed quickly, i.e. 4 weeks instead of the regular 13-week period. The level	<p>https://business.gov.nl/subsidy/temporary-bridging-measure-self-employed-professionals-tozo/</p>

of income support depends on income and the household composition but is a maximum of approx. EUR 1,500 per month (net). This income support does not need to be paid back. The accelerated procedure also applies to loan applications for working capital up to a maximum of EUR 10,157. In addition, a lower interest rate than the regular rate will be applied to the loans. The scheme has retroactive effect from 1 March 2020 and will remain in place until 1 June 2020 at least.

Ministry of Economic Affairs	Guarantee enterprise financing (<i>Garantie ondernemingsfinanciering</i> , "GO")	<p>The scheme is available for healthy large and medium sized enterprises that are established in the Netherlands and have substantial activities in the Netherlands. The business loan guarantee scheme ("GO") allows enterprises to borrow substantial amounts of money. Undertakings whose activities mainly concern agriculture and fisheries are currently excluded, with the exception of supplying and service provision activities ("<i>toelevering en dienstverlening</i>").</p> <p>The government helps companies by providing a guarantee on bank loans and bank guarantees. It has announced a COVID-19 module to the scheme (GO-C module), with which the guarantee rate of the scheme is increased from 50% to 80% for undertakings with a turnover of more than EUR 50 million and 90% for undertakings with a turnover up to 50 million. The amount the government will guarantee has been increased to EUR 150 million per undertaking. The total budget of the GO Scheme has been raised from EUR 400 million to EUR 10 billion. The new GO-C module is subject to approval by the European Commission. The Dutch Government is in consultation with the banks on how to ensure that the module can be put into operation as soon as possible after the Commission's approval. Because of the urgency, the module will also apply – subject to the conditions and approval by the Commission – to credits granted from 24 March 2020 until the date of entry into force of the scheme.</p> <p>Eligible companies apply to an accredited financier, which is usually a bank. Accredited financiers can apply to the Netherlands Enterprise Agency.</p>	<p>https://www.rvo.nl/subsidie-en-financiering-swijzer/garantie-ondernemingsfinanciering-go/verruiming-go (in Dutch only)</p>
Ministry of Finance/Tax	Deferral of payment taxes	<p>All businesses, including the self-employed, can obtain deferral of payment of income tax, corporate income tax, wage tax and/or value added tax, excises (mineral oils, alcohol, and tobacco), insurance tax,</p>	<p>https://www.belastingdienst.nl/wps/wcm/con-</p>

gambling tax and landlord levy). The Dutch tax authorities will postpone collecting payment and grant a deferral of three months immediately after receipt of the request. The deferral applies to current debts as well as the debts that arise during the three months after deferral application. A deferral for a period longer than three months is also possible but is subject to further conditions.

[nect/nl/ondernemers/content/coronavirus-belastingmaatregelen-om-ondernemers-te-helpen](https://www.ondernemerscontent.nl/ondernemers-belastingmaatregelen-om-ondernemers-te-helpen)
(in Dutch only)

Moreover, the tax authorities will not impose default penalties for non-payment or late payment of taxes and the collection interest and interest rate for unpaid tax will be reduced.

Ministry of Finance/Tax	Deferral of payment for Energy tax and Sustainable Energy Surcharge (" ODE ")	Energy suppliers can decide to grant businesses an extension on their monthly payments of energy tax and Sustainable Energy Surcharge (" ODE ") for the months April, May and June 2020. Not all energy suppliers will be able to implement this measure, and eligibility criteria vary between suppliers. The Dutch Minister for Agriculture has said it will consult energy suppliers on how the deferral of energy tax and ODE can be designed in a way that increases liquidity for customers of electricity and natural gas, like businesses active in the ornamental horticulture sector and food horticulture sector.	https://business.gov.nl/regulation/energy-tax/
Ministry of Finance/Tax	Leniency for payment from regional Water Authority tax	Companies that are unable to pay their water authority tax in time can apply to temporarily extend payment at most Regional Water Authorities. There are also options for payment arrangements.	https://business.gov.nl/regulation/water-authority-tax/

