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REPORT

on the proposal for a Council regulation establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers
(COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS))

Committee on Agriculture and Rural Development

Rapporteur: Luis Manuel Capoulas Santos

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- *** Assent procedure
*majority of Parliament's component Members except in cases
covered by Articles 105, 107, 161 and 300 of the EC Treaty and
Article 7 of the EU Treaty*
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

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

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. In the case of amending acts, passages in an existing provision that the Commission has left unchanged, but that Parliament wishes to amend, are highlighted in **bold**. Any deletions that Parliament wishes to make in passages of this kind are indicated thus: [...]. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). Suggested corrections of this kind are subject to the agreement of the departments concerned.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a Council regulation establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers

(COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2008)0306),
 - having regard to Articles 36, 37 and 299(2) of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0240/2008),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development and the opinions of the Committee on Budgets and the Committee on the Environment, Public Health and Food Safety (A6-0402/2008),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
 5. Instructs its President to forward its position to the Council and Commission.

Amendment 1

Proposal for a regulation

Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) The dismantling of bureaucracy in the agricultural sector should be pursued by means of transparent, simpler and less cumbersome legislation. Only by reducing costs and administrative burdens can the

*common agricultural policy help
entrepreneurial farmers to become
competitive on globalised markets.*

Amendment 2

Proposal for a regulation Recital 2

Text proposed by the Commission

(2) Regulation (EC) No 1782/2003 established the principle that farmers who do not comply with certain requirements in the areas of public, animal and plant health, environment and animal welfare shall be subject to reductions of or the exclusion from direct support. This 'cross-compliance' system forms an integral part of Community support under direct payments and should therefore be maintained. However, experience has shown that a number of the requirements under the scope of cross compliance are not sufficiently relevant to the farming activity or the farm land or concern national authorities rather than farmers. It is therefore appropriate to adjust the scope of cross compliance.

Amendment

(2) Regulation (EC) No 1782/2003 established the principle that farmers who do not comply with certain requirements in the areas of public, animal and plant health, environment and animal welfare shall be subject to reductions of or the exclusion from direct support. This 'cross-compliance' system forms an integral part of Community support under direct payments and should therefore be maintained. However, experience has shown that a number of the requirements under the scope of cross compliance are not sufficiently relevant to the farming activity or the farm land or concern national authorities rather than farmers. It is therefore appropriate to adjust the scope of cross compliance. ***Should the relevant article dealing with cross-compliance included in all the acts concerning foodstuffs and feed¹ be incorporated, this should not lead to additional controls.***

¹ Regulation (EC) No 852/2004 of the European Parliament and of the Council of 29 April 2004 on the hygiene of foodstuffs (OJ L 139, 30.4.2004, p. 1), Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin (OJ L 139, 30.4.2004, p. 55), and Regulation (EC) No 183/2005 of the European Parliament and of the Council of 12 January 2005 laying down requirements for feed hygiene (OJ L 35, 8.2.2005, p. 1).

Justification

The specific requirements set out in the annexes to the regulations making up the so-called

'hygiene' package should be incorporated into the Council regulation in order to rule out misunderstandings in connection with the interpretation and application of these provisions.

Amendment 3

Proposal for a regulation

Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) Continuous efforts should be made towards achieving simplification, improvement and harmonisation of the cross-compliance system. The Commission should therefore present a report on the application of the cross-compliance system every two years.

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 4

Proposal for a regulation

Recital 2 b (new)

Text proposed by the Commission

Amendment

(2b) Reduced administrative burdens, harmonised checks, amalgamation of checks, including within the Union institutions, and timely payments would increase the overall support among farmers for the cross-compliance system and thus increase the effectiveness of the policy.

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 5

Proposal for a regulation Recital 2 c (new)

Text proposed by the Commission

Amendment

(2c) In order to limit the burden on farmers, Member States and the Union institutions should be encouraged to keep both the number of on-the-spot checks and the number of supervisory agencies to a minimum, without prejudice to the provisions of Commission Regulation (EC) No 796/2004 of 21 April 2004 laying down detailed rules for the implementation of cross-compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003¹. Member States should therefore be allowed to perform minimum controls at the level of the paying agency. Further, Member States and the Union institutions should be encouraged to take additional measures to limit the number of persons carrying out the controls, to ensure that they are properly trained and to limit the period during which an on-the-spot check may be carried out on a particular farm to a maximum of one day. The Commission should assist Member States in meeting the requirements for integrated sample selections. Sample selection for on-the-spot checks should be carried out independently from specific minimum control percentages as provided for under the specific legislation falling within the scope of cross-compliance.

¹ OJ L 141, 30.4.2004, p. 18.

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report

T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 6

Proposal for a regulation

Recital 2 d (new)

Text proposed by the Commission

Amendment

(2d) Member States should ensure that farmers are not penalised twice (i.e. through the reduction or withholding of payments, as well as a fine following non-compliance with the relevant national legislation) for the same instance of non-compliance.

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 7

Proposal for a regulation

Recital 3

Text proposed by the Commission

Amendment

(3) Furthermore, in order to avoid the abandonment of agricultural land and ensure that it is maintained in good agricultural and environmental condition, Regulation (EC) No 1782/2003 established a Community framework within which Member States adopt standards taking account of the specific characteristics of the areas concerned, including soil and climatic conditions and existing farming systems (land use, crop rotation, farming practices) and farm structures. The abolition of compulsory set aside within the single payment scheme may in certain cases have adverse effects for the environment, in

(3) Furthermore, in order to avoid the abandonment of agricultural land and ensure that it is maintained in good agricultural and environmental condition, Regulation (EC) No 1782/2003 established a Community framework within which Member States adopt standards taking account of the specific characteristics of the areas concerned, including soil and climatic conditions and existing farming systems (land use, crop rotation, farming practices) and farm structures. The abolition of compulsory set aside within the single payment scheme may in certain cases have adverse effects for the environment, in

particular as regards certain landscape features. It is therefore appropriate to reinforce the existing Community provisions aiming at protecting, where appropriate, specified landscape features.

particular as regards **ordinary biodiversity and** certain landscape features. It is therefore appropriate to reinforce the existing Community provisions aiming at protecting, where appropriate, **biodiversity and** specified landscape features. **While taking account of the need to ensure the highest water quality standards, as laid down in Community legislation, no further restrictions should be imposed which would impede desirable rural development.**

Amendment 8

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Protection and management of water in the context of the agricultural activity **has** increasingly **become** a problem in **certain areas**. It is therefore appropriate to also reinforce the existing Community framework for good agricultural and environmental condition with the aim to protect water against pollution and run-off and to manage the use of water.

Amendment

(4) Protection and management of water in the context of the agricultural activity **is** increasingly **becoming** a problem in **an increasingly large part of the Community**. It is therefore appropriate to also reinforce the existing Community framework for good agricultural and environmental condition with the aim to protect water against pollution and run-off and to manage the use of water, **including reducing the substantial annual wastage of water through better agronomic and water management systems**.

Justification

In order to solve and avoid the problem of water scarcity, the annual wastage of water in the agricultural sector has to be reduced.

Amendment 9

Proposal for a regulation Recital 5

Text proposed by the Commission

(5) Since permanent **pasture** has a positive environmental effect, it is appropriate to apply measures to encourage the maintenance of existing permanent **pasture** to avoid its massive conversion into arable land.

Amendment

(5) Since permanent **grassland** has a positive environmental effect, it is appropriate to apply measures to encourage the maintenance of existing permanent **grassland** to avoid its massive conversion into arable land.

Justification

Not all permanent grasslands are grazed. Permanent grasslands are important carbon stocks and Europe's most important biodiversity habitats. From that point of view, grasslands that are mowed are as important as pastures.

Amendment 10

Proposal for a regulation Recital 7

Text proposed by the Commission

(7) The savings made through the modulation mechanism introduced by Regulation (EC) No 1782/2003 are used to finance measures under the rural development policy. Since the adoption of that regulation the agricultural sector has been faced with a number of new and demanding challenges such as climate change, the increasing importance of bio energy, as well as the need for a better water management and a more effective protection of biodiversity. The European Community, as party to the Kyoto Protocol, has been called to adapt its policies in the light of the climate change considerations. Furthermore, following serious problems related to water scarcity and droughts, water management issues should be further addressed. Protecting biodiversity remains a major challenge and

Amendment

(7) The savings made through the modulation mechanism introduced by Regulation (EC) No 1782/2003 are used to finance measures under the rural development policy. Since the adoption of that regulation the agricultural sector has been faced with a number of new and demanding challenges such as climate change, the increasing importance of bio energy, as well as the need for a better water management and a more effective protection of biodiversity. The European Community, as party to the Kyoto Protocol, has been called to adapt its policies in the light of the climate change considerations. Furthermore, following serious problems related to water scarcity and droughts, water management issues should be further addressed. Protecting biodiversity remains a major challenge and

while important progress has been made, the achievement of the European Community's biodiversity target for 2010 will require additional efforts. The Community acknowledges the need to tackle these new challenges in the framework of its policies. In the area of agriculture, rural development programs adopted under Council Regulation (EC) No 1698/2006 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) are an appropriate tool to deal with them. To enable Member States to *revise their* rural development programmes accordingly without being required to reduce their current rural development activities in other areas, additional funding needs to be made available. However, the financial perspectives for the period 2007 to 2013 do not provide for the financial means to reinforce the Community's rural development policy as necessary. Under these circumstances it is appropriate to mobilise a large part of the financial resources needed by providing for a gradual increase of the reduction of direct payments through modulation.

while important progress has been made, the achievement of the European Community's biodiversity target for 2010 will require additional efforts. The Community acknowledges the need to tackle these new challenges in the framework of its policies. In the area of agriculture, rural development programs adopted under Council Regulation (EC) No 1698/2006 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) are an appropriate tool to deal with them. ***Some Member States already have rural development programmes in place that address the new challenges. However,*** to enable ***all*** Member States to ***operate*** rural development programmes without being required to reduce their current rural development activities in other areas, additional funding needs to be made available. However, the financial perspectives for the period 2007 to 2013 do not provide for the financial means to reinforce the Community's rural development policy as necessary. Under these circumstances it is appropriate to mobilise a large part of the financial resources needed by providing for a gradual increase of the reduction of direct payments through modulation.

Justification

It would not be appropriate to compel Member States to revisit their rural development programmes in the event that they already address the new challenges. It would also create administrative burdens and potentially impact adversely on farmers who are already participating in existing rural development programmes.

Amendment 11

Proposal for a regulation Recital 8

Text proposed by the Commission

(8) The distribution of direct income support among farmers is characterised by the allocation of a large share of payments to a rather limited number of large beneficiaries. ***It is clear that*** larger beneficiaries ***do not*** require the same level of unitary support for the objective of income support to be efficiently attained. Moreover, the potential to adapt makes it easier to larger beneficiaries to operate with lower levels of unitary support. It therefore seems equitable to expect farmers with high amounts of support to make a particular contribution to the financing of rural development measures addressing new challenges. Therefore, it appears appropriate to establish a mechanism providing for an increased reduction of the highest payments the proceeds of which should also be used to deal with new challenges in the framework of rural development. To ensure the proportionality of this mechanism the additional reductions should increase progressively according to the amounts of the payments concerned.

Amendment

(8) The distribution of direct income support among farmers is characterised by the allocation of a large share of payments to a rather limited number of large beneficiaries. ***Depending on their business structure,*** larger beneficiaries ***may not*** require the same level of unitary support for the objective of income support to be efficiently attained. Moreover, the potential to adapt makes it easier to larger beneficiaries to operate with lower levels of unitary support. It therefore seems equitable to expect farmers with high amounts of support – ***taking into account the total wage bill of each farm*** – to make a particular contribution to the financing of rural development measures addressing new challenges ***such as the promotion of quality production and producers' collectives.*** Therefore, it appears appropriate to establish a mechanism providing for an increased reduction of the highest payments the proceeds of which should also be used to deal with new challenges in the framework of rural development. To ensure the proportionality of this mechanism the additional reductions should increase progressively according to the amounts of the payments concerned.

Justification

Steps should be taken to ensure that the introduction of the new rules does not lead to job losses or the break-up of competitive holdings which have evolved naturally.

Amendment 12

Proposal for a regulation Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) The Member States should also be given a special support option in order to adequately meet new challenges which may arise from the effects of the CAP health check.

Amendment 13

Proposal for a regulation Recital 16

Text proposed by the Commission

Amendment

(16) In order to help farmers to meet the standards of modern, high-quality agriculture, it is necessary that Member States operate a comprehensive system offering advice to ***commercial farms***. The farm advisory system should help farmers to become more aware of material flows and on-farm processes relating to the environment, food safety, animal health and welfare without in any way affecting their obligation and responsibility to respect those standards.

(16) In order to help farmers to meet the standards of modern, high-quality agriculture, it is necessary that Member States operate a comprehensive system offering advice to ***all farmers***. The farm advisory system should help farmers to ***produce efficiently and in a cost-effective way and*** to become more aware of material flows and on-farm processes relating to the environment, food safety, animal health and welfare without in any way affecting their obligation and responsibility to respect those standards.

Amendment 14

Proposal for a regulation Recital 19

Text proposed by the Commission

Amendment

(19) The management of small amounts is a burdensome task for the competent authorities of the Member States. ***To avoid***

(19) The management of small amounts is a burdensome task for the competent authorities of the Member States. ***Member***

excessive administrative burden it is appropriate for Member States to refrain from granting direct payments where the payment would be lower than the Community average support for one hectare or the eligible area of the holding for which support is claimed would relate to less than one hectare. Special provision should be made for those Member States whose farm structure differs significantly from the average Community one. Member States should be given discretion to opt for the implementation of one of the two criteria taking account of the particularities of the structures of their agricultural economies. As special payment entitlements were allocated to farmers with so-called 'landless' holdings the application of the hectare-based threshold would be ineffective. Such farmers should therefore be subject to the averages support-based minimum amount.

States may decide not to grant direct payments below a minimum threshold to be determined.

Amendment 15

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) Payments provided for under Community support schemes should be made by the competent national authorities to beneficiaries in full, subject to any reductions provided for in this Regulation, and within prescribed periods. In order to render the management of direct payments more flexible, Member States should be allowed to pay direct payments in two instalments per year.

Amendment

(21) Payments provided for under Community support schemes should be made by the competent national authorities to beneficiaries in full, subject to any reductions provided for in this Regulation, and within prescribed periods. In order to render the management of direct payments more flexible, Member States should be allowed to pay direct payments in two instalments per year, ***with a view, on the one hand, to making provision, in the event of late payment, for the inclusion of interest at the market rate, and, on the other, subject to the needs of the sector, to giving the Member States flexibility in***

deciding payment dates.

