



**2018/0217(COD)**

10.1.2019

# **AMENDMENTS**

## **16 - 37**

**Draft opinion**

**Claudia Schmidt**

(PE631.923v01-00)

Financing, management and monitoring of the common agricultural policy

Proposal for a regulation

(COM(2018)0393 – C8-0247/2018 – 2018/0217(COD))



## Amendment 16

Luke Ming Flanagan

on behalf of the GUE/NGL Group

### Proposal for a regulation

#### Recital 1

*Text proposed by the Commission*

(1) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions entitled 'The Future of Food and Farming' of 29 November 2017 concludes that the Common Agricultural Policy (hereinafter 'CAP') should continue to step up its response to future challenges and opportunities, by boosting employment, growth and investment, fighting and adapting to climate change **and bringing** research and innovation **out of** the laboratories **and onto** fields and markets. The CAP should furthermore address citizens' concerns regarding sustainable agriculture production.

*Amendment*

(1) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions entitled 'The Future of Food and Farming' of 29 November 2017 concludes that the Common Agricultural Policy (hereinafter 'CAP') should continue to step up its response to future challenges and opportunities, by boosting employment, growth and investment, fighting and adapting to climate change, **adapting them and transferring** research and innovation **from** the laboratories **to** fields and markets. The CAP should furthermore address citizens' concerns regarding sustainable agriculture production. ***There must be a fairer distribution of aid between production, producers, regions and countries, benefiting small and medium-sized farmers, with a coupling of aid to vulnerable sectors.***

Or. en

## Amendment 17

Luke Ming Flanagan

on behalf of the GUE/NGL Group

### Proposal for a regulation

#### Recital 1 a (new)

*Text proposed by the Commission*

*Amendment*

***(1 a) The agricultural sector must not face any financial repercussions as a result of political decisions, such as the withdrawal of the United Kingdom from***

*the EU or the funding of new European strategic policies.*

Or. en

## **Amendment 18**

**Luke Ming Flanagan**

on behalf of the GUE/NGL Group

### **Proposal for a regulation**

#### **Recital 8**

*Text proposed by the Commission*

(8) In order to achieve the objectives of the CAP laid down in Article 39 of the Treaty on the Functioning of the European Union (the ‘Treaty’), and to comply with the principle of shared management, as provided for in Article 59 of Regulation (EU, Euratom) No 966/2012, Member States should ensure that the necessary governance systems are in place. Provision should therefore be made for designating the competent authority, paying agency, coordinating body and certification body.

*Amendment*

(8) In order to achieve the objectives of the CAP laid down in Article 39 of the Treaty on the Functioning of the European Union (the ‘Treaty’), and to comply with the principle of shared management, as provided for in Article 59 of Regulation (EU, Euratom) No 966/2012, Member States should ensure that the necessary governance systems are in place. Provision should therefore be made for designating the competent authority, paying agency, coordinating body, ***appeals procedure for final beneficiaries*** and certification body.

Or. en

## **Amendment 19**

**Luke Ming Flanagan**

on behalf of the GUE/NGL Group

### **Proposal for a regulation**

#### **Recital 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***(8 a) In accordance with Article 208 of the Treaty on the Functioning of the European Union (TFEU), the implementation of the CAP shall be in coherence with the objectives of development cooperation, including, inter alia, the 2030 Agenda for Sustainable Development. Measures taken under this***

*regulation should jeopardise neither the food production capacity and long-term food security of developing countries, in particular least developed countries (LDCs), nor the achievement of the Union's climate change mitigation obligations under the Paris Agreement.*

Or. en

## **Amendment 20**

**Luke Ming Flanagan**

on behalf of the GUE/NGL Group

### **Proposal for a regulation**

#### **Recital 10**

*Text proposed by the Commission*

(10) Where a Member State accredits more than one paying agency, it should designate a single public coordinating body in order to ensure consistency in the management of Funds, to provide for a liaison between the Commission and the various accredited paying agencies, and to ensure that the information requested by the Commission concerning the operations of several paying agencies is provided promptly. The coordinating body should also take and coordinate actions with a view to resolving any deficiencies of a common nature encountered at national level and should keep the Commission informed of any follow-up.

