



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Agriculture and Rural Development

2010/0372(COD)

4.3.2011

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 378/2007 as regards the rules for the implementation of voluntary modulation of direct payments under the common agricultural policy

(COM(2010)0772 – C7-0013/2011 – 2010/0372(COD))

Committee on Agriculture and Rural Development

Rapporteur: Britta Reimers

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: [...].

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
EXPLANATORY STATEMENT	10

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 378/2007 as regards the rules for the implementation of voluntary modulation of direct payments under the common agricultural policy

(COM(2010)0772 – C7-0013/2011 – 2010/0372(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2010)0772),
 - having regard to Article 294(2) and Article 43(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0013/2011),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee¹,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development (A7-0000/2011),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation – amending act Recital 3

Text proposed by the Commission

(3) In order to **guarantee a uniform application of voluntary modulation of direct payments in all Member States, the Commission should be empowered to adopt implementing acts in accordance with Article 291 of the Treaty. Save where explicitly provided otherwise, the Commission should adopt those implementing acts in accordance with the provisions of Regulation (EU) No. 182/2011 of the European Parliament and the Council on 16 February 2011 to be completed following the adoption of the regulation on control mechanisms, as referred to in Article 291(3) of the TFEU, currently the subject of discussion by the European Parliament and the Council.**

Amendment

(3) In order to **ensure uniform conditions for the implementation** of Regulation (EC) No 378/2007 in **the Member States concerned, implementing powers should be conferred on the Commission as regards fixing the net amounts resulting from the application of voluntary modulation, ensuring the integration of voluntary modulation in rural development programming and ensuring the financial management of voluntary modulation. Those powers should be exercised** in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 **laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers¹.**

¹ OJ L 55, 28.2.2011, p. 13.

Or. en

Amendment 2

Proposal for a regulation – amending act Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) The advisory procedure should be used for the adoption of specific provisions for the financial management of voluntary modulation in order to ensure the efficient implementation of voluntary modulation.

Justification

In case advisory procedure is used, a justification is necessary

Amendment 3**Proposal for a regulation – amending act****Article 1 - point 1**

Regulation (EC) No 378/2007

Article 4 - paragraph 1 - introductory part

Text proposed by the Commission

"The net amounts resulting from the application of voluntary modulation shall be fixed by the Commission, by means of implementing acts ***without the assistance of a committee***, based on:"

Amendment

"The net amounts resulting from the application of voluntary modulation shall be fixed by the Commission by means of implementing acts based on:"

Justification

It is not clear why the nature of these acts imply that the Commission should act without the assistance of a committee, therefore the phrase is deleted.

Amendment 4**Proposal for a regulation – amending act****Article 1 - point 2**

Regulation (EC) No 378/2007

Article 6

Text proposed by the Commission

1. The Commission shall , by means of implementing acts in accordance with the procedure referred to in Article 91c of Regulation (EC) No 1698/2005, adopt specific provisions for the integration of voluntary modulation in the rural development programming.

2. The Commission shall by means of

Amendment

1. The Commission shall, by means of implementing acts, adopt specific provisions for the integration of voluntary modulation in the rural development programming. ***Those implementing acts shall be adopted in accordance with the examination procedure referred to in the second subparagraph of Article 6a(1) .***

2. The Commission shall, by means of

implementing acts *in accordance with the procedure referred to in Article 42d(3) of Regulation (EC) No 1290/2005*, adopt specific provisions for the financial management of voluntary modulation."

implementing acts, adopt specific provisions for the financial management of voluntary modulation. *Those implementing acts shall be adopted in accordance with the advisory procedure referred to in the second subparagraph of Article 6a(2).*"

Or. en

Justification

Standard text is inserted in order to specify exactly which procedure corresponds to the specific provision.

Amendment 5

Proposal for a regulation – amending act

Article 1 - point 2 a (new)

Regulation (EC) No 378/2007

Article 6 a (new)

Text proposed by the Commission

Amendment

(2a) The following Article is added:

Article 6 a

1. The Commission shall be assisted by the Rural Development Committee established by Article 90 of Council Regulation (EC) No 1698/2005. That committee is a committee within the meaning of Regulation (EU) No 182/2011.

Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

2. The Commission shall be assisted by the Committee on Agricultural Funds established by Council Regulation (EC) 1290/2005. That committee is a committee within the meaning of Regulation (EU) No 182/2011.

Where reference is made to this paragraph, Article 4 of Regulation (EU)

No 182/2011 shall apply.

Or. en

Justification

Standard text is added to make reference to the relevant committees that have already been established. This change derives from the template on standard wording on implementing acts.

EXPLANATORY STATEMENT

The Treaty of Lisbon abolishes the old comitology system, which was based on the classic comitology procedures (advisory, management, regulatory) and the regulatory procedure with scrutiny. This system is now replaced with a two tier structure, consisting of delegated and implementing acts (the former including Parliament's right of veto), which enable the Commission to exert powers in implementation and execution. Thus, the existing body of legislation has to be aligned to this new legal reality.

The proposal is limited to modifications for the purpose of alignment only.

Alignment to TFUE provisions on implementing powers

Following the Lisbon Treaty, the powers conferred under Regulation (EC) No 73/2009 upon the Commission need to be aligned to Articles 290 and 291 of the Treaty on the Functioning of the European Union. Articles 290 and 291 of the Treaty on the Functioning of the European Union (TFUE) distinguish two different types of Commission acts:

- Article 290 allows the legislator to delegate to the Commission the power to adopt non-legislative acts of general application to supplement or amend certain non-essential elements of a legislative act. Legal acts adopted by the Commission in this way are referred to in the terminology used by the Treaty as "delegated acts" (Article 290(3));
- Article 291 of the TFUE allows Member States to adopt all measures of national law necessary to implement legally binding Union acts. Those acts can confer implementing powers on the Commission where uniform conditions for implementing them are needed. Legal acts adopted by the Commission in this way are referred to in the terminology used by the Treaty as "implementing acts" (Article 291(4)).

Rapporteur proposals on alignment

The proposal amends Council Regulation 378/2007 by adding one provision of implementing acts (Article 4(1) - The use of implementing acts provisions in these articles are elaborated in Articles 6a and 6b.

In addition, following the recent conclusion of a Common Understanding on practical arrangements for the use of delegated acts (Article 290 TFUE), as well as the conclusion of the procedure on the Regulation of the European Parliament and the Council laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers, the rapporteur proposes an updated version of the legal text, including the wording agreed to by Parliament and Council, related to committee procedures.

The rapporteur supports the proposal of the Commission. Based on the criteria defined for each type of act, the rapporteur carefully scrutinized the Commission proposal and identified areas where the conditions for implementing acts were met. Inconsistencies were not observed.