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EU Halts Aid to Farmers Hit by Russia's Food Import Ban

By The Moscow Times

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BRUSSELS — The European Union halted an aid plan for fruit and vegetable growers hit by a Russian import ban after Polish farmers claimed far more compensation than EU officials reckon the entire bloc exports to Russia in a year.

An EU official said none of the 125 million euros ($162 million) set aside for farmers taking produce off the market had been paid out and a revised scheme is likely to be ready next week. The 125 million euros was equivalent to annual exports to Russia from the 28 EU states of the crops targeted for help.

The official said the European Commission would not assume there was fraud in the claims that totaled some 170 million euros, nearly 90 percent of that from Poland. There could have been confusion about the rules of the scheme and it was likely the amended measures would do more to target those in most need.

"The scheme has to be closed due to a disproportionate surge in claims — for example where the figures submitted for some products are several times higher than the total EU average annual exports to Russia," the commission said in a statement.

Poland's exports of apples to Russia have been a prominent victim of the Russian ban, imposed in retaliation for sanctions on Moscow by the EU over Russian actions in Ukraine. But many other types of fruit and vegetable have also been affected.

Citing one example where the commission found claims for compensation to be excessive, the official said sweet pepper growers had sought payment for taking off the market 62 percent of their annual output even though only crops destroyed, recycled or given away in the last three weeks were eligible.

The commission expected total claims across the EU under the new plan would not exceed 125 million euros, the official said. If they did, individual payments would be scaled back.

"The European Commission remains committed to support those producers who have suddenly lost an important market because of the Russian measures," the agriculture commissioner, Dacian Ciolos, said in a statement.

Russia's ban on all food imports from the European Union could cost the EU 5 billion euros a year, according to an internal EU document seen by Reuters.

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