Justification

Some payments have been made late during the past calendar year. In this type of situation farmers should at least receive compensation.

Amendment 16

Proposal for a regulation

Recital 23

Text proposed by the Commission

Amendment

(23) In order to achieve the objectives of the common agricultural policy, common support schemes have to be adapted to changing developments, if necessary within short time limits. Beneficiaries cannot, therefore, rely on support conditions remaining unchanged and should be prepared for a possible review of schemes in particular in the light of economic developments or the budgetary situation.

deleted

Amendment 17

Proposal for a regulation

Recital 23 a (new)

Text proposed by the Commission

Amendment

(23a) The first pillar of the common agricultural policy should be retained in the future so as to guarantee the key role which farmers play as motors of the economy in numerous rural regions, as well as being guardians of the landscape and ensuring the high standards of food safety required by the Union.

Justification

The systematic cuts in the level of direct payments to farmers could significantly reduce the viability of farming and jeopardise the survival of many holdings. The European Union

should take steps to make itself self-sufficient in food in the future.

Amendment 18

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) Regulation (EC) No 1782/2003 established a single payment scheme that combined the existing various support mechanisms into a single scheme of decoupled direct payments. Experience with the application of the single payment scheme shows that certain of its elements can be simplified to the benefit of farmers and administrations. Furthermore, given that the single payment scheme has in the meantime been implemented by all Member States that were required to do so, a number of provisions that were linked to its initial implementation have become obsolete and should therefore be adjusted. In this context, a significant under use of payment entitlements has been detected in some cases. To avoid such situation ***and taking into account that farmers are already familiar with the functioning of the single payment scheme***, the period ***initially fixed*** for reverting unused payment entitlements to the national reserve should be ***reduced to two*** years.

Amendment

(24) Regulation (EC) No 1782/2003 established a single payment scheme that combined the existing various support mechanisms into a single scheme of decoupled direct payments. Experience with the application of the single payment scheme shows that certain of its elements can be simplified to the benefit of farmers and administrations. Furthermore, given that the single payment scheme has in the meantime been implemented by all Member States that were required to do so, a number of provisions that were linked to its initial implementation have become obsolete and should therefore be adjusted. In this context, a significant under use of payment entitlements has been detected in some cases. To avoid such situation, the period for reverting unused payment entitlements to the national reserve should be ***fixed at three*** years.

Justification

The two-year time-limit is too short. The three-year time-limit laid down in Regulation (EC) No 1782/2003 should be reintroduced.

Amendment 19

Proposal for a regulation
Recital 27

Text proposed by the Commission

(27) Compulsory set aside of arable land was introduced as a supply control mechanism. Market developments in the arable crops sector together with the introduction of decoupled aids no longer justify the need for maintaining this instrument, which therefore should be abolished. Set-aside entitlements established in accordance with Articles 53 and 63(2) of Regulation (EC) No 1782/2003 shall therefore ***be activated on hectares subject to the same eligibility conditions that any other entitlement.***

Amendment

(27) Compulsory set aside of arable land was introduced as a supply control mechanism. Market developments in the arable crops sector together with the introduction of decoupled aids no longer justify the need for maintaining this instrument, which therefore should be abolished. Set-aside entitlements established in accordance with Articles 53 and 63(2) of Regulation (EC) No 1782/2003 shall therefore ***become normal entitlements.***

Justification

Clarifies the legal uncertainty that exists with regard to the fate of set-aside entitlements and ensures that any 'tag' that might otherwise remain in such entitlements is removed.

Amendment 20

Proposal for a regulation
Recital 28

Text proposed by the Commission

(28) Further to the integration of formerly coupled market support into the single payment scheme, the value of payment entitlements was, in those Member States opting for a historic implementation, based on the individual level of past support. With a growing number of years elapsing since the introduction of the single payment scheme and following the successive integration of further sectors into the single payment scheme, it becomes increasingly harder to justify the legitimacy of significant individual differences in the support level which are only based on past support. For this reason Member States that chose the historic implementation model

Amendment

(28) Further to the integration of formerly coupled market support into the single payment scheme, the value of payment entitlements was, in those Member States opting for a historic implementation, based on the individual level of past support. With a growing number of years elapsing since the introduction of the single payment scheme and following the successive integration of further sectors into the single payment scheme, it becomes increasingly harder to justify the legitimacy of significant individual differences in the support level which are only based on past support. For this reason Member States that chose the historic implementation model

should be allowed under certain conditions to review the allocated payment entitlements with a view to approximating their unit value while respecting the general principles of community law and the objectives of the Common Agricultural Policy. In this context Member States may take into account the specificities of geographical areas when fixing closer values. The levelling of payment entitlements should take place during an adequate transition period and within a limited range of reductions in order to allow farmers to reasonably adapt to the changing levels of support.

should be allowed under certain conditions to review the allocated payment entitlements with a view to approximating their unit value while respecting the general principles of community law and the objectives of the Common Agricultural Policy. In this context Member States may take into account the specificities of geographical areas when fixing closer values. The levelling of payment entitlements should take place during an adequate transition period, ***depending on the pace of implementation chosen by each Member State***, and within a limited range of reductions in order to allow farmers to reasonably adapt to the changing levels of support.

Justification

Member States should be given greater leeway to implement the scheme in accordance with their own requirements.

Amendment 21

Proposal for a regulation Recital 29 a (new)

Text proposed by the Commission

Amendment

(29a) The cross-compliance system and the common agricultural policy are likely to require further adjustment in the future, as current payment levels do not always seem to be proportionate with the compliance efforts made by the farmers concerned, since payments still depend to a large extent on historic spending. Animal welfare legislation is obviously particularly burdensome for livestock farmers, something which is not reflected in the level of their payments. However, if imported products were to meet the same animal welfare standards, then there would be no need to compensate farmers for their compliance with Community legislation in this area. The Commission

should therefore strive for recognition of the non-trade concerns as import criteria within the World Trade Organisation negotiations.

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 22

Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) Regulation (EC) No 1782/2003, while introducing a decoupled single payment scheme allowed Member States to exclude certain payments from that scheme. At the same time Article 64(3) of that Regulation provided for the revision of the options provided for in Sections 2 and 3 of Chapter 5 of its Title III, in the light of market and structural developments. An analysis of the relevant experience shows that decoupling ***introduces*** flexibility in the choice of producers, enabling them to take their production decisions on the basis of profitability and market response. ***This is particularly the case for the arable crops, hops and seeds sectors, and to a certain extent, also the beef sector.*** Therefore, ***the partially coupled payments in these sectors should be integrated into the single payment scheme. In order for farmers in the beef sector to gradually adjust to the new support arrangements provision should be made for a phasing-in of the integration of the special premium for male animals and the slaughter premium.*** Since the partially coupled payments in the fruit and vegetable sectors were only recently introduced, and only as a transitional measure, no review of such

Amendment

(30) Regulation (EC) No 1782/2003, while introducing a decoupled single payment scheme allowed Member States to exclude certain payments from that scheme. At the same time Article 64(3) of that Regulation provided for the revision of the options provided for in Sections 2 and 3 of Chapter 5 of its Title III, in the light of market and structural developments. An analysis of the relevant experience shows that decoupling ***could introduce*** flexibility in the choice of producers, enabling them to take their production decisions on the basis of profitability and market response. Therefore, ***it is desirable to authorise those Member States which so decide to continue decoupling aid.*** Since the partially coupled payments in the fruit and vegetable sectors were only recently introduced, and only as a transitional measure, no review of such schemes is necessary.

schemes is necessary.

Amendment 23

Proposal for a regulation Recital 31 a (new)

Text proposed by the Commission

Amendment

(31a) Specific measures are required to assist the Union sheep sector, which is in serious decline. The recommendations of European Parliament resolution of 19 June 2008 on the future of the sheep/lamb and goat sector in Europe¹ should be implemented.

¹ *Texts Adopted for that date, P6_TA(2008)0310.*

Amendment 24

Proposal for a regulation Recital 32

Text proposed by the Commission

Amendment

(32) Member States should be allowed to use up to 10% of their ceilings for granting specific support in clearly defined cases. Such support should allow Member States to address environmental issues and improve the quality and marketing of agricultural products. Specific support should also be available to buffer the consequences of the phasing-out of milk quotas and the decoupling of support in particularly sensitive sectors. ***Given the growing importance of an effective management of risks Member States should be given the option to financially contribute to the premiums farmers pay for crop insurance as well as to the financing of financial compensation of certain economic losses in case of animal or plant diseases.*** With a view to respect

(32) Member States should be allowed to use up to 10% of their ceilings for granting specific support in clearly defined cases. Such support should allow Member States to address environmental issues and improve the quality and marketing of agricultural products. Specific support should also be available to buffer the consequences of the phasing-out of milk quotas and the decoupling of support in particularly sensitive sectors. With a view to respect the Community's international obligations the resources that could be used for any coupled support measures should be limited at an appropriate level.

the Community's international obligations the resources that could be used for any coupled support measures should be limited at an appropriate level. ***The conditions applicable to the financial contributions to crop insurance and animal or plant disease related compensation should be established accordingly.***

Amendment 25

Proposal for a regulation Recital 32 a (new)

Text proposed by the Commission

Amendment

(32a) Given the increasing importance of effective risk management, Member States should be authorised to use up to an additional 5% of their ceilings to grant support to farmers or to organisations or groups of producers in the form of financial contributions to expenses related to insurance premiums and mutual funds.

Amendment 26

Proposal for a regulation Recital 36

Text proposed by the Commission

Amendment

36. The de-coupling of direct support and the introduction of the single payment scheme were essential elements in the process of reforming the common agricultural policy. However several reasons called in 2003 for maintaining specific support for a number of crops. Experience gained through the implementation of Regulation (EC) No 1782/2003 together with the evolution of the market situation indicates that schemes that were kept outside the single

36. The de-coupling of direct support and the introduction of the single payment scheme were essential elements in the process of reforming the common agricultural policy. However several reasons called in 2003 for maintaining specific support for a number of crops. Experience gained through the implementation of Regulation (EC) No 1782/2003 together with the evolution of the market situation indicates that

payment scheme in 2003 *can* now be integrated into that scheme to promote a more market-oriented and sustainable agriculture. This is the case in particular for the olive oil sector, where only marginal coupling was applied. It is also the case for the durum wheat, *protein crops*, rice, potato starch, and nuts payments, where the decreasing effectiveness of remaining coupled payments, supports the decoupling option. ***In the case of flax it is also appropriate to abolish the support for processing and to integrate the relevant amounts into the single payment scheme.*** As regards rice, *dried fodder*, potato starch and flax a transitional period should be provided for in order to ensure their shift to decoupled support to be as smooth as possible. As regards nuts, Member States should be allowed to continue to pay the national part of the aid in a coupled way in order to cushion the effects of decoupling.

schemes that were kept outside the single payment scheme in 2003 *could* now be integrated into that scheme, ***at the option of the Member State concerned***, to promote a more market-oriented and sustainable agriculture. This is the case in particular for the olive oil sector, where only marginal coupling was applied. It is also the case for the durum wheat, rice, potato starch, and nuts payments, where the decreasing effectiveness of remaining coupled payments, supports the decoupling option. As regards rice, potato starch and flax a transitional period should be provided for in order to ensure their shift to decoupled support to be as smooth as possible. As regards nuts, Member States should be allowed to continue to pay the national part of the aid in a coupled way in order to cushion the effects of decoupling.

Amendment 27

Proposal for a regulation

Recital 37

Text proposed by the Commission

(37) As a consequence of the integration of new schemes into the single payment scheme, provision should be made for the calculation of the new level of individual income support under that scheme. In the case of nuts, potato starch, flax **and dried fodder**, such increase should be granted on the basis of the support farmers received in most recent years. However, in the case of the integration of payments that were so far partially excluded from the single payment scheme, Member states should be given the option to use the original reference periods.

Amendment

(37) As a consequence of the integration of new schemes into the single payment scheme, provision should be made for the calculation of the new level of individual income support under that scheme. In the case of nuts, potato starch **and flax**, such increase should be granted on the basis of the support farmers received **or the production quotas allocated to farmers** in most recent years. However, in the case of the integration of payments that were so far partially excluded from the single payment scheme, Member states should be given the option to use the original reference periods.

Amendment 28

Proposal for a regulation

Recital 38

Text proposed by the Commission

(38) Regulation (EC) No 1782/2003 established specific support for energy crops with a view to assisting the sector to develop. Due to the recent developments in the bio-energy sector and, in particular, to the strong demand for such products on international markets and the introduction of binding targets for the share of bio-energy in total fuel by 2020 there is no longer sufficient reason to grant specific support for energy crops.

Amendment

(38) Regulation (EC) No 1782/2003 established specific support for energy crops with a view to assisting the sector to develop. Due to the recent developments in the bio-energy sector and, in particular, to the strong demand for such products on international markets and the introduction of binding targets for the share of bio-energy in total fuel by 2020 there is no longer sufficient reason to grant specific **coupled** support for energy crops. **Accordingly, the amounts for this purpose should in future be incorporated into the single payment scheme.**

Amendment 29

Proposal for a regulation Article 1 – point 2

Text proposed by the Commission

(d) support schemes for farmers producing rice, starch potatoes, **cotton**, sugar, fruit and vegetables, sheep meat and goat meat and beef and veal;

Amendment

(d) support schemes for farmers producing rice, **protein crops**, starch potatoes, sugar, fruit and vegetables, **tobacco**, sheep meat and goat meat and beef and veal;

Amendment 30

Proposal for a regulation Article 2 – point a

Text proposed by the Commission

(a) 'farmer' means a natural or legal person, or a group of natural or legal persons, whatever legal status is granted to the group and its members by national law, whose holding is situated within Community territory, as referred to in Article 299 of the Treaty, and who exercises an agricultural activity;

Amendment

(a) 'farmer' means a natural or legal person, or a group of natural or legal persons, whatever legal status is granted to the group and its members by national law, whose holding is situated within Community territory, as referred to in Article 299 of the Treaty, and who exercises an agricultural activity, **from which he derives the main part of his income**;

Justification

This clarification will ensure that support is allocated to persons who are actually exercising an agricultural activity which can help to safeguard the socioeconomic fabric which is of such vital importance in certain areas.