*Amendment*

(10) Where a Member State accredits more than one paying agency, it should designate a single public coordinating body in order to ensure consistency in the management of Funds, to provide for a liaison between the Commission and the various accredited paying agencies, and to ensure that the information requested by the Commission concerning the operations of several paying agencies is provided promptly. The coordinating body should also take and coordinate actions with a view to resolving any deficiencies of a common nature encountered at national level and should keep the Commission informed of any follow-up. ***Paying agencies should develop their role as advisors to farmers and make efforts towards the simplification of procedures and ensuring compliance with standards at European level, in addition In recognition of New Delivery Model Member States shall establish a functionally independent mediation and appeals body comprising the required expertise and stakeholder representation;***

Or. en

**Amendment 21**  
**Luke Ming Flanagan**  
on behalf of the GUE/NGL Group

**Proposal for a regulation**  
**Recital 14**

*Text proposed by the Commission*

(14) With a view to ensuring that the amounts for the financing of the CAP comply with the annual ceilings, the financial discipline mechanism by which the level of direct support is adjusted, should be maintained. However, the threshold of **EUR 2000** should be abolished. An agricultural reserve should be maintained to support the agricultural sector in the event of market developments or major crises affecting the agricultural production or distribution. Article 12(2)(d) of Regulation (EU, Euratom) [New Financial Regulation] foresees that non-committed appropriations may be carried over **to** the following financial year only. In order to significantly simplify the implementation for beneficiaries and national administrations, a roll-over mechanism should be used, using any unused amounts of the reserve for crises in the agricultural sector established in 2020. For this purpose a derogation from Article 12(2)(d) is necessary, allowing for non-committed appropriations of the agricultural reserve to be carried over without time limitation to finance the agricultural reserve in the following financial year(s). Furthermore, as regards the financial year 2020, a second derogation is necessary as the total unused amount of the reserve available at the end of year 2020 should be carried over to the year 2021 to the corresponding line of the new agricultural reserve without being returned to the budgetary lines which cover direct payment interventions under the CAP Strategic Plan.

*Amendment*

(14) With a view to ensuring that the amounts for the financing of the CAP comply with the annual ceilings, the financial discipline mechanism by which the level of direct support is adjusted, should be maintained. However, the threshold of **EUR2000** should be abolished. An agricultural reserve should be maintained to support the agricultural sector in the event of market developments or major crises affecting the agricultural production or distribution. ***The crisis reserve should be a functioning flexible tool, a mechanism which would enable the EU to better respond to any crisis that has EU-wide consequences on any of the agricultural sectors, especially in terms of the economy.*** Article 12(2)(d) of Regulation (EU, Euratom) [New Financial Regulation] foresees that non-committed appropriations may be carried over to the following financial year only. In order to significantly simplify the implementation for beneficiaries and national administrations, a roll-over mechanism should be used, using any unused amounts of the reserve for crises in the agricultural sector established in 2020. For this purpose a derogation from Article 12(2)(d) is necessary, allowing for non-committed appropriations of the agricultural reserve to be carried over without time limitation to finance the agricultural reserve in the following financial year(s). Furthermore, as regards the financial year 2020, a second derogation is necessary as the total unused amount of the reserve available at the end of year 2020 should be carried over to the year 2021 to the corresponding line of the new agricultural reserve without being returned to the budgetary lines which cover direct payment interventions under the

**Amendment 22**

**Luke Ming Flanagan**

on behalf of the GUE/NGL Group

**Proposal for a regulation**

**Recital 24**

*Text proposed by the Commission*

(24) Member States should ensure that Union aid be paid to beneficiaries in good time so that they may use it efficiently. A failure by the Member States to comply with the payment deadlines laid down in Union law might create serious difficulties for the beneficiaries and could jeopardise the Union's yearly budgeting. Therefore, expenditure made without respecting deadlines for payments should be ***excluded from Union financing***. In accordance with the principle of proportionality, the Commission should be empowered to provide for exceptions from this general rule with regard to both Funds.

