

Delegated Acts linked to the agricultural part of the Omnibus

Presentation to COMAGRI 20/03/2018

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Agriculture and Rural Development



Outline

- 1. Direct Payments
- 2. Rural Development
- 3. Common Market Organisation
- 4. Horizontal issues
- 5. Timing



Disclaimer

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The slides related to upcoming delegated acts cannot in any circumstances be regarded as the official position of the Commission



Direct payments - Voluntary coupled support and hemp

Basic act: EP/Council Regulation (EU) No 1307/2013 (direct payments)

Amendments to: Delegated Regulation (EU) No 639/2014

- Following the clarification in the Omnibus of the nature of VCS as a production limiting scheme, need for adaptation of:
 - the definition of difficulty (with retroactive application from claim year 2015)
 - cumulation of support
- Simplification of some MS obligations regarding notification rules
- Extension of the hemp seeds eligible under direct payments to some conservation hemp varieties



Direct payments - Greening

Basic act: EP/Council Regulation (EU) No 1307/2013 (direct payments) Amendments to: Delegated Regulation (EU) No 639/2014

Permanent grassland

- Provision on adaptation of reference ratio: extension of the list of potential changes for an adaptation in order to take account effect of new PG definition on the calculation of the PG ratio (e.g. ploughingup criterion)
- Rules on new permanent grassland established to compensate for reconverted permanent grassland to allow establishment on the same parcel



Direct payments - Greening

Basic act: EP/Council Regulation (EU) No 1307/2013 (direct payments)

Amendments to: Delegated Regulation (EU) No 639/2014

Ecological Focus Areas

- Extension of existing management conditions to new EFA types:
 - "Miscanthus" and "Silphium perfoliatum" management conditions aligned to those of "Short rotation coppice" (requirements on the use of chemical inputs (fertilisers or pesticides))
 - "Land lying fallow for melliferous plants" management conditions aligned with those of "Land lying fallow" ("no production" requirement, minimum duration to be set by Member States and the ban on the use of plant protection products)
- MS have to set up a list of melliferous plants species. They are allowed to add further criteria.



Rural Development – Young farmers, mutual funds, investments

Basic act: EP/Council Regulation (EU) No 1305/2013

Amendments to: Delegated Regulation (EU) No 807/2014

- Omnibus amended definition of "young farmer" by covering "joint setting up" and "date of setting", created a sub-measure ("Income stabilisation tool for farmers of a specific sector") and simplified rules for investments.
- DA amendements cover:
 - For Young farmers: alignment legal text to new definitions (that take on board certain elements included in previous secondary legislation)
 - For LST: extends existing rules on the duration of the loan for commercial loans to new sub-measure
 - For Investments in the form of financial instruments: clarifies scope of derogations for financial instruments from the general eligibility rules for investments



Common Market Organisation – Fruit and vegetables

Basic act: EP/Council Regulation (EU) No 1308/2013 Amendments to: Delegated Regulation (EU) No 2017/891

Amendments aim at setting conditions for a newly established scheme and at strengthening existing ones

- <u>Coaching</u>: new eligible action (100% EU financial assistance) which aims at improving the knowledge of producer organisations established in less organised regions, thus making the scheme more appealing for individual producers, networking, new marketing channels, setting-up of transnational entities.
- <u>Mutual funds</u>: efficiency of the tool improved since the replenishment of mutual funds will become eligible (only the setting-up is currently permitted) = a kind of income insurance



Common Market Organisation – Fruit and vegetables

But also provides for simplification/clarifications:

- National financial assistance (only national support): no more Commission decision
- Promotion and communication in order to diversify and consolidate the F&V markets – clarifications regarding an existing measure.
- Simplification of reporting



Horizontal - Non-compliance with payment deadline

Basic act: EP/Council Regulation (EU) No 1306/2013 on financing, management and monitoring of Common Agricultural Policy Amendments to: Delegated Regulation (EU) No 907/2014

- According to the Basic Act, the IACS payments for which beneficiaries apply in campaign year N shall be made by MS between 1 December of year N and 30 June of year N+1. Already applies for EAGF.
- The Omnibus modification of the basic act postponed application for EAFRD from campaign year 2018 to 2019.
- Delegated act further proposes (similarly to EAGF) proportional reductions for EAFRD (25% for payments made in the first quarter following the deadline, 60% for payments made in the second quarter following the deadline, 100% for payments made later than mentioned above)



Timing

- Omnibus modifications apply from 1 January 2018
- VCS/hemp DA: Two expert group meetings (29/11 and 23/01/2018). Adopted by the Commission on 28 February 2018. Scrutiny period (unless extended) should end on 1 May 2018, in which case publication is expected in early May.
- Greening DA: Two expert group meetings (14/12 and 23/01).
 Adoption foreseen in April 2018.
- <u>RD DA Young farmers/investments</u>: Expert group meeting (25/04). Adoption foreseen mid-July 2018.
- <u>CMO DA F&V</u>: Two expert Group meetings (27/11 and 12/12/2017). Adoption foreseen in April 2018.
- HZ DA Payment deadlines: Expert Group meeting (20/10/2017). Adoption foreseen April 2018.