Amendment 31

Proposal for a regulation Article 2 – point a a (new)

Text proposed by the Commission

Amendment

(aa) 'farmer holding payment entitlements' means a farmer to whom payment entitlements have been allocated

or definitively transferred;

Amendment 32

Proposal for a regulation

Article 2 – point f a (new)

Text proposed by the Commission

Amendment

(fa) ‘region’ means a Member State, a region within a Member State or a geographical area within a Member State presenting specific characteristics and/or structural handicaps, at the option of the Member State concerned;

Amendment 33

Proposal for a regulation

Article 4 – paragraph 1

Text proposed by the Commission

Amendment

1. A farmer receiving direct payments shall respect the statutory management requirements listed in Annex II, and the good agricultural and environmental condition established under Article 6.

1. A farmer receiving direct payments shall respect the statutory management requirements listed in Annex II, and the good agricultural and environmental condition established under Article 6, ***except where this is impracticable or disproportionate.***

Justification

This provision, which would impose an unnecessary burden on farmers and create superfluous red tape, is at odds with the principle of simplifying the cross-compliance procedures. Most of the requisite criteria are already covered by existing EU provisions.

Amendment 34

Proposal for a regulation

Article 4 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. A farmer receiving direct payments

shall be required to ensure safety at the workplace and to abide by the contractual rules laid down by the Member State concerned.

Amendment 35

Proposal for a regulation

Article 5 – paragraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(aa) workplace safety,

Justification

This provision, which was included in the Commission's 2003 reform proposal, should be restored.

Amendment 36

Proposal for a regulation

Article 6 – paragraph 1

Text proposed by the Commission

Amendment

1. Member States shall ensure that all agricultural land, especially land which is no longer used for production purposes, is maintained in good agricultural and environmental condition. Member States shall define, at national or regional level, minimum requirements for good agricultural and environmental condition ***on the basis of the framework set up*** in Annex III, ***taking into account*** the specific characteristics of the areas concerned, including soil and climatic condition, existing farming systems, land use, crop rotation, farming practices, and farm structures.

1. Member States shall ensure that all agricultural land, especially land which is no longer used for production purposes, is maintained in good agricultural and environmental condition. Member States shall define, at national or regional level, minimum requirements for good agricultural and environmental condition, ***taking into account the issues listed in Annex III, the Commission guidelines and/or other standards consistent with the nature of their own farming industries,*** the specific characteristics of the areas concerned, including soil and climatic condition, ***ecosystems,*** existing farming systems, land use, crop rotation, farming practices, and farm structures. ***These minimum requirements shall be adapted to each situation and chosen on the basis of their greater agronomic and***

environmental effectiveness (as recognised by scientific research and practical experience).

The second column of Annex III comprises optional standards, and Member States shall decide for themselves whether to make use of them. In addition, the measures taken shall be based on existing EU legislation and shall not entail any additional obligations.

Amendment 37

Proposal for a regulation Article 6 a (new)

Text proposed by the Commission

Amendment

Article 6a

Each Member State shall be free to introduce ‘bonus’ cross-compliance that awards farmers bonus points for actions fostering biodiversity and implemented in addition to the obligations arising from good agro-environmental cross-compliance. Each Member State shall define the actions for which those points can be awarded. The bonus points may be used to offset penalty points incurred in the area of the good agricultural and environmental condition described to in Article 6. The arrangements for that offsetting shall be laid down by the Member States.

Amendment 38

Proposal for a regulation Article 6 b (new)

Text proposed by the Commission

Amendment

Article 6b

Food security

The Member States shall ensure that, with a view to balanced and sustainable land use, priority is given to national and/or regional food security. To that end they shall carry out a food security assessment on any planned expansion of energy production from agricultural raw materials to ensure that it does not endanger food security.

Justification

Article 33 of the Treaty on European Union lays down food security as an objective. As a result of climate change and food prices which are already rising worldwide, this objective has become more topical once again and should therefore be included in the list of basic requirements in connection with the running of holdings.

Amendment 39

Proposal for a regulation Article 7 – paragraph 1

Text proposed by the Commission

1. Any amount of direct payments to be granted in a given calendar year to a farmer that exceeds EUR 5 000 shall be reduced for each year until 2012 by the following percentages:

- (a) 2009: **7%**,
- (b) 2010: **9%**,
- (c) 2011: **11%**,
- (d) 2012: **13%**.

Amendment

1. Any amount of direct payments to be granted in a given calendar year to a farmer that exceeds EUR 5 000 **and up to EUR 99 999** shall be reduced for each year until 2012 by the following percentages:

- (a) 2009: **6%**,
- (b) 2010: **6%**,
- (c) 2011: **7%**,
- (d) 2012: **7%**.

Amendment 40

Proposal for a regulation Article 7 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Member States shall ensure that any increases in compulsory modulation are matched by corresponding decreases in

voluntary modulation.

Justification

This is needed so that a level playing field continues to exist between all the farmers of Europe, and that certain farmers are not discriminated against because of national government policy.

Amendment 41

**Proposal for a regulation
Article 7 – paragraph 2**

Text proposed by the Commission

2. The reductions referred to in paragraph 1 shall be increased for the:

(a) amounts between EUR 100 000 and EUR 199 999, by **3 percentage points**,

(b) amounts between EUR 200 000 and EUR 299 999, by **6 percentage points**,

(c) amounts above EUR 300 000, by **9 percentage points**.

Amendment

2. The reductions referred to in paragraph 1 shall be increased for the:

(a) amounts between EUR 100 000 and EUR 199 999, by **1 percentage point**,

(b) amounts between EUR 200 000 and EUR 299 999, by **2 percentage points**,

(c) amounts above EUR 300 000, by **3 percentage points**.

Amendment 42

**Proposal for a regulation
Article 7 – paragraph 2 a (new)**

Text proposed by the Commission

Amendment

2a. The provisions set out in paragraph 1 shall only apply to payments fully integrated into the single payment scheme.

Amendment 43

**Proposal for a regulation
Article 7 – paragraph 3**

Text proposed by the Commission

Amendment

3. Paragraphs 1 and 2 shall not apply to

3. Paragraphs 1 and 2 shall not apply to

direct payments granted to farmers in the French overseas departments, in the Azores and Madeira, in the Canary and Aegean islands.

direct payments granted to farmers in the French overseas departments, in the Azores and Madeira, in the Canary, ***Ionian*** and Aegean islands.

Amendment 44

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

Without prejudice to Article 11, the total net amounts of direct payments which may be granted in a Member State in respect of a calendar year after application of Articles 7 and 10 of this Regulation and Article 1 of Regulation (EC) No 378/2007 shall not be higher than the ceilings set out in Annex IV to this Regulation. Where necessary, Member States shall proceed to a linear reduction of direct payments in order to respect the ceilings set out in that Annex IV.

Amendment

Without prejudice to Article 11, the total net amounts of direct payments which may be granted in a Member State in respect of a calendar year after application of Articles 7 and 10 of this Regulation and Article 1 of Regulation (EC) No 378/2007 shall not be higher than the ceilings set out in Annex IV to this Regulation. Where necessary, Member States shall proceed to a linear reduction of ***the amounts of*** direct payments ***to which modulation reductions apply***, in order to respect the ceilings set out in that Annex IV.

Amendment 45

Proposal for a regulation Article 8 – paragraph 2

Text proposed by the Commission

2. The Commission, in accordance with the procedure referred to in Article 128(2) shall ***review*** the ceiling set out in Annex IV in order to take account of:

(a) modifications to maximum amounts that may be granted in accordance with the direct payments;

(b) modifications to the voluntary modulation referred to in Regulation (EC) No 378/2007;

(c) structural changes of the holdings.

Amendment

2. The Commission, in accordance with the procedure referred to in Article 128(2) shall ***examine annually*** the ceiling set out in Annex IV in order to take account of:

(a) modifications to maximum amounts that may be granted in accordance with the direct payments;

(c) structural changes of the holdings,

and shall inform the European Parliament thereof.

Justification

As it is difficult to foresee the real financial needs for direct payments, it is proposed that the Commission should review annually the ceilings for Member States' direct payments and compare them to actual needs.

Amendment 46

**Proposal for a regulation
Article 9 – paragraph 1**

Text proposed by the Commission

1. The amounts resulting from application of the reductions provided for in Article 7, in any Member State other than the new Member States, shall be available **as additional** Community support for measures under rural development programming financed under the European Agricultural Fund for Rural Development (EAFRD) as specified in Regulation (EC) No 1698/2005, according to the conditions set out in the following paragraphs.

Amendment

1. The amounts resulting from application of the reductions provided for in Article 7, in any Member State other than the new Member States, shall be available **for** Community support for measures under rural development programming financed under the European Agricultural Fund for Rural Development (EAFRD) as specified in Regulation (EC) No 1698/2005, according to the conditions set out in the following paragraphs.

Amendment 47

**Proposal for a regulation
Article 10 – paragraph 1**

Text proposed by the Commission

1. Article 7 shall only apply to farmers in a new Member State in any given calendar year if the level of direct payments applicable in that Member State for that calendar year under Article 110 is no less than the level in Member States other than the new Member States, taking into account any reductions applied under Article 7(1).

Amendment

1. Modulation shall be compulsory for the new Member States only from the time when they receive full direct payments.

Justification

Modulation cannot be implemented in the new Member States before 2013, i.e. before full direct payments are introduced. Two factors must be taken into account: firstly, the low volume of direct support payments by comparison with those effected in the EU15 Member States, and, secondly, the fact that full payments have yet to be introduced.

Amendment 48

Proposal for a regulation Article 10 – paragraph 4

Text proposed by the Commission

4. Any amount resulting from the application of Article 7(1) and (2) shall be allocated to the new Member State where the corresponding amounts have been generated in accordance with the procedure referred to in Article 128(2). ***They shall be used in accordance with Article 69(5a) of Regulation (EC) No 1698/2005.***

Amendment

4. Any amount resulting from the application of Article 7(1) and (2) shall be allocated to the new Member State where the corresponding amounts have been generated in accordance with the procedure referred to in Article 128(2).

Amendment 49

Proposal for a regulation Article 12 – title

Text proposed by the Commission

Farm Advisory System

Amendment

Farm ***Research and*** Advisory System

Amendment 50

Proposal for a regulation Article 12 – paragraph 2

Text proposed by the Commission

2. The advisory activity shall cover at least the statutory management requirements and the good agricultural and environmental condition referred to in Chapter 1.

Amendment

2. The ***research and*** advisory activity shall cover at least the statutory management requirements and the good agricultural and environmental condition referred to in Chapter 1 ***and dissemination of production methods that are economically***

efficient, ecologically sustainable and more economical in terms of natural resources and production costs (energy and inputs, etc.).

Justification

Cross-compliance plays a useful role, but considerable work needs to be done to educate farmers in order to help them implement new, effective production models which are more sustainable and which internalise many of agriculture's unwelcome external costs. Some farmers are already using these new technical methods which lead them to take a broader view of the way their holdings function as part of an ecosystem. These new practices use technological change as a way of shifting agriculture towards a more viable and sustainable development model. The spread of these innovations should be encouraged through the provision of advice to farmers.

Amendment 51

Proposal for a regulation Article 13 – paragraph 2

Text proposed by the Commission

2. Member States shall ***give priority to the farmers who receive more than EUR 15 000 of direct payments per year.***

Amendment

2. Member States shall ***ensure that all farmers can participate in this advisory system on a voluntary basis.***

Amendment 52

Proposal for a regulation Article 18 – paragraph 1 – subparagraph 2

Text proposed by the Commission

This data base shall, in particular, allow direct and immediate consultation, through the competent authority of the Member State, of the data relating to the calendar and/or marketing years starting from the year 2000.

Amendment

This data base shall, in particular, allow direct and immediate consultation, through the competent authority of the Member State, of the data relating to the calendar and/or marketing years starting from the year 2000, ***or, for the new Member States, from the first year after accession.***

Justification

For the Member States which joined the Union in 2004 or 2007, the year 2000 cannot be the

reference year.

Amendment 53

Proposal for a regulation Article 22 – paragraph 1

Text proposed by the Commission

1. Member States shall carry out administrative controls on the aid applications to verify the eligibility conditions for the aid.

Amendment

1. Member States shall carry out administrative controls on the aid applications to verify the eligibility conditions for the aid. ***Such administrative controls shall not be overly burdensome, particularly in cost and paperwork, for the farmer.***

Justification

Reduce red tape.

Amendment 54

Proposal for a regulation Article 24 – paragraph 1

Text proposed by the Commission

1. Member States shall carry out on-the-spot-checks to verify whether the farmer complies with the obligations referred to in Chapter 1.

Amendment

1. Member States shall carry out on-the-spot-checks to verify whether the farmer complies with the obligations referred to in Chapter 1. ***These controls shall take place within a period of not more than one day for a particular farm and shall not be overly burdensome for the farmer.***

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 55

Proposal for a regulation
Article 24 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. Member States may make use of their existing administration and control systems to ensure compliance with the statutory management requirements and good agricultural and environmental condition referred to in Chapter 1.

Amendment

2. Member States may make use of their existing administration and control systems to ensure compliance with the statutory management requirements and good agricultural and environmental condition referred to in Chapter 1. ***However, Member States shall endeavour to limit the number of controlling agencies and the number of persons carrying out the on-the-spot checks on a particular farm.***

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 56

Proposal for a regulation
Article 24 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Member States may make use of private management and control systems, provided they have been officially accredited by the national authorities.

Amendment 57

Proposal for a regulation
Article 24 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. Member States shall endeavour to plan controls in such a way that farms which can best be controlled in a particular period during the year, due to seasonal reasons, are indeed controlled in

that particular period. However, if the controlling agency could not control a particular statutory management requirement, or a part thereof, or good agricultural and environmental conditions during an on-the-spot check, due to seasonal reasons, those requirements and conditions shall be deemed to be met.

Amendment 58

Proposal for a regulation

Article 25 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The first subparagraph shall also apply where, the non-compliance in question is the result of an act or omission directly attributable to the person to whom or from whom the agricultural land was transferred.

Amendment

The first subparagraph shall also apply where, the non-compliance in question is the result of an act or omission directly attributable to the person to whom or from whom the agricultural land was transferred, ***unless the person who committed the non-compliance has also submitted an aid application for the relevant year. In the latter case, the sanction mentioned in the first subparagraph shall be applied to the amounts of direct payments to be granted to the person who committed the non-compliance.***

Amendment 59

Proposal for a regulation

Article 25 – paragraph 1 – subparagraph 3

Text proposed by the Commission

For the purpose of this paragraph 'transfer' means any type of transaction whereby the agricultural land ceases to be at the disposal of the transferor.