*Amendment*

(24) Member States should ensure that Union aid be paid to beneficiaries in good time so that they may use it efficiently. A failure by the Member States to comply with the payment deadlines laid down in Union law might create serious difficulties for the beneficiaries and could jeopardise the Union's yearly budgeting. Therefore, expenditure made without respecting deadlines for payments should be ***subject to a premium granted to the final beneficiaries and, where appropriate, compensation for the economic loss caused by the late payment***. In accordance with the principle of proportionality, the Commission should be empowered to provide for exceptions from this general rule with regard to both Funds.

**Amendment 23**

**Luke Ming Flanagan**

on behalf of the GUE/NGL Group

**Proposal for a regulation**

**Recital 30**

*Text proposed by the Commission*

(30) As regards the multi-annual performance monitoring the Commission should also have the power to suspend

*Amendment*

(30) As regards the multi-annual performance monitoring the Commission should also have the power to suspend

payments. Accordingly in cases of delayed or insufficient progress towards targets, set out in the national CAP Strategic Plan, the Commission should be empowered to request the Member State concerned to take the necessary remedial actions in accordance with an action plan to be established in consultation *with the Commission and containing* clear progress indicators, by means of an implementing act. Where the Member State fails to submit or to implement the action plan or where the action plan is manifestly insufficient to remedy the situation, the Commission should have the power to suspend the monthly or interim payments, by means of an implementing act.

payments. Accordingly in cases of delayed or insufficient progress towards targets, set out in the national CAP Strategic Plan, the Commission should be empowered to request the Member State concerned to take the necessary remedial actions in accordance with an action plan to be established in consultation *local, regional, national and international stakeholders. Such action plans should contain* clear progress indicators, by means of an implementing act. Where the Member State fails to submit or to implement the action plan or where the action plan is manifestly insufficient to remedy the situation, the Commission should have the power to suspend the monthly or interim payments, by means of an implementing act.  
*Particular attention should be paid to respect of the Union's environmental legislation as well as EU and Member States' commitments to the 2030 Agenda for Sustainable Development and Treaty obligations.*

Or. en

**Amendment 24**  
**Luke Ming Flanagan**  
on behalf of the GUE/NGL Group

**Proposal for a regulation**  
**Recital 31**

*Text proposed by the Commission*

(31) As had been the case under Regulation (EU) No 1306/2013, the Commission should be empowered to suspend payments when serious deficiencies exist in the governance systems, including non-compliance with Union basic requirements and unreliability of reporting. It is, however, necessary to review the conditions for suspending payments in order to make the mechanism more efficient. The financial consequences of such suspensions should be decided in

PE632.815v01-00

*Amendment*

(31) As had been the case under Regulation (EU) No 1306/2013, the Commission should be empowered to suspend payments when serious deficiencies exist in the governance systems, including non-compliance with Union basic requirements and unreliability of reporting. *In addition, incoherence between CAP implementation and other EU policies and commitments, inter alia, the SDGs, climate, environment and human rights obligations, should*



an ad-hoc conformity procedure.

*be considered as a deficiency in Member states' governance systems*, It is, however, necessary to review the conditions for suspending payments in order to make the mechanism more efficient. The financial consequences of such suspensions should be decided in an ad-hoc conformity procedure.