EUROPEAN UNION

MEASURING AND ISSUING AUTHORITIES	TYPE OF MEASURE	DETAILS	LINK TO PUBLICATION
European Commission	Higher amount of possible State aid for farmers and food processing companies under Temporary Framework (C(2020) 1863 final)	<p>Under the Temporary Framework for State aid adopted by the Commission on 19 March 2020, undertakings active in the primary production of agricultural products can now benefit from a maximum amount of EUR 100,000 aid per farm. Food processing and marketing companies can benefit from a maximum of EUR 800,000.</p> <p>This support may complement potential '<i>de minimis</i>' aid, which already allows national support to the agricultural sector up to EUR 20,000 (and EUR 25,000 in specific cases as specified in Article 3.3a of the de minimis regulation) to be granted without prior approval from the Commission. In accordance with the new Temporary Framework, Member States can thus assist companies in the agricultural sector with State aid of up to EUR 120,000 (or EUR 125,000) in total.</p>	https://ec.europa.eu/competition/state_aid/what_is_new/s_a_covid19_temporary-framework.pdf
European Commission	Exceptional derogation from Competition rules to help stabilize the live plants and flowers sector	<p>On 22 April 2020 the European Commission announced an exceptional derogation from EU competition rules for agreements between producers, producer organisations and interbranch organisations to stabilise the live plants and flowers sector. The derogation allows for agreements and common decisions on market withdrawals and free distribution, joint promotion and planning of production during a period of 6 months.</p> <p>The derogation is part of a broader package of measures proposed by Commission to support the most affected agricultural sectors. The measures are still subject to change, following consultation and voting of Member States. The measures will likely be adopted by the end of April.</p>	https://ec.europa.eu/commission/presscorner/detail/en/IP_20_722

European Commission	CAP simplification and flexibility measures; potential measures to give farmers earlier access to their CAP income support	<p>The European Commission has proposed adjustments for the payment of advances on subsidies under the Common Agricultural Policy ("CAP"). The adjustments to the Implementing Regulation concern an increase from 50% to 70% of the standard rates for advance payments of CAP direct income support and an increase from 75% to 85% of the standard rates for Agricultural Nature Management. In addition, advance payments may be made without all physical checks having been carried out, although administrative checks must be completed. The deadline for application is extended by a month, from 15 May to 15 June 2020. The earliest possible date for the payment of advances is still 16 October.</p> <p>The Dutch government, together with several other Member States, considers these adjustments to be a step in the right direction but insufficient to help farmers overcome their liquidity problems in time. As many farmers already have liquidity problems or will encounter them soon, the Dutch government has called on the Commission to bring forward the date for payments to 1 July, as soon as possible after the applications for direct income support have been received. Also, it has said it will strive for an increase of the percentage of advance payments for direct income support to 80%. The Dutch government has announced it is now also drawing up a national measure (presumably under the Commission's Temporary State aid Framework of 19 March 2020) to enable farmers to benefit from the income support as soon as July.</p>	<p>https://www.rijksoverheid.nl/regering/bewindspersonen/carola-schouten/documenten/kamerstukken/2020/04/01/kamerbrief-met-verslag-van-de-informele-Inv-raad-en-een-overzicht-van-maatregelen-in-de-landbouw-tuinbouw-en-visserij (in Dutch only)</p> <p>https://www.rijksoverheid.nl/ministeries/ministerie-van-economische-zaken-en-klimaat/documenten/kamerstukken/2020/04/07/kamerbrief-maatregelen-ondernemers (in Dutch only)</p> <p>https://www.europa-nu.nl/id/vl7asv7toaz4/nieuws/eu_agriculture_and_fisheries_ministers?ctx=vhsjgh0wpcp9&s0e=vhdubxdwgrzw</p>
European Commission	Green lanes	<p>To ensure the unhindered movement of goods across the EU, the Commission has created the concept of 'green lanes'. Member States are requested to urgently designate key border-crossing points as 'green lanes', and ensure that passage through these green lanes – including any checks and screenings – does not exceed 15 minutes. Passage is granted for all goods, including agri-food products.</p>	<p>https://ec.europa.eu/transport/sites/transport/files/legislation/2020-03-23-communication-green-lanes_en.pdf</p>

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