Amendment

For the purpose of this paragraph 'transfer' means any type of transaction whereby the agricultural land ceases to be at the disposal of the transferor, ***with the exception of those types of transactions which the farmer concerned cannot prevent.***

Amendment 60

Proposal for a regulation

Article 25 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Where a Member State decides to make use of the option provided for in the first subparagraph, ***in the following year*** the competent authority shall ***take*** the actions ***required to ensure that the farmer remedies the findings of non-compliance concerned. The finding and the remedial action to be taken shall be notified to the farmer.***

Amendment

Where a Member State decides to make use of the option provided for in the first subparagraph, the competent authority shall ***inform the farmer of the findings of non-compliance, and the farmer shall in turn notify*** the actions ***taken to remedy the problem. For the purposes of monitoring the measures taken by the farmer, the competent authority shall take these farms into account when carrying out the risk analysis for on-the-spot-checks in the following year.***

Justification

If, for the purposes of simplification, the 'de minimis' rule provided for in the first subparagraph of paragraph 3 is applied, account need only be taken of it in connection with the risk analysis carried out the following year.

Amendment 61

Proposal for a regulation

Article 26 a (new)

Text proposed by the Commission

Amendment

Article 26a

Review

By 31 December 2007 at the latest, and every two years thereafter, the Commission shall submit a report on the application of the cross-compliance system accompanied, if necessary, by appropriate proposals notably with a view to:

- amending the list of statutory management requirements set out in Annex III,*
 - simplifying, deregulating and improving the legislation under the list of statutory management requirements, special attention being paid to legislation concerning nitrates,*
 - simplifying, improving and harmonising the arrangements for performing controls on the spot, taking into account the opportunities offered by the development of indicators and bottleneck-based controls, controls already performed under private certification schemes, controls already performed under national legislation implementing the statutory management requirements, and information and communication technology.*
- The reports shall also contain an estimate of the total costs of control under the cross-compliance system of the year preceding the year in which the report is published.*

Justification

Reinstatement of amendment adopted by Parliament on 11 December 2007 as part of report T6-0598/2007 entitled 'CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development'.

Amendment 62

**Proposal for a regulation
Article 28 – paragraph 2**

Text proposed by the Commission

Amendment

DOES NOT APPLY TO THE ENGLISH TEXT

Justification

Does not apply to the English text.

Amendment 63

Proposal for a regulation Article 30 – paragraph 1

Text proposed by the Commission

1. Member States ***shall not*** grant direct payments ***to a farmer in one the following cases:***

(a) where the total amount of direct payments claimed or due to be granted in a given calendar year does not exceed EUR 250, or

(b) where the eligible area of the holding for which direct payments are claimed or due to be granted does not exceed one hectare. However, Cyprus may set a minimum eligible area of 0.3 hectares and Malta of 0.1 hectares.

However, farmers holding special entitlements referred to in Article 45(1) shall be subject to the condition referred to in point (a).

Amendment

1. Member States ***may decide not to*** grant direct payments ***below a minimum threshold to be determined.***

Any amounts saved as a result of the application of the first subparagraph shall remain in the national reserve of the Member State from which they originate.

Amendment 64

Proposal for a regulation Article 30 – paragraph 2

Text proposed by the Commission

2. Member States may decide in an objective and non-discriminatory manner not to grant direct payments to companies or firms within the meaning of the second paragraph of Article 48 of the Treaty whose principal company's objects do not consist of ***exercising an*** agricultural

Amendment

2. Member States may decide in an objective and non-discriminatory manner not to grant direct payments to companies or firms within the meaning of the second paragraph of Article 48 of the Treaty whose principal company's objects do not consist of ***the production, rearing or cultivation of agricultural products,***

activity.

including harvesting, milking, breeding and the keeping of animals for agricultural purposes.

Justification

The payment of support to beneficiaries whose activities are only tenuously linked with productive agriculture should be kept to a minimum.

Amendment 65

**Proposal for a regulation
Article 31 – paragraph 2**

Text proposed by the Commission

Amendment

2. Payments shall be made up to twice a year within the period from 1 December to 30 June of the following calendar year.

2. Payments shall be made up to twice a year within the period from 1 December to 30 June of the following calendar year, **and shall include a payment of interest at market rates on the amount due from 30 June of the following calendar year.**

Amendment 66

**Proposal for a regulation
Article 31 – paragraph 2 a (new)**

Text proposed by the Commission

Amendment

2a. Where payment is delayed as a result of a dispute with the competent authority which is settled in the farmer's favour, the farmer shall be paid interest at the market rate.

Amendment 67

**Proposal for a regulation
Article 31 – paragraph 3**

Text proposed by the Commission

Amendment

3. Payments under support schemes listed in Annex I **shall not be made** before the controls with regard to eligibility

3. **No payments shall be made in respect of an application** under support schemes listed in Annex I before the controls with

conditions, to be carried out by the Member State pursuant to Article 22, have been finalised.

regard to eligibility conditions, to be carried out by the Member State pursuant to Article 22, have been finalised ***on that application.***

Amendment 68

Proposal for a regulation

Article 31 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Nevertheless, if payments are made as an advance or in two instalments, the first amount is determined on the base of the results of the administrative and on the spot checks that are available at the date of payment and at such a level that the definitive amount of the payment is not less than the amount of the first instalment.

Amendment 69

Proposal for a regulation

Article 33

Text proposed by the Commission

Amendment

Support schemes listed in Annex I shall apply without prejudice to possible review at any moment in the light of economic developments and the budgetary situation.

deleted

Amendment 70

Proposal for a regulation

Article 34 – paragraph 2

Text proposed by the Commission

Amendment

2. For the purpose of this title, farmers holding payment entitlements shall mean farmers having been allocated or definitively transferred payment

deleted

entitlements.

Justification

This definition now appears in Article 2, which sets out all the definitions required for a proper understanding of the regulation.

Amendment 71

Proposal for a regulation

Article 34 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Set-aside entitlements established in accordance with Articles 53 and 63(2) of Regulation (EC) No 1782/2003 shall become entitlements under this Regulation.

Justification

Clarifies the legal uncertainty that exists with regard to the fate of set-aside entitlements and ensures that any ‘tag’ that might otherwise remain in such entitlements is removed.

Amendment 72

Proposal for a regulation

Article 37 – paragraph 1

Text proposed by the Commission

Amendment

The payment entitlements per hectare shall not be modified save as otherwise provided.

1. The payment entitlements per hectare shall not be modified save as otherwise provided.

Amendment 73

Proposal for a regulation

Article 37 – paragraph 2

Text proposed by the Commission

Amendment

The Commission, in accordance with the procedure referred to in Article 128(2) of

2. If a farmer who has been granted a direct payment in the reference period

this Regulation, shall lay down detailed rules for the modification of payment entitlements in particular in case of fractions of entitlements.

changes his legal status or denomination in that period or not later than 31 December of the year preceding the year of application of the single payment scheme, he shall have access to the single payment scheme under the same conditions as the farmer originally managing the holding.

3. If mergers take place during the reference period or not later than 31 December of the year preceding the year of application of the single payment scheme, the farmer managing the new holding shall have access to the single payment scheme under the same conditions as the farmers managing the original holdings.

If scissions take place during the reference period or not later than 31 December of the year preceding the year of application of the single payment scheme, the farmers managing the holdings shall have access, pro rata, to the single payment scheme under the same conditions as the farmer managing the original holding.

Justification

This amendment restores the provisions included in Regulation 1782/2003, which are much clearer and more precise.

Amendment 74

Proposal for a regulation Article 41 – paragraph 2

Text proposed by the Commission

2. Where necessary, a Member State shall proceed to a linear reduction of the value of entitlements in order to ensure respect of its ceiling.

Amendment

2. Where necessary, a Member State shall proceed to a linear **percentage** reduction of the value of entitlements in order to ensure respect of its ceiling.

Amendment 75

Proposal for a regulation

Article 42 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

If, at the end of a given budgetary year, it becomes clear in a Member State that the aggregate of the payment entitlements actually granted is lower than the national ceiling laid down in Annex VIII the difference shall be allocated to the national reserve.

Justification

At present, money which is not disbursed reverts to the Member State and can be used for purposes completely unrelated to agriculture. Money originally earmarked for the agricultural sector should in fact be used in that sector.

Amendment 76

Proposal for a regulation

Article 42 – paragraph 2

Text proposed by the Commission

Amendment

2. Member States may use the national reserve to grant, ***in priority and*** according to objective criteria, payment entitlements to farmers ***who commence their*** agricultural activity and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions.

2. Member States may use the national reserve to grant, according to objective criteria, payment entitlements to farmers ***exercising*** agricultural activity and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions. ***Member States may give precedence in particular to newcomers, farmers who are younger than 35, family holdings or other priority farmers.***

Amendment 77

Proposal for a regulation
Article 42 – paragraph 3

Text proposed by the Commission

3. Member States ***that do not apply Article 68(1)(c)*** may use the national reserve for the purpose of establishing, according to objective criteria and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions, payment entitlements for farmers in areas subject to restructuring and/or development programs relating to one or the other form of public intervention in order to avoid abandoning of land and/or in order to compensate specific disadvantages for farmers in those areas.

Amendment

3. Member States may use, ***with effect from the entry into force of this Regulation in 2009***, the national reserve for the purpose of establishing, according to objective criteria and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions, payment entitlements ***and support measures*** for farmers in areas subject to restructuring and/or development programs relating to one or the other form of public intervention, ***for sectors in difficulty concentrated in the most disadvantaged areas, such as the sheep and goat sectors***, in order to avoid abandoning of land ***and production*** and/or in order to compensate specific disadvantages for farmers in those areas.

Justification

Some sectors, in particular the sheep and goat sectors, which are essential to the sustainable economic exploitation of the least-favoured areas of the Union and to regional development, are facing serious difficulties. Farmers in these sectors need immediate assistance, starting in 2009. It would seem to be necessary, therefore, to allow the Member States to use their national reserves as a matter of urgency to finance specific support measures for these sectors in difficulty.

Amendment 78

Proposal for a regulation
Article 42 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The Member States may use the national reserve to grant payment entitlements to farmers who have entered into special contracts regulated by the Member States.

Justification

The Member States should be able to grant payment entitlements by using the national reserve, in particular where contracts have been concluded which are specific to a given Member State (agistment, etc.) This greater leeway to use the national reserve will enable Member States to draw on resources paid into the national reserve for the first time in 2008, following the non-use of entitlements for three consecutive years (a period which the Commission proposal would reduce to two).

Amendment 79

Proposal for a regulation

Article 43

Text proposed by the Commission

Any payment entitlement which has not been activated for a period of **2** years shall be allocated to the national reserve, except in case of *force majeure* and exceptional circumstances within the meaning of Article 36(1).

Amendment

Any payment entitlement which has not been activated for a period of **3** years shall be allocated to the national reserve, except in case of *force majeure* and exceptional circumstances within the meaning of Article 36(1). ***Priority shall be given in the utilisation of these funds to facilitating young people's access to agricultural activity with a view to ensuring the transfer between generations.***

Justification

The CAP has scant resources to foster the transfer between generations which is essential to ensure the long-term viability of farming.

Amendment 80

Proposal for a regulation

Article 44 – paragraph 2

Text proposed by the Commission

2. Payment entitlements may be transferred by sale or any other definitive transfer with or without land. In contrast, lease or similar types of transactions shall be allowed only if the payment entitlements transferred are accompanied by the transfer of an equivalent number of

Amendment

deleted

eligible hectares.

Amendment 81

Proposal for a regulation

Article 44 – paragraph 3 – subparagraph 1 (new)

Text proposed by the Commission

Amendment

In such cases the Member States may also decide that leases or similar types of transactions shall be allowed only if the payment entitlements transferred are accompanied by the transfer of an equivalent number of eligible hectares.

Amendment 82

Proposal for a regulation

Article 45 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment

2. By way of derogation from Article 35(1) a farmer who has special entitlements shall be authorised by the Member State to derogate from the requirement to activate entitlements by an equivalent number of eligible hectares provided that he maintains at least 50% of the agricultural activity exercised in calendar years 2000, 2001 and 2002 expressed in livestock units (LU).

2. By way of derogation from Article 35(1) a farmer who has special entitlements shall be authorised by the Member State to derogate from the requirement to activate entitlements by an equivalent number of eligible hectares provided that he maintains at least 50% of the agricultural activity exercised in calendar years 2000, 2001 and 2002 - ***for Bulgaria and Romania, calendar years 2006, 2007 and 2008*** - expressed in livestock units (LU).

Justification

In view of the specific situation of livestock farms, these provisions should also apply to Member States which are not yet implementing the single payment scheme.

Amendment 83

Proposal for a regulation
Article 45 – paragraph 2 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

However, it may apply to those Member States which have not yet introduced the single payment scheme, but intend to do so.

Amendment 84

Proposal for a regulation
Article 45 – paragraph 3

Text proposed by the Commission

Amendment

3. In case of a transfer of the special entitlements, the transferee shall ***not*** benefit from the derogation of paragraph 2 ***except*** in case of inheritance or anticipated inheritance.

3. In case of a transfer of the special entitlements, the transferee shall benefit from the derogation of paragraph 2, ***insofar as all the payment entitlements subject to the derogation have been transferred, and in case of inheritance or anticipated inheritance or where he does not have the area necessary to activate them.***

Justification

Eligibility for the derogation provided for in Article 45(2) should be retained in all cases involving the transfer, and not just the inheritance, of special entitlements. At present, the special entitlements represent an incentive to continue livestock production, in particular in those Member States where livestock farmers rent, rather than own, pasture.

Amendment 85

Proposal for a regulation
Article 46 – paragraph 1

Text proposed by the Commission

Amendment

In duly justified cases, Member States may decide, ***by 1 August 2009 at the latest, and*** acting in compliance with the general principles of Community law, to move as from 2010 towards approximating the value of payment entitlements established

1. In duly justified cases, Member States may decide, acting in compliance with the general principles of Community law, to move as from 2010 towards approximating the value of payment entitlements established under Chapter I to IV of

under Chapter I to IV of Title III of Regulation (EC) No 1782/2003. To this end payment entitlements may be made subject to progressive modifications according to **at least three pre-established annual steps and** objective and non-discriminatory criteria.

Title III of Regulation (EC) No 1782/2003. To this end payment entitlements may be made subject to progressive modifications according to objective and non-discriminatory criteria.

Amendment 86

Proposal for a regulation Article 46 – paragraph 2

Text proposed by the Commission

The reduction of the value of any payment entitlement shall **in none of these annual steps be more than** 50% of the difference between its starting value and **that applicable upon implementation of the final annual step.**

Amendment

The reduction of the value of any payment entitlement shall **not exceed** 50% of the difference between its starting value and **its final value.**

Justification

Member States should be given greater leeway to implement the scheme in accordance with their own requirements.