Or. en

## **Amendment 25**

**Luke Ming Flanagan**

on behalf of the GUE/NGL Group

### **Proposal for a regulation**

#### **Recital 47**

##### *Text proposed by the Commission*

(47) The existing main elements of the integrated system and, in particular, the provisions concerning a system for identifying agricultural parcels, a geo-spatial and an animal-based application system, a system for identifying and registering payment entitlements, a system for recording the identity of beneficiaries and a control and penalties system should be maintained. Member States should continue to use data or information products provided by the Copernicus programme, in addition to information technologies such as GALILEO and EGNOS in order to ensure that comprehensive and comparable data is available throughout the Union for the purposes of monitoring agri-environment-climate policy and for the purposes of boosting the use of full, free and open data and information captured by Copernicus Sentinels satellites and services. To this end, the integrated system should include also an area monitoring system.

##### *Amendment*

(47) The existing main elements of the integrated system and, in particular, the provisions concerning a system for identifying agricultural parcels, a geo-spatial and an animal-based application system, a system for identifying and registering payment entitlements, a system for recording the identity of beneficiaries and a control and penalties system should be maintained. Member States should continue to use data or information products provided by the Copernicus programme, in addition to information technologies such as GALILEO and EGNOS in order to ensure that comprehensive and comparable data is available throughout the Union for the purposes of monitoring agri-environment-climate policy and for the purposes of boosting the use of full, free and open data and information captured by Copernicus Sentinels satellites and services. To this end, the integrated system should include also an area monitoring system. *The purpose of using such technology should be to limit the amount of on farm inspections that are required and reduce the*

*administrative burden on farmers.*

Or. en

**Amendment 26**  
**Martina Dlabajová**

**Proposal for a regulation**  
**Recital 48**

*Text proposed by the Commission*

(48) The integrated system, as part of the governance systems which should be in place in order to implement the CAP, should ensure that the aggregate data provided in the annual performance reporting is reliable and verifiable. Given the importance of a properly functioning integrated system, it is necessary to set quality requirements. Member States should carry out an annual quality assessment of the identification system for agricultural parcels, of the geo-spatial application system and of the area monitoring system. Member States should also address any deficiencies and, if so requested by the Commission, set up an action plan.

*Amendment*

(48) The integrated system, as part of the governance systems which should be in place in order to implement the CAP, should ensure that the aggregate data provided in the annual performance reporting is **accurate**, reliable and verifiable. Given the importance of a properly functioning integrated system, it is necessary to set quality requirements. Member States should carry out an annual quality assessment of the identification system for agricultural parcels, of the geo-spatial application system and of the area monitoring system. Member States should also address any deficiencies and, if so requested by the Commission, set up an action plan.

Or. en

**Amendment 27**  
**Luke Ming Flanagan**  
on behalf of the GUE/NGL Group

**Proposal for a regulation**  
**Recital 57**

*Text proposed by the Commission*

(57) While Member States should be allowed to set out the details on penalties, those penalties should be proportionate, effective and dissuasive and should be without prejudice to other penalties laid down under Union or national law. To

*Amendment*

(57) While Member States should be allowed to set out the details on penalties, those penalties should be proportionate, effective and dissuasive and should be without prejudice to other penalties laid down under Union or national law. To

ensure an effective and coherent approach by Member States, it is necessary to provide for *a* minimum penalty *rate* at Union level for non-compliance occurring for the first time due to negligence, *while reoccurrence* should *lead to a higher percentage and intentionality may* result in *the* total exclusion from the payment. To ensure proportionality of the penalties, where the non-compliance is of a minor nature and occurs for the first time, Member States should be allowed to introduce an early warning system.

ensure an effective and coherent approach by Member States, it is necessary to provide for minimum penalty *rates* at Union level for *cases of* non-compliance occurring for the first time due to negligence, *but where such cases are repeated or intentional, this* should *potentially* result in total exclusion from the payment. To ensure proportionality of the penalties, where the non-compliance is of a minor nature and occurs for the first time, Member States should be allowed to introduce an early warning system *and a right for beneficiaries to regularise their personal situation.*