Amendment 87

Proposal for a regulation Article 46 – paragraph 3

Text proposed by the Commission

Member States may decide to apply the **preceding subparagraphs** at the appropriate geographical level which shall be determined according to objective and non-discriminatory criteria such as their institutional or administrative structure **and/or** the regional agricultural potential.

Amendment

2. Member States may decide to apply the **revision of payment entitlements** at the appropriate geographical level which shall be determined according to objective and non-discriminatory criteria such as their institutional or administrative structure, the regional agricultural potential **and/or the specific structural handicaps suffered by a given geographical area.**

Amendment 88

Proposal for a regulation

Article 46 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

In areas subject to public use requirements or other collective land management contracts, the value of payment entitlements may be redefined on the basis of the surface area of the farm, provided that the parameters of maximum environmental load are respected.

Amendment 89

Proposal for a regulation

Article 47 – paragraph 1

<i>Text proposed by the Commission</i>	<i>Amendment</i>
1. A Member State having introduced the single payment scheme in accordance with Chapters 1 to 4 of Title III of Regulation (EC) No 1782/2003 may decide, by 1 August 2009 at the latest, to apply the single payment scheme from 2010 at regional level under the conditions laid down in this section.	1. A Member State having introduced the single payment scheme in accordance with Chapters 1 to 4 of Title III of Regulation (EC) No 1782/2003 may decide, by 1 August each year at the latest, to apply the single payment scheme from the following year at regional level under the conditions laid down in this section.

Justification

The procedure for making the switch to a regional model set out in the Commission proposal is very inflexible, allowing little leeway for discussions and studies regarding possibilities and needs, hence the proposal that the decision should be made on an annual basis.

Amendment 90

Proposal for a regulation

Article 47 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment

2. Member States shall define the regions according to objective and non-discriminatory criteria such as their

2. Member States shall define the regions according to objective and non-discriminatory criteria such as their

institutional or administrative structure
and/or the regional agricultural potential.

institutional or administrative structure, the regional agricultural potential *and/or the specific structural handicaps suffered by a given geographical area.*

Justification

Member States should be given greater leeway to implement the scheme in accordance with their own requirements.

Amendment 91

**Proposal for a regulation
Article 48 – paragraph 1**

Text proposed by the Commission

1. In duly justified cases, Member States may decide to divide no more than 50% of the regional ceiling established under Article 47 between all the farmers whose holdings are located in the region concerned, including those who do not hold payment entitlements.

Amendment

1. In duly justified cases, Member States may decide to divide no more than 50% of the regional ceiling established under Article 47 between all the farmers whose holdings are located in the region concerned, including those who do not hold payment entitlements. ***The areas used shall be those declared by the farmer on 15 May 2008.***

Justification

A date should be set in such a way as to rule out speculation on the basis of land prices.

Amendment 92

**Proposal for a regulation
Article 48 – paragraph 2 – subparagraph 1 a (new)**

Text proposed by the Commission

Amendment

However, Member States may introduce other clearly defined criteria, such as the quality of the producer or agricultural and/or rural employment, in order to guarantee geographical coherence, diversity and a dynamic rural environment, and the maintenance of traditional models of production that are not linked to the land.

Amendment 93

Proposal for a regulation Article 49 – paragraph 1

Text proposed by the Commission

1. In duly justified cases Member States applying Article 48 of this Regulation may decide, by 1 August 2009 at the latest, and acting in compliance with the general principles of Community law, to move as from 2011 towards approximating the value of payment entitlements established under this section or under Section 1 of Chapter 5 of Title III of Regulation (EC) No 1782/2003. To this end they may make such payment entitlements subject to progressive modifications according to **at least two pre-established annual steps and** objective and non-discriminatory criteria.

Amendment

1. In duly justified cases Member States applying Article 48 of this Regulation may decide, by 1 August 2009 at the latest, and acting in compliance with the general principles of Community law, to move as from 2011 towards approximating the value of payment entitlements established under this section or under Section 1 of Chapter 5 of Title III of Regulation (EC) No 1782/2003. To this end they may make such payment entitlements subject to progressive modifications according to objective and non-discriminatory criteria.

Justification

Member States should be given greater leeway to implement the scheme in accordance with their own requirements.

Amendment 94

Proposal for a regulation Article 49 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. In duly justified cases Member States having introduced the single payment scheme in accordance with Section 1 of Chapter 5 of Title III of Regulation (EC) No 1782/2003 may decide, by 1 August 2009 at the latest, and acting in compliance with the general principles of Community law, to move as from 2010 towards approximating the value of payment entitlements established under that section by making such payment entitlements

Amendment

2. In duly justified cases Member States having introduced the single payment scheme in accordance with Section 1 of Chapter 5 of Title III of Regulation (EC) No 1782/2003 may decide, by 1 August 2009 at the latest, and acting in compliance with the general principles of Community law, to move as from 2010 towards approximating the value of payment entitlements established under that section by making such payment entitlements

subject to progressive modifications according to ***at least three pre-established annual steps and*** objective and non-discriminatory criteria.

subject to progressive modifications according to objective and non-discriminatory criteria.

Justification

Member States should be given greater leeway to implement the scheme in accordance with their own requirements.

Amendment 95

**Proposal for a regulation
Article 49 – paragraph 3**

Text proposed by the Commission

3. The reduction of the value of any payment entitlement ***shall in none of the annual steps referred to*** in paragraphs 1 and 2 be more than 50% of the difference between its starting value and ***that applicable upon implementation of the final annual step.***

Amendment

3. The reduction of the value of any payment entitlement ***provided for*** in paragraphs 1 and 2 ***shall not*** be more than 50% of the difference between its starting value and ***its final value.***

Justification

Member States should be given greater leeway to implement the scheme in accordance with their own requirements.

Amendment 96

**Proposal for a regulation
Article 49 – paragraph 4**

Text proposed by the Commission

4. Member States may decide to apply ***paragraphs 1, 2 and 3*** at the appropriate geographical level which shall be determined according to objective and non-discriminatory criteria such as their institutional ***and/or*** administrative structure or the regional agricultural potential.

Amendment

4. Member States may decide to apply ***the revision of payment entitlements*** at the appropriate geographical level which shall be determined according to objective and non-discriminatory criteria such as their institutional, administrative structure or the regional agricultural potential ***and/or the specific structural handicaps suffered by a given geographical area.***

Justification

Member States should be given greater leeway to implement the scheme in accordance with their own requirements.

Amendment 97

Proposal for a regulation

Article 51 – point b

Text proposed by the Commission

(b) for hectares ***under*** permanent ***pasture*** at the date provided for the area aid applications for 2008 and for any other eligible hectare.

Amendment

(b) for hectares ***used as*** permanent ***grassland*** at the date provided for the area aid applications for 2008 and for any other eligible hectare.

Justification

Not all permanent grasslands are grazed. Permanent grasslands are important carbon stocks and Europe's most important biodiversity habitats. From that point of view, grasslands that are mowed are as important as pastures.

Amendment 98

Proposal for a regulation

Article 53 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Any Member State having excluded the sheep and goat and beef payments from the single payment scheme under the conditions of Articles 67 and 68 of Regulation (EC) No 1782/2003 ***may decide by 1 August 2009 to continue to*** apply the single payment scheme from 2010 ***under the conditions laid down in this section and*** in conformity with the decision taken under Article 64(1) of Regulation (EC) No 1782/2003. ***However, Member States may decide to set the part of the component of their national ceiling to be used for additional payments to farmers in accordance with Article 55(1) of this Regulation at a rate lower than that decided under Article 64(1) of Regulation***

Amendment

1. Any Member State having excluded the sheep and goat and beef payments from the single payment scheme under the conditions of Articles 67 and 68 of Regulation (EC) No 1782/2003 ***shall*** apply the single payment scheme from 2010 in conformity with the decision taken under Article 64(1) of Regulation (EC) No 1782/2003.

(EC) No 1782/2003.

Justification

Decoupling brings benefits to all sectors in terms of greater market orientation, reduces administrative burdens and frees up farmers to respond to market signals. Permitting the retention of coupled payments in the livestock sector creates competitive distortions for those member states that have fully decoupled support payments and also perpetuates global market distortions. Any environmental benefits should be delivered through the Second Pillar.

Amendment 99

Proposal for a regulation

Article 53 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. According to the choice made by each Member State, the Commission shall fix, in accordance with the procedure referred to in Article 128(2), a ceiling for each of the direct payments referred to, respectively, in Articles 54, 55 **and 56**.

Amendment

2. According to the choice made by each Member State, the Commission shall fix, in accordance with the procedure referred to in Article 128(2), a ceiling for each of the direct payments referred to, respectively, in Articles 54 **and 55**.

Amendment 100

Proposal for a regulation

Article 53 – paragraph 2 – subparagraph 2

Text proposed by the Commission

This ceiling shall be equal to the component of each type of direct payment in the national ceilings referred to in Article 41, multiplied by the percentages of reduction applied by Member States in accordance with Articles 54, 55 **and 56**.

Amendment

This ceiling shall be equal to the component of each type of direct payment in the national ceilings referred to in Article 41, multiplied by the percentages of reduction applied by Member States in accordance with Articles 54 **and 55**.

Amendment 101

Proposal for a regulation
Article 55 – paragraph 1 - subparagraph 1

Text proposed by the Commission

1. Member States that in accordance with Article 68(2)(a)(i) of Regulation (EC) No 1782/2003 retained all or part of the component of national ceilings referred to in Article 41 of this Regulation corresponding to the suckler cow premium referred to in Annex VI to Regulation (EC) No 1782/2003 shall make, on a yearly basis, an additional payment to farmers.

Amendment

1. Member States that in accordance with Article 68 of Regulation (EC) No 1782/2003 retained all or part of the component of national ceilings referred to in Article 41 of this Regulation corresponding to the suckler cow premium **or the special premium** referred to in Annex VI to Regulation (EC) No 1782/2003 shall make, on a yearly basis, an additional payment to farmers.

Amendment 102

Proposal for a regulation
Article 56 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Any decision by a Member State in the framework of Articles 53 to 56 of this Regulation must be taken in agreement with institutions representing its regional authorities, on the basis of an impact study on the implications of this decision at regional level.

Amendment 103

Proposal for a regulation
Article 59 – paragraph 3

Text proposed by the Commission

Amendment

3. During the first year of application of the single payment scheme, the new Member States may use the national reserve for the purpose of allocating payment entitlements, according to objective and non-discriminatory criteria and in such a way as to ensure equal treatment between farmers and to avoid market and

3. During the first year of application of the single payment scheme, the new Member States may use the national reserve for the purpose of allocating payment entitlements, according to objective and non-discriminatory criteria and in such a way as to ensure equal treatment between farmers and to avoid market and

competition distortions, to farmers in specific sectors, finding themselves in a special situation as a result of the transition to the single payment scheme.

competition distortions, to farmers in specific sectors, finding themselves in a special situation as a result of the transition to the single payment scheme. ***Member States may give precedence in particular to newcomers, young farmers, family holdings or other priority farmers.***

Amendment 104

Proposal for a regulation Article 59 – paragraph 5

Text proposed by the Commission

5. New Member States may use the national reserve for the purpose of allocating, according to objective criteria and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions, entitlements for farmers in areas subject to restructuring and/or development programmes relating to one or the other form of public intervention in order to avoid abandoning of land and/or in order to compensate specific disadvantages for farmers in those areas.

Amendment

5. New Member States may use the national reserve for the purpose of allocating, according to objective criteria and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions, entitlements for farmers in areas subject to restructuring and/or development programmes relating to one or the other form of public intervention in order to avoid abandoning of land and/or in order to compensate specific disadvantages for farmers in those areas. ***Member States may give precedence in particular to newcomers, young farmers, family holdings or other priority farmers.***

Amendment 105

Proposal for a regulation Article 63 – paragraph 3

Text proposed by the Commission

3. Except in case of *force majeure* or exceptional circumstances as referred to in Article 36(1), a farmer may transfer his payment entitlements without land only after he has activated, within the meaning of Article 35, at least **80%** of his payment entitlements during at least one calendar year or, after he has given up voluntarily to

Amendment

3. Except in case of *force majeure* or exceptional circumstances as referred to in Article 36(1), a farmer may transfer his payment entitlements without land only after he has activated, within the meaning of Article 35, at least **70%** of his payment entitlements during at least one calendar year or, after he has given up voluntarily to

the national reserve all the payment entitlements he has not used in the first year of application of the single payment scheme.

the national reserve all the payment entitlements he has not used in the first year of application of the single payment scheme.

Justification

Circumstances other than those referred to in Article 36(1) or specific regional characteristics may prevent the activation of 80% of the entitlements.

Amendment 106

Proposal for a regulation Article 64 – subparagraph -1 (new)

Text proposed by the Commission

Amendment

As from 2010, Member States which so decide may decouple the specific aid for producers of rice, protein crops, dried fodder and nuts.

Amendment 107

Proposal for a regulation Article 64

Text proposed by the Commission

Amendment

Member States **shall** integrate as from 2010 the support available under coupled support schemes referred to in points I, II, and III of Annex X into the single payment scheme in accordance with the rules laid down in this chapter.

Member States **may** integrate as from 2010 the support available under coupled support schemes referred to in points I, II, and III of Annex X into the single payment scheme in accordance with the rules laid down in this chapter.

Amendment 108

Proposal for a regulation Article 65 – paragraph 1

Text proposed by the Commission

Amendment

1. The amounts referred in Annex XI that were available for coupled support under

1. The amounts referred in Annex XI that were available for coupled support under

the schemes referred under point I of Annex X shall be distributed by the Member States amongst the farmers in the sectors concerned in accordance with objective and non discriminatory criteria taking account, in particular, of support that those farmers received, directly or indirectly, under the relevant support schemes during one or more years of the period **2005 to 2008**.

the schemes referred under point I of Annex X shall be distributed by the Member States **chiefly** amongst the farmers in the sectors concerned in accordance with objective and non discriminatory criteria taking account, in particular, of support that those farmers received, directly or indirectly, under the relevant support schemes **or production quotas** during one or more years of the period **2005 to 2011**.

Amendment 109

Proposal for a regulation Article 65 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Where justified, the Member States may distribute all or some of the amounts referred to in paragraph 1 in accordance with objective criteria among all farmers whose farms are situated in the region in question.

Amendment 110

Proposal for a regulation Article 65 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment

2. Member States **shall** increase the value of the payment entitlements held by the farmers concerned on the basis of the amounts resulting from the application of paragraph 1.

2. Member States **may** increase the value of the payment entitlements held by the farmers concerned on the basis of the amounts resulting from the application of paragraph 1.

Amendment 111

Proposal for a regulation Article 66 – paragraph 1

Text proposed by the Commission

The amounts that were available for coupled support under the schemes referred to under point II of Annex X shall be distributed by the Member States amongst the farmers in the sectors concerned in proportion with the support that those farmers received under the relevant support schemes during the period 2000 to 2002. Member States may, however, choose a more recent representative period in accordance with objective and non discriminatory criteria.

Amendment

The amounts that were available for coupled support under the schemes referred to under point II of Annex X shall be distributed by the Member States **chiefly** amongst the farmers in the sectors concerned in proportion with the support that those farmers received under the relevant support schemes during the period 2000 to 2002. Member States may, however, choose a more recent representative period in accordance with objective and non discriminatory criteria.

Justification

Member States must be granted some margin for manoeuvre, since it may be difficult to make such transfers accurately to the last euro.

Amendment 112

Proposal for a regulation Chapter 5 – title

Text proposed by the Commission

SPECIFIC SUPPORT

Amendment

SPECIFIC SUPPORT **PAYMENTS**

Amendment 113

Proposal for a regulation Article 68 – title

Text proposed by the Commission

General rules

Amendment

Additional payments

Amendment 114

Proposal for a regulation
Article 68 – paragraph -1 (new)

Text proposed by the Commission

Amendment

-1. Member States may decide by 1 January 2010 at the latest and thereafter during the period from 1 October 2011 to 1 January 2012 at the latest to use from 2010 and/or from 2012 up to 15% of their national ceilings referred to in Article 41 to grant support to farmers.

Amendment 115

Proposal for a regulation
Article 68 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. Member States may decide ***by 1 August 2009 at the latest*** to use ***from 2010*** up to 10% of their national ceilings referred to in Article 41 to grant support to farmers:

1. Member States may decide, ***in accordance with paragraph -1,*** to use up to 10% of their national ceilings referred to in Article 41 to grant ***integrated*** support to farmers ***or to organisations or groups of producers for the promotion of sustainable forms of production:***

Amendment 116

Proposal for a regulation
Article 68 – paragraph 1 – point a – subpoint i

Text proposed by the Commission

Amendment

(i) specific types of farming which are important for the protection or enhancement of the environment,

(i) specific types of farming which are important for the protection or enhancement of the environment, ***the climate, biodiversity and water quality, in particular organic farming and pasture rearing,***

Amendment 117

Proposal for a regulation

Article 68 – paragraph 1 – point a – subpoint iii

Text proposed by the Commission

(iii) for improving the marketing of agricultural products;

Amendment

(iii) for improving the marketing, ***in particular regional marketing, and competitiveness*** of agricultural products;

Amendment 118

Proposal for a regulation

Article 68 – paragraph 1 – point b

Text proposed by the Commission

(b) to address specific disadvantages affecting farmers in the dairy, ***beef, sheep and goatmeat*** and rice sectors in economically vulnerable or environmentally sensitive areas,

Amendment

(b) to address specific disadvantages affecting farmers in the dairy and rice sectors in economically vulnerable or environmentally sensitive areas ***and producers of beef and veal, sheepmeat and goatmeat,***

Amendment 119

Proposal for a regulation

Article 68 – paragraph 1 – point c

Text proposed by the Commission

(c) in areas subject to restructuring and/or development programs in order to avoid abandoning of land and/or in order to address specific disadvantages for farmers in those areas,

Amendment

(c) in areas subject to restructuring and/or development programs in order to avoid abandoning of land and/or in order to address specific disadvantages for farmers in those areas; ***precedence shall be given in particular to newcomers, young farmers, family holdings or other priority farmers, such as producers belonging to a producers' organisation or farming cooperative,***

Amendment 120

Proposal for a regulation
Article 68 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) in the form of contributions to crop insurance premiums in accordance with the conditions set out in Article 69,

deleted

Amendment 121

Proposal for a regulation
Article 68 – paragraph 1 – point e

Text proposed by the Commission

Amendment

(e) mutual funds for animal and plant diseases in accordance with the conditions set out in Article 70.

deleted

Amendment 122

Proposal for a regulation
Article 68 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Member States may decide, in accordance with paragraph -1, to use from the next calendar year up to 5% of their national ceilings referred to in Article 41 to grant support to farmers or to organisations or groups of producers in the form of:

(a) contributions to insurance premiums in accordance with the conditions set out in Article 69,

(b) mutual funds in accordance with the conditions set out in Article 70.

Amendment 123

Proposal for a regulation
Article 68 – paragraph 3

Text proposed by the Commission

3. Support for measures referred to in paragraph 1(b) may only be granted:

(a) upon full implementation of the single payment scheme in the sector concerned in accordance with Articles 54, 55 and 71.

(b) to the extent necessary to create an incentive to maintain current levels of production.

Amendment 124

Proposal for a regulation
Article 68 - paragraph 4

Text proposed by the Commission

4. Support under the measures referred to in paragraph 1(a), (b) ***and (e)*** shall be limited to ***2.5% of the national ceilings referred to in Article 41***. Member States may set sublimits per measure.

Amendment

3. Support for measures referred to in paragraph 1(b) may only be granted to the extent necessary to create an incentive to maintain current levels of ***employment and*** production.

Amendment

4. Support under the measures referred to in paragraph 1(a) ***and*** (b) shall be limited to ***a percentage consistent with Council Decision 94/800/EC of 22 December 1994 concerning the conclusion on behalf of the European Community, as regards matters within its competence, of the agreements reached in the Uruguay Round multilateral negotiations (1986-1994)***¹. Member States may set sublimits per measure.

¹ OJ L 336, 23.12.1994, p. 1.

Amendment 125

Proposal for a regulation
Article 68 – paragraph 5 – point a

Text proposed by the Commission

(a) in paragraph 1(a) and **(d)** shall take the form of annual additional payments,

Amendment

(a) in paragraph 1(a) and **1a(a)** shall take the form of annual additional payments,

Amendment 126

Proposal for a regulation
Article 68 – paragraph 5 – point d

Text proposed by the Commission

(d) in paragraph **1(e)** shall take the form of compensation payments as specified in Article 70.

Amendment

(d) in paragraph **1a(b)** shall take the form of compensation payments as specified in Article 70.

Amendment 127

Proposal for a regulation
Article 68 – paragraph 6

Text proposed by the Commission

6. The transfer of payment entitlements with increased unit values and of additional payment entitlements referred to in paragraph 5(c) may only be allowed if the transferred entitlements are accompanied by the transfer of an equivalent number of hectares.

Amendment

deleted

Amendment 128

Proposal for a regulation
Article 68 – paragraph 7

Text proposed by the Commission

7. Support for measures referred to in paragraph 1 shall be consistent with other Community measures and policies.

Amendment

7. The Commission, in accordance with the procedure referred to in Article 128(2), shall define the conditions for the granting of the support referred to in this

section, in particular with a view to ensuring consistency with other Community measures and policies and avoiding cumulation of support.

Amendment 129

Proposal for a regulation Article 68 – paragraph 7 a (new)

Text proposed by the Commission

Amendment

7a. Member States shall inform the Commission each year of the measures planned and shall make public the methods and criteria used to reallocate the appropriations, the names of the beneficiaries and the amounts allocated to them.

Amendment 130

Proposal for a regulation Article 68 – paragraph 8 – point a

Text proposed by the Commission

Amendment

(a) in paragraph 1(a), (b), (c) **and (d)** by proceeding to linear reduction of the entitlements allocated to farmers and/or from the national reserve,

(a) in paragraph 1(a), (b) **and (c) and paragraph 1a(a)** by proceeding to linear reduction of the entitlements allocated to farmers and/or from the national reserve,

Amendment 131

Proposal for a regulation Article 68 – paragraph 8 – point b

Text proposed by the Commission

Amendment

(b) in paragraph **1(e)** by proceeding, if necessary, to linear reduction of one or several of the payments to be made to the beneficiaries of the relevant payments in accordance with this title **and within the**

(b) in paragraph **1a(b)** by proceeding, if necessary, to linear reduction of one or several of the payments to be made to the beneficiaries of the relevant payments in accordance with this title.

limits set out in paragraphs 1 and 3.

Amendment 132

Proposal for a regulation

Article 68 – paragraph 9

Text proposed by the Commission

Amendment

9. The Commission, in accordance with the procedure referred to in Article 128(2), shall define the conditions for the granting of the support referred to under this section, in particular with a view to ensure consistency with other Community measures and policies and to avoid cumulation of support.

deleted

Amendment 133

Proposal for a regulation

Article 69 – title

Text proposed by the Commission

Amendment

Crop insurance

Insurance arrangements

Amendment 134

Proposal for a regulation

Article 69 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Amendment

1. Member States may grant financial contributions to premiums for **crop** insurance **against** losses caused by adverse climatic events.

1. Member States may grant financial contributions to premiums for insurance, **where the relevant precautionary measures against known risks have been taken, designed to compensate for:**

- (a) losses caused by adverse climatic events which can be assimilated to natural disasters;**
- (b) other losses caused by climatic events;**

(c) economic losses caused by animal or plant diseases or pest infestations.

Each Member State or region shall draw up specific studies to produce comparative statistical or actuarial data.

Amendment 135

Proposal for a regulation

Article 69 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

For the purposes of this article, ‘economic losses’ shall mean all additional costs borne by a farmer on account of the exceptional measures which he adopts in order to reduce supply to the market concerned or any significant loss of production. The costs in respect of which compensation may be granted pursuant to other Community provisions and those stemming from the application of any other health, veterinary or plant-health measure shall not be regarded as economic losses.

Amendment 136

Proposal for a regulation

Article 69 – paragraphs 2 and 3

Text proposed by the Commission

Amendment

2. The financial contribution **granted per farmer** shall be set at 60% of the insurance premium **due**. Member States may decide to increase the financial contribution to 70% **taking account of the climatic situation** or the situation of the sector concerned.

Member States may restrict the amount of the premium eligible for aid by imposing

2. The financial contribution shall be set at 60% of the insurance premium **payable individually or - if appropriate - collectively, in cases where the insurance contract has been taken out by a producer organisation**. Member States may decide to increase the contribution to 70% **in the light of the climatic conditions** or the situation of the sector concerned.

Member States may restrict the amount of the premium eligible for aid by imposing

appropriate ceilings.

3. Coverage by *crop*-insurance shall only be available where the adverse climatic event has been formally recognised as such by the competent authority in the Member State concerned.

Amendment 137

Proposal for a regulation Article 69 – paragraph 5

Text proposed by the Commission

5. Any financial contribution shall be paid directly to the farmer concerned.

Amendment 138

Proposal for a regulation Article 69 – paragraph 6 – subparagraph 1

Text proposed by the Commission

6. Member States' expenditure for the granting of financial contributions shall be co-financed by the Community from the funds referred to in **Article 68(1)**, at a rate of **40%** of the eligible amounts of insurance premium set in accordance with paragraph 2 of this Article.

Amendment 139

appropriate ceilings.

3. Coverage by insurance shall only be available where ***one of the events referred to in paragraph 1*** has been formally recognised as such by the competent authority in the Member State concerned.

Amendment

5. Any financial contribution shall be paid directly to the farmer concerned ***or - where appropriate - to the producer organisation which took out the contract on the basis of the number of its members.***

Amendment

6. Member States' expenditure for the granting of financial contributions shall be co-financed by the Community from the funds referred to in **Article 68(1a)** at a rate of **50%** of the eligible amounts of insurance premium set in accordance with paragraph 2 of this Article.

In the case of the new Member States, however, the rate referred to in the first subparagraph shall be increased to 70%.

Proposal for a regulation
Article 70 – title

Text proposed by the Commission

Mutual funds **for animal and plant diseases**

Amendment

Mutual funds

Amendment 140

Proposal for a regulation
Article 70 – paragraph 1

Text proposed by the Commission

1. Member States may provide for financial compensation to be paid to farmers for economic losses caused by the outbreak of animal or plant disease by way of financial contributions to mutual funds.

Amendment

1. Member States may provide for financial compensation to be paid to farmers for economic losses caused by **natural disasters, adverse climatic events**, the outbreak of animal or plant disease by way of financial contributions to mutual funds, **where the relevant precautionary measures have been taken. Such funds may be run by producer organisations and/or inter-branch organisations pursuant to the terms and conditions laid down in Articles 122 and 123 of Regulation (EC) No 1234/2007.**

Such funds may be in addition to the provisions of national farmers' insurance schemes.

Amendment 141

Proposal for a regulation
Article 70 – paragraph 2 – point a

Text proposed by the Commission

(a) 'mutual fund' shall mean a system accredited by the Member State in accordance with national law for affiliated farmers to insure themselves, by granting compensation payments to such farmers affected by economic losses caused by the

Amendment

(a) 'mutual fund' shall mean a system accredited by the Member State in accordance with national law for affiliated farmers to insure themselves, by granting compensation payments to such farmers affected by economic losses **suffered by their farm on account of a natural**

outbreak of animal or plant disease;

disaster, adverse climatic events or caused by the outbreak of animal or plant disease;

Amendment 142

Proposal for a regulation

Article 70 – paragraph 2 – point b

Text proposed by the Commission

(b) ‘economic losses’ shall mean any additional cost incurred by a farmer as a result of exceptional measures taken by the farmer with the objective to reduce supply on the market concerned or any substantial loss of production. Costs for which compensation may be granted in accordance with other Community provisions and those resulting from the application of any other health and veterinary or phytosanitary measures shall not be considered as economic losses.

Amendment

(b) ‘economic losses’ shall mean any additional cost incurred by a farmer as a result of exceptional measures taken by the farmer with the objective to reduce supply on the market concerned, ***costs incurred as a result of emergency vaccination*** or any substantial loss of production. Costs for which compensation may be granted in accordance with other Community provisions and those resulting from the application of any other health and veterinary or phytosanitary measures shall not be considered as economic losses;

Amendment 143

Proposal for a regulation

Article 70 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) ‘adverse climatic events’ shall mean weather conditions which can be assimilated to a natural disaster, such as frost, hail, ice, rain, forest fires or drought and destroy more than 30% of the average of annual production of a given farmer in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and lowest entry;

Amendment 144

Proposal for a regulation
Article 70 – paragraph 2 – point b b (new)

Text proposed by the Commission

Amendment

(bb) ‘relevant precautionary measures’ shall mean measures which optimise animal and plant health;

Amendment 145

Proposal for a regulation
Article 70 – paragraph 3 – subparagraph 1

Text proposed by the Commission

Amendment

3. The mutual funds shall pay the financial compensation directly to affiliated farmers who are affected by economic losses.