Or. en

## Amendment 28 Martina Dlabajová

### Proposal for a regulation Recital 69

#### *Text proposed by the Commission*

(69) If the objective of the public control of the use of the money from the Funds is to be achieved, a certain level of information about beneficiaries needs to be brought to the attention of the public. That information should include data on the identity of the beneficiary, the amount awarded and the fund from which it comes, and the purpose and nature of the type of intervention or measure concerned. The publication of that information should be made in such a way as to cause less interference with the beneficiaries' right to respect for their private life, and to their right to protection of their personal data, both rights which are recognised in Articles 7 and 8 of the Charter of Fundamental Rights of the European Union.

#### *Amendment*

(69) If the objective of the public control of the use of the money from the Funds is to be achieved, a certain level of information about beneficiaries needs to be brought to the attention of the public. That information should include data on the identity of the beneficiary, the amount awarded and the fund from which it comes, and the purpose and nature of the type of intervention or measure concerned *and should be published in an open and machine-readable format.* The publication of that information should be made in such a way as to cause less interference with the beneficiaries' right to respect for their private life, and to their right to protection of their personal data, both rights which are recognised in Articles 7 and 8 of the Charter of Fundamental Rights of the European Union.

**Amendment 29**  
**Ingeborg Gräßle**

**Proposal for a regulation**  
**Article 2 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) "governance systems" means the governance bodies referred to in Chapter II of Title II of this Regulation and the basic Union requirements laid down in this Regulation and Regulation (EU) .../... [CAP Strategic Plan Regulation], including the reporting system put in place for the purposes of the annual performance report referred to in Article 121 of Regulation (EU) .../... [CAP Strategic Plan Regulation];

*Amendment*

(b) "governance systems" means the governance bodies referred to in Chapter II of Title II of this Regulation and the basic Union requirements laid down in this Regulation and Regulation (EU) .../... [CAP Strategic Plan Regulation], including ***Member States obligations with regard to the effective protection of the financial interests of the Union referred to in Article 57 of this Regulation*** and the reporting system put in place for the purposes of the annual performance report referred to in Article 121 of Regulation (EU) .../... [CAP Strategic Plan Regulation];

Or. en

**Amendment 30**  
**Luke Ming Flanagan**  
on behalf of the GUE/NGL Group

**Proposal for a regulation**  
**Article 7 – paragraph 1 – point f**

*Text proposed by the Commission*

(f) studies on the CAP and evaluations of measures financed by the Funds, including improvement of evaluation methods and exchange of information on practices under the CAP, as well as studies carried out with the European Investment Bank (EIB);

*Amendment*

(f) studies on the CAP and evaluations of measures financed by the Funds, including improvement of evaluation methods and exchange of information on practices under the CAP, ***including consultations with local, regional, national, and international stakeholders, academic experts, NGOs***, as well as studies carried out with the European Investment Bank (EIB);

**Amendment 31**  
**Ingeborg Gräßle**

**Proposal for a regulation**  
**Article 11 – paragraph 1 – subparagraph 2 – point d**

*Text proposed by the Commission*

(d) the expenditure for the measures laid down in Regulation (EU) No 1308/2013 for which reimbursement has been requested from the Commission is legal and regular. ;

*Amendment*

(d) the expenditure for the measures laid down in Regulation (EU) No 1308/2013 for which reimbursement has been requested from the Commission ***for the measures laid down in Regulation (EU) No 1308/2013, Regulation (EU) No 228/2013, Regulation (EU) No 229/2013 and Regulation (EU) 1144/2014*** is legal and regular;

Or. en

**Amendment 32**  
**Luke Ming Flanagan**  
on behalf of the GUE/NGL Group

**Proposal for a regulation**  
**Article 11 – paragraph 2**

*Text proposed by the Commission*

2. The certification body shall have the necessary technical expertise. It shall be operationally independent from the paying agency and the coordinating body concerned as well as from the authority which has accredited that agency and the bodies responsible for the implementation and the monitoring of the CAP.