3. The mutual funds shall pay the financial compensation directly to affiliated farmers who are affected by economic losses, ***provided they have taken the relevant precautionary measures.***

Amendment 146

Proposal for a regulation
Article 70 – paragraph 6 – subparagraph 1

Text proposed by the Commission

Amendment

6. Member States’ expenditure on the financial contributions shall be co-financed by the Community from the funds referred to in ***Article 68(1)*** at a rate of ***40%*** of the amounts eligible under paragraph 4.

6. Member States’ expenditure on the financial contributions shall be co-financed by the Community from the funds referred to in ***Article 68(1a)*** at a rate of ***50%*** of the amounts eligible under paragraph 4.

In the case of the new Member States, however, the rate referred to in the first subparagraph shall be increased to 70%.

Amendment 147

Proposal for a regulation
Title III – chapter 5 – article 70 a (new)

Text proposed by the Commission

Amendment

Article 70a

Special aids to milk producers

1. Where the expenditure forecast carried out in accordance with the early-warning system in Regulation (EC) No 1290/2005, indicates that a margin of at least EUR 600 000 000 remains in heading 2 of the financial framework for a given financial year, that amount, less the margin, shall be made available for specific aids to milk producers.

2. The Commission shall submit to the European Parliament and the Council its estimate for special aids to milk producers together with the preliminary draft budget for the financial year.

3. Specific aids to milk producers may be employed for the following types of measures:

(a) specific support in accordance with Article 68(1)(b) of this Regulation;

(b) measures in accordance with Articles 20 and 36(a) of Regulation (EC) 1698/2005, provided they serve directly to support farms.

4. The Member States shall notify the Commission no later than 15 October of a given year, on the basis of the preliminary draft budget as set out in paragraph 2, which measures have been taken pursuant to paragraph 4.

5. Specific aid funding to milk producers shall be distributed among the Member States in accordance with each country's milk reference quantities pursuant to Annex I to Council Regulation (EC) No. 1788/2003 of 29 September 2003 establishing a levy in the milk and milk products sector.

Amendment 148

Proposal for a regulation Article 71

Text proposed by the Commission

For the years 2009, 2010, and 2011 aid shall be granted to farmers producing rice, falling within CN code 1006 10 under the conditions laid down in this section.

Amendment

Aid shall be granted to farmers producing rice, falling within CN code 1006 10 under the conditions laid down in this section.

Amendment 149

Proposal for a regulation Article 72 – paragraph 2 – table

Text proposed by the Commission

	(EUR/ha)	
	2009	2010 and 2011
Bulgaria	345,255	172,627
Greece	561,00	280,5
Spain	476,25	238,125
France	411,75	205,875
Italy	453,00	226,5
Hungary	232,50	116,25
Portugal	453,75	226,875
Romania	126,075	63,037

Amendment

	(EUR/ha)
	2009 to 2013
Bulgaria	345,255
Greece	561,00
Spain	476,25

France	411,75
Italy	453,00
Hungary	232,50
Portugal	453,75
Romania	126,075

Amendment 150

Proposal for a regulation Section 1 a (new)

Text proposed by the Commission

Amendment

SECTION 1A

PROTEIN CROP PREMIUM

Article 74a

Scope

Aid shall be granted to farmers producing protein crops under the conditions laid down in this section.

Protein crops shall include:

(a) peas falling within CN code 0713 10;

(b) field beans falling within CN code 0713 50;

(c) sweet lupins falling within CN code ex 1209 29 50.

Article 74b

Conditions and amount of the aid

Aid shall be EUR 55.57 per hectare of protein crops harvested after the milky maturity stage.

However, crops grown on areas which are fully sown and which are cultivated in accordance with local standards, but which do not attain the stage of milky maturity as a result of exceptional weather conditions recognised by the Member State concerned, shall remain

eligible for aid provided that the areas in question are not used for any other purpose up to this growing stage.

Article 74c

Areas

- 1. A national base area eligible for aid of 1 400 000 ha is hereby established.*
- 2. Where the area for which aid is claimed exceeds the base area, the area per farmer for which aid is claimed shall be reduced proportionately in that year, in accordance with the procedure referred to in Article 128(2).*

Justification

By virtue of the attractiveness of cereals, the area given over to protein crops is dropping dramatically. In addition to the adverse agricultural and environmental impact, this fall may lead to shortages in protein products, in particular for animal feedingstuffs.

Amendment 151

**Proposal for a regulation
Article 75 – point a**

Text proposed by the Commission

Amendment

(a) EUR 66.32 for marketing years 2009/2010 and 2010/2011;

- EUR 66.32 for marketing years 2009/2010, 2010/2011, 2011/2012 and 2012/2013;

Amendment 152

**Proposal for a regulation
Article 75 – point b**

Text proposed by the Commission

Amendment

(b) EUR 33.16 for marketing years 2011/2012 and 2012/2013.

deleted

Amendment 153

Proposal for a regulation
Section 3

Text proposed by the Commission

Amendment

SECTION 3
CROP SPECIFIC PAYMENT FOR
COTTON

deleted

Amendment 154

Proposal for a regulation
Article 82 – paragraph 2

Text proposed by the Commission

Amendment

2. The aid shall be granted **for a maximum of five consecutive years as from the marketing year in which the threshold of 50% referred to in paragraph 1 has been reached but no later than for** the marketing year 2013/2014.

2. The aid shall be granted **until** the marketing year 2013/2014.

Justification

The current Community support scheme for sugar beet and sugar cane producers should be extended until the 2013/2014 marketing year for those Member States which have granted the restructuring aid referred to in Article 3 of Regulation (EC) No 320/2006 in respect of at least 50% of the sugar quota set on 20 February 2006 in Annex III to Regulation (EC) No 318/2006 without fixing a maximum period of five years, in order to meet the adjustment-related needs resulting from the restructuring.

Amendment 155

Proposal for a regulation
Article 90 – paragraph 4

Text proposed by the Commission

Amendment

4. Per ewe, the amount of the premium shall be EUR 21. However for farmers marketing sheep's milk or products based on sheep's milk the premium per ewe shall be **EUR 6,8**.

4. Per ewe, the amount of the premium shall be EUR 21. However for farmers marketing sheep's milk or products based on sheep's milk the premium per ewe shall be **EUR 16,8**.

Justification

Correction of a Commission error.

Amendment 156

**Proposal for a regulation
Article 90 – paragraph 5**

Text proposed by the Commission

Amendment

5. Per she-goat the amount of the premium shall be **EUR 6,8**.

5. Per she-goat the amount of the premium shall be **EUR 16,8**.

Justification

Correction of a Commission error.

Amendment 157

**Proposal for a regulation
Article 98 – point a**

Text proposed by the Commission

Amendment

(a) 'region' shall mean a Member State or a region within a Member State, at the option of the Member State concerned,

deleted

Justification

This definition has been moved to Article 2, which sets out all the definitions necessary to a proper understanding of the text.

Amendment 158

**Proposal for a regulation
Article 112 a (new)**

Text proposed by the Commission

Amendment

Article 112a

National reserve

1. Member States applying the single area payment scheme shall create a national reserve containing the difference between ceilings fixed in Annex VIIIa and the total value of the direct payments actually paid in the given year.

2. Member States may use the national reserve in order to grant payments aimed at the implementation of the measures referred to in Article 68, according to objective criteria and in such a way as to ensure equal treatment between farmers and to avoid the breach of market principles and distortion of competition.

Justification

Bearing in mind that the new Member States applying the SAPS do not have a national reserve a solution could be found in using the unutilised funds from the national direct payments envelope. These funds can form a reserve which might be used for measures under the revised Article 69 of Regulation 1782/2003.

Amendment 159

Proposal for a regulation

Article 113 – paragraph 4 – indent 2 – point (b)

Text proposed by the Commission

(b) requirements referred to in *points B and C* of Annex II shall apply from 1 January 2011;

Amendment

(b) requirements referred to in *point B* of Annex II shall apply from 1 January 2011;

Amendment 160

Proposal for a regulation

Article 113 – paragraph 4 – subparagraph 2 – point (b a) (new)

Text proposed by the Commission

Amendment

(ba) requirements referred to in point (c) of Annex II shall apply with effect from 1 January 2013.

Amendment 161

Proposal for a regulation Article 123

Text proposed by the Commission

Amendment

Article 123

deleted

Financial transfer for restructuring in the tobacco regions

As from budget year 2011, an amount of EUR 484 million shall be available as additional Community support for measures in tobacco producing regions under rural development programming financed under the EAFRD, for those Member States in which the tobacco producers received aid in accordance with Council Regulation (EC) No 2075/92 during the years 2000, 2001 and 2002.

Amendment 162

Proposal for a regulation Article 129 – point t

Text proposed by the Commission

Amendment

(t) with regard to cotton, detailed rules in respect of:

deleted

(i) the calculation of the reduction of the aid provided for in Article 80(3);

(ii) the approved inter-branch organisations, in particular their financing and a control and sanction system.

Amendment 163

Proposal for a regulation – amending act

Article 132 – point 1 – point (b)

Regulation (EC) No 378/2007

Article 1 – paragraph 5

Text proposed by the Commission

5. The modulation rates applicable to a farmer resulting from the application of Article 7 of Regulation (EC) No XXX/2008 (this regulation) minus 5 percentage points shall be deducted from the rate of voluntary modulation applied by Member States in application of paragraph 4 of this Article. Both the percentage to be deducted and the final voluntary modulation rate shall be equal to or higher than 0.

Amendment

5. The modulation rates applicable to a farmer resulting from the application of Article 7 of Regulation (EC) No XXX/2008 (this regulation) minus 5 percentage points shall be deducted from the rate of voluntary modulation applied by Member States in application of paragraph 4 of this Article. Both the percentage to be deducted and the final voluntary modulation rate shall be equal to or higher than 0. ***No adjustments should, however, result in an overall reduction in the amount of EAFRD funding already allocated to rural development programmes, as laid out in the formal Commission decision which approves them.***

Justification

It would be perverse if the proposed changes to modulation led to a funding cut in the rural development programmes of one or more Member States, when the overriding objective was to increase the amount of available funds to address the new environmental challenges. This safeguard is therefore necessary given the complex set of parameters which determine the overall modulation yield.

Amendment 164

Proposal for a regulation

Article 133 a (new)

Text proposed by the Commission

Amendment

Article 133a

Study on costs of compliance

The Commission shall execute a study assessing the actual costs for farmers stemming from complying with Community legislation in the fields of

environment, animal welfare and food safety, and which go beyond the standards that import products are subject to. This legislation concerns among others the regulations and directives of Annex II underpinning the cross-compliance system, as well as the standards defined as good agricultural and environmental condition (GAEC) in Annex III which is also part of the cross compliance requirements.

The study shall assess the compliance costs as described above in all Member States, which might differ between Member States and even between regions within Member States on the basis of differences in their climatic, geological, production, economic and social features.

Justification

The European Parliament repeatedly voiced its position (T6-0598/2007 and T6-0093/2008) that direct payments should be further rationalised after 2013 by making the height of these payments dependent on the actual costs of compliance with EU legislation that goes beyond the standards that import products are subject to. The results of the pilot can serve as a basis for putting into practice a rationalisation of agricultural payments after 2013. Moreover, the results will help the EU to justify its agricultural payments within the framework of the WTO, as well as to its own citizens.

Amendment 165

Proposal for a regulation

Annex I – Protein crops – ‘Legal base’ column

Text proposed by the Commission

Amendment

Title IV, Chapter 2 of Regulation (EC) No 1782/2003

Title IV, Chapter 1, Section 1a of this Regulation

Amendment 166

Proposal for a regulation

Annex II – point A – subpoint 4

Text proposed by the Commission

4.	Council Directive 91/676/EEC of 12 December 1991	Articles 4 and 5
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	<i>concerning the protection of waters against pollution caused by nitrates from agricultural sources (OJ L 375, 31.12.1991, p. 1)</i>	
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Amendment

4.	<i>Directive 2006/118/EC of the European Parliament and of the Council of 12 December 2006 on the protection of groundwater against pollution and deterioration (OJ L 372, 27.12.2006, p. 19)</i>	<i>Article 6</i>
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Amendment 167

**Proposal for a regulation
Annex II – point A a (new)**

Amendment

<i>Aa</i>	<i>Workplace safety</i>	
<i>8a</i>	<i>Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work (OJ L 183, 29.6.1989, p. 1)</i>	<i>Article 6</i>
<i>8b</i>	<i>Directive 2000/54/EC of the European Parliament and of the Council of 18 September 2000 on the protection of workers from risks related to exposure to biological agents at work (seventh individual directive within the meaning of Article 16(1) of Directive 89/391/EEC) (OJ L 262, 17.10.2000, p. 21)</i>	<i>Articles 3, 6, 8 and 9</i>
<i>8c</i>	<i>Council Directive 94/33/EC of 22 June 1994 on the protection of young people at work (OJ L 216, 20.8.1994, p. 12)</i>	
<i>8d</i>	<i>Directive 2004/37/EC of the European Parliament and of the Council of 29 April 2004 on the protection of workers from the risks related to exposure to carcinogens or mutagens at work (sixth individual directive within the meaning of Article 16(1) of Council Directive 89/391/EEC) (OJ L 158, 30.4.2004, p. 50)</i>	<i>Article 3 and 4 to 12</i>

Justification

Simple consequence of the inclusion of workplace safety among the statutory management requirements.

Amendment 168

Proposal for a regulation
Annex III – column 2 – heading

Text proposed by the Commission

Amendment

Standards

Examples of relevant requirements

Justification

Standards should only serve as guidelines and should not be proposed to the Member States as binding requirements, since national and regional flexibility is essential.