*Amendment*

2. The certification body shall have the necessary technical expertise, ***not solely from a financial management aspect but also related to achieving the intended aims of the interventions and payments rewarding public goods. All data and information used to enable the certifying bodies to give assurance that the objectives and targets of the CAP are indeed being reached, as well as the assumptions made, shall be made available transparently and shall be evidence based and verifiable by third parties.*** It shall be operationally independent from the paying agency and the coordinating body concerned as well as

from the authority which has accredited that agency and the bodies responsible for the implementation and the monitoring of the CAP.

Or. en

**Amendment 33**  
**Ingeborg Gräßle**

**Proposal for a regulation**  
**Article 35 – paragraph 1 – introductory part**

*Text proposed by the Commission*

The expenditure referred to in Article 5(2) and Article 6 may be financed by the Union only if:

*Amendment*

The expenditure referred to in Article 5(2) and Article 6 may be financed by the Union only if ***it has been effected by accredited paying agencies and:***

Or. en

**Amendment 34**  
**Ingeborg Gräßle**

**Proposal for a regulation**  
**Article 35 – paragraph 2**

*Text proposed by the Commission*

Point **(c)(i)** of the first paragraph shall not apply to advances paid to beneficiaries under types of interventions referred to in Regulation (EU) No.../...[CAP Strategic Plan Regulation].

*Amendment*

Point **(b)(i)** of the first paragraph shall not apply to advances paid to beneficiaries under types of interventions referred to in Regulation (EU) No.../...[CAP Strategic Plan Regulation].

Or. en

**Amendment 35**  
**Ingeborg Gräßle**

**Proposal for a regulation**  
**Article 46 – paragraph 1**

*Text proposed by the Commission*

For the purposes of Article 127 of the Financial Regulation, the Commission **shall take assurance** from the work of the certification bodies referred to in Article 11 of this Regulation, unless it has informed the Member State that it cannot rely on the work of the certification body for a given financial year, and it shall take it into account in its risk assessment of the need for Commission audits in the Member State concerned.

*Amendment*

For the purposes of Article 127 of the Financial Regulation, **assurance shall be taken by** the Commission from the work of the certification bodies referred to in Article 11 of this Regulation, unless it has informed the Member State that it cannot rely on the work of the certification body for a given financial year, and it shall take it into account in its risk assessment of the need for Commission audits in the Member State concerned.

Or. en

**Amendment 36**  
**Ingeborg Gräßle**

**Proposal for a regulation**  
**Article 53 – paragraph 1 – subparagraph 3**

*Text proposed by the Commission*

The first subparagraph shall not **apply** to cases of non-compliance with the eligibility conditions for individual beneficiaries laid down in the national CAP Strategic Plans and national rules.

*Amendment*

The first subparagraph shall not **extend** to cases of non-compliance with the eligibility conditions for individual beneficiaries laid down in the national CAP Strategic Plans and national rules.

Or. en

**Amendment 37**  
**Ingeborg Gräßle**

**Proposal for a regulation**  
**Article 65 – paragraph 1 – subparagraph 1**

*Text proposed by the Commission*

Member States shall record and keep any data and documentation on the annual outputs reported in the context of the annual performance clearance as referred to in Article 52, and the **reported** progress towards targets as set out in the CAP Strategic Plan and monitored in accordance

*Amendment*

Member States shall record and keep any data and documentation on the annual outputs **which are** reported in the context of the annual performance clearance as referred to in Article 52, and the progress **reported** towards targets as set out in the CAP Strategic Plan and monitored in

with Article 115 of Regulation (EU)  
.../...[CAP Strategic Plan Regulation].

accordance with Article 115 of Regulation  
(EU) .../...[CAP Strategic Plan  
Regulation].

Or. en