Amendment 169

Proposal for a regulation
Annex III – line 4 – column 2 – indent 3

Text proposed by the Commission

Amendment

- Retention of landscape features,
including, where appropriate, hedges, ponds, ditches, trees in line, in group or isolated and field margins,

- Retention of landscape features,

Amendment 170

Proposal for a regulation
Annex III – line 4 – column 2 – indent 5

Text proposed by the Commission

Amendment

- Maintenance of olive groves ***and vines*** in good vegetative condition

- Maintenance of olive groves in good vegetative condition

Amendment 171

Proposal for a regulation
Annex III – line 5 – column 2 – indent 1

Text proposed by the Commission

Amendment

– Establishment of buffer strips along water courses,

– Establishment of buffer strips along water courses ***in accordance with relevant common legislation on the protection of surface water,***

Amendment 172

Proposal for a regulation Annex IV

Text proposed by the Commission

million EUR

Calendar year	2009	2010	2011	2012
Belgium	583,2	570,9	563,1	553,9
Czech Republic				773,0
Denmark	985,9	965,3	954,6	937,8
Germany	5 467,4	5 339,2	5 269,3	5 178,0
Estonia				88,9
Ireland	1 283,1	1 264,0	1 247,1	1 230,0
Greece	2 567,3	2 365,5	2 348,9	2 324,1
Spain	5 171,3	5 043,4	5 019,1	4 953,5
France	8 218,5	8 021,2	7 930,7	7 796,2
Italy	4 323,6	4 103,7	4 073,2	4 023,3
Cyprus				48,2
Latvia				130,5
Lithuania				337,9
Luxembourg	35,2	34,5	34,0	33,4
Hungary				1 150,9
Malta				4,6
Netherlands	841,5	827,0	829,4	815,9
Austria	727,7	718,2	712,1	704,9
Poland				2 730,5
Portugal	635,8	623,0	622,6	622,6
Slovenia				129,4
Slovakia				335,9
Finland	550,0	541,2	536,0	529,8
Sweden	731,7	719,9	710,6	699,8
United Kingdom	3 373,0	3 340,4	3 335,8	3 334,9

Amendment

<i>million EUR</i>

Calendar year	2009	2010	2011	2012
Belgium	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Czech Republic	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Denmark	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Germany	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Estonia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Ireland	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Greece	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Spain	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
France	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Italy	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Cyprus	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Latvia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Lithuania	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Luxembourg	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Hungary	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Malta	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Netherlands	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Austria	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Poland	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Portugal	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Slovenia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Slovakia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Finland	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Sweden	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
United Kingdom	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>

Justification

This annex must be revised in the light of Parliament's amendments.

Amendment 173

Proposal for a regulation

Annex VIII

Text proposed by the Commission

Table 1

								EUR 1000
Member State	2009	2010	2011	2012	2013	2014	2015	2016 and subsequent years
Belgium	614 179	611 901	613 281	613 281	614 661	614 661	614 661	614 661
Denmark	1 030 478	1 031 321	1 043 421	1 043 421	1 048 999	1 048 999	1 048 999	1 048 999
Germany	5 770 254	5 781 666	5 826 537	5 826 537	5 848 330	5 848 330	5 848 330	5 848 330
Ireland	1 342 268	1 340 737	1 340 869	1 340 869	1 340 869	1 340 869	1 340 869	1 340 869
Greece	2 367 713	2 209 591	2 210 829	2 216 533	2 216 533	2 216 533	2 216 533	2 216 533
Spain	4 838 512	5 070 413	5 114 250	5 139 246	5 139 316	5 139 316	5 139 316	5 139 316
France	8 404 502	8 444 468	8 500 503	8 504 425	8 518 804	8 518 804	8 518 804	8 518 804
Italy	4 143 175	4 277 633	4 320 238	4 369 974	4 369 974	4 369 974	4 369 974	4 369 974
Luxembourg	37 051	37 084	37 084	37 084	37 084	37 084	37 084	37 084
Netherlands	853 090	853 169	886 966	886 966	904 272	904 272	904 272	904 272
Austria	745 561	747 298	750 019	750 019	751 616	751 616	751 616	751 616
Portugal	589 723	600 296	600 370	605 967	605 972	605 972	605 972	605 972
Finland	566 801	565 823	568 799	568 799	570 583	570 583	570 583	570 583
Sweden	763 082	765 229	768 853	768 853	770 916	770 916	770 916	770 916
United Kingdom	3 985 834	3 986 361	3 987 844	3 987 844	3 987 849	3 987 849	3 987 849	3 987 849

Table 2*

								EUR 1000
Member State	2009	2010	2011	2012	2013	2014	2015	2016 and subsequent years
Bulgaria	287 399	328 997	409 587	490 705	571 467	652 228	732 986	813 746
Czech Republic	559 622	647 080	735 801	821 779	909 164	909 164	909 164	909 164
Estonia	60 500	70 769	80 910	91 034	101 171	101 171	101 171	101 171
Cyprus	31 670	38 845	43 730	48 615	53 499	53 499	53 499	53 499
Latvia	90 016	104 025	118 258	132 193	146 355	146 355	146 355	146 355
Lithuania	230 560	268 746	305 964	342 881	380 064	380 064	380 064	380 064
Hungary	807 366	935 912	1 064 312	1 191 526	1 318 542	1 318 542	1 318 542	1 318 542
Malta	3 434	3 851	4 268	4 685	5 102	5 102	5 102	5 102
Poland	1 877 107	2 164 285	2 456 894	2 742 771	3 033 549	3 033 549	3 033 549	3 033 549
Romania	623 399	713 207	891 072	1 068 953	1 246 821	1 424 684	1 602 550	1 780 414
Slovenia	87 942	102 047	116 077	130 107	144 236	144 236	144 236	144 236
Slovakia	240 014	277 779	314 692	351 377	388 191	388 191	388 191	388 191

*Ceilings calculated taking account of the schedule of increments provided for under Article 110.

Amendment

Table 1

								EUR 1000
Member State	2009	2010	2011	2012	2013	2014	2015	2016 and subsequent years
Belgium	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Denmark	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Germany	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Ireland	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Greece	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Spain	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>

France	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Italy	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Luxembourg	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Netherlands	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Austria	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Portugal	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Finland	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Sweden	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
United Kingdom	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>

Table 2

Member State	EUR 1000							
	2009	2010	2011	2012	2013	2014	2015	2016 and subsequent years
Bulgaria	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Czech Republic	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Estonia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Cyprus	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Latvia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Lithuania	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Hungary	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Malta	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Poland	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Romania	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Slovenia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>
Slovakia	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>	<i>p.m</i>

Justification

This annex must be revised in the light of Parliament's amendments.

Amendment 174

**Proposal for a regulation
Annex X – part I – indent 2**

Text proposed by the Commission

Amendment

– from 2010, the protein crop premium provided for in Chapter 2 of Title IV of Regulation (EC) No 1782/2003; **deleted**

Justification

Abolishing coupled aid might speed up even further the reduction in the areas used to cultivate protein crops, possibly leading to shortages for animal feedingsuffs.

Amendment 175

Proposal for a regulation Annex X – part I – indent 3

Text proposed by the Commission

– from **2010** the crop specific payment for rice provided for in Chapter III of Title IV of Regulation (EC) No 1782/2003 and Section 1 of Chapter 1 of Title IV of this Regulation, in accordance with the time schedule provided for in Article 72(2) of this Regulation;

Amendment

– from **2013** the crop specific payment for rice provided for in Chapter III of Title IV of Regulation (EC) No 1782/2003 and Section 1 of Chapter 1 of Title IV of this Regulation, in accordance with the time schedule provided for in Article 72(2) of this Regulation;

Justification

Integration into the single payment scheme should take place as from 2013, and not before.

Amendment 176

Proposal for a regulation Annex X – part I – indent 5

Text proposed by the Commission

– from 2011 the aid for processing dried fodder provided for in Subsection I of Section I of Chapter IV of Title I of Part II of Regulation (EC) No 1234/2007;

Amendment

deleted

Justification

Dried fodder is governed by a COM which is currently undergoing an assessment, whose results are not yet known. Although the sector needs to restructure in order to survive, given the current crisis in livestock production a supply of protein-rich products needs to be guaranteed.

Amendment 177

Proposal for a regulation Annex X – part I – indent 6

Text proposed by the Commission

– from **2011** the aid for processing flax

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Amendment

– from **2013** the aid for processing flax

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grown for fibre in Subsection II of Section I of Chapter IV of Title I of Part II of Regulation (EC) No 1234/2007, in accordance with the time schedule provided for in that subsection;

grown for fibre in Subsection II of Section I of Chapter IV of Title I of Part II of Regulation (EC) No 1234/2007, in accordance with the time schedule provided for in that subsection;

Justification

The Commission itself has carried out a study which gives a very favourable assessment of the COM for flax and hemp, so that there is no reason to abolish the arrangement immediately.

Amendment 178

**Proposal for a regulation
Annex X – part I – indent 7**

Text proposed by the Commission

– from **2011** the potato starch premium provided for in Article [95a] of Regulation (EC) No 1234/2004 and, in accordance with the time schedule of Article 75 of this Regulation, the aid for starch potato provided in that Article.

Amendment

– from **2013** the potato starch premium provided for in Article [95a] of Regulation (EC) No 1234/2004 and, in accordance with the time schedule of Article 75 of this Regulation, the aid for starch potato provided in that Article.

Justification

The disappearance of this form of production may have serious implications for employment in a number of regions. It would be more appropriate, therefore, to retain the current system until 2013.

Amendment 179

**Proposal for a regulation
Annex X – part I a (new)**

Text proposed by the Commission

Amendment

Ia

From 2010, where a Member State does not take the decision referred to in Article 64(1) of this Regulation:

- the protein crop premium provided for in Chapter 2 of Title IV of Regulation (EC)

No 1782/2003;

- the crop specific payment for rice provided for in Chapter III of Title IV of Regulation (EC) No 1782/2003 and Section 1 of Chapter 1 of Title IV of this Regulation, in accordance with the time schedule provided for in Article 72(2) of this Regulation;

- the aid for processing dried fodder provided for in Subsection I of Section I of Chapter IV of Title I of Part II of Regulation (EC) No 1234/2007.

Amendment 180

Proposal for a regulation Annex XI – ‘Dried fodder’ table

Text proposed by the Commission

Amendment

‘Dried fodder’ table

deleted

Amendment 181

Proposal for a regulation Annex XI – ‘Protein crops’ table

Text proposed by the Commission

Amendment

‘Protein crops’ table

deleted

Amendment 182

Proposal for a regulation Annex XI – ‘Rice’ table

Text proposed by the Commission

Amendment

Column 2010

deleted

Column 2011

Column 2012

Amendment 183

Proposal for a regulation Annex XI – ‘Long fibre flax’ table

Text proposed by the Commission

Amendment

Column 2011 *deleted*

Column 2012

Amendment 184

Proposal for a regulation Annex XI – ‘Potato starch processing aid’ table

Text proposed by the Commission

Amendment

Column 2011 *deleted*

Column 2012

Amendment 185

Proposal for a regulation Annex XI – ‘Potato starch aid for growers’ table

Text proposed by the Commission

Amendment

Column 2011 *deleted*

Column 2012

EXPLANATORY STATEMENT

1. THE ORIGINS OF THE 'HEALTH CHECK'

The 2003 reform (which was dictated essentially by the inevitability of eastward enlargement and by the WTO) was the most thorough one to which the CAP has so far been subjected.

The reform was originally intended merely as a mid-term review of the existing mechanisms for public intervention in agriculture but it ended up as an in-depth reform involving the introduction of a set of new principles:

- the principle of decoupling aid from the quantity produced with a view to improving market guidance for farmers and reducing distortions in agricultural production and trade;
- the principle of conditionality, pursuant to which the coupled payments must comply with a list of requirements relating to the environment, public health, animal welfare and so on;
- the principle of compatibility with the WTO, insofar as the ultimate objective of aid-decoupling was to ensure that it was included in the Agricultural Agreement's 'green box';
- the principle of public redistribution of payment entitlements, which has effects at two levels: within decoupled single payments and as a transfer between the two pillars of the CAP (aid and the markets, first pillar, covered by the EAGGF; rural development, second pillar, covered by the EAFRD);
- the principle of flexibility in the running of the CAP, whereby the Member States are able to vary the way in which a set of parameters relating to the new CAP are applied;
- the principle of financial discipline (subsequently enshrined by means of the 2007-2013 Financial Perspective), pursuant to which – in response to the challenge of enlargement – the agricultural budget was frozen and annual ceilings were imposed, with the possibility of linear reductions in grant aid with a view to meeting that challenge;
- finally, the principle of progressivity: 2003 constituted the first decision concerning an open reform in stages, since once the basic principles had been launched (decoupling, financial discipline and the application of management flexibility) it provided reference for further sectoral changes (from the reforms to the so-called Mediterranean package to the reform of the wine sector and more recently the cotton sector).

The 'Health Check' constitutes the final stage in the reform process.

2. THE NEED FOR A COMMON AGRICULTURAL POLICY

The CAP is paradoxically the most durable, probably the most successful and certainly the

most criticised of European policies. It was devised almost half a century ago and more than any other policy it has been able to pursue the objectives which it was intended to meet. However, on account of the successive social, economic, political and environmental changes which have occurred in Europe and the world, the policy has had to adapt to new circumstances and it has become increasingly misunderstood by certain sectors of society, particularly in view of the injustices to which it has given rise amongst farmers, regions and Member States as the EU has progressively expanded and encompassed increasing heterogeneous agricultural and rural areas.

The rapporteur takes the view that the continuation of a common agricultural policy is not only desirable; it is also a necessary condition for safeguarding the competitiveness of European agriculture on the global market, maintaining security of supply and food quality, achieving environmental sustainability, responding to new challenges (in particular those relating to climate change and renewable energy sources) and supporting a dynamic, diversified economy in rural areas, in line with the objectives restated in the Lisbon Treaty.

The 'Health Check' could (and, in the rapporteur's view, should) have dwelt more on the debate concerning the drawing up of an agricultural-policy model for the post-2013 period. The waste of such an opportunity is to be regretted.

The boundary which the commission wished to place around the debate on the 'health check' (leaving out in particular topics such as the legitimacy of aid and the setting of parameters for as common a model as possible of decoupled payments, the degree of management flexibility which should be granted to the Member States, modulation *vs* co-financing, the possibility of a 'single pillar' and the role of market regulation within the new CAP) will complicate the debate and the decisions concerning the 2013 reform, discussions on which will have to begin in 2010/2011.

This is particularly true in view of the fact that the debate on the re-evaluation of the Community budget (including own resources) which was agreed under the 17 May 2006 Interinstitutional Agreement, the revision of the Kyoto Protocol, the discussion of the Financial Perspective for the post-2013 period and a probable agreement within the WTO will all coincide within the same timeframe beginning in 2009.

3. THE RAPPORTEUR'S PROPOSALS

The European Parliament has over time devoted particular attention to matters relating to agriculture and rural development, the outcome being countless initiatives and a multitude of proposals (many of which have very recently been adopted) which the rapporteur has the ethical duty to honour in essence.

Prominent amongst the most recent expressions of the European Parliament's views concerning matters directly related to the 'health check' are the Goepel report on the same topic¹, the Jeggle report on milk², the Veraldi report on young farmers³, the Aylward report on

¹ P6_TA(2008) 093

² P6_TA(2008) 092

³ P6_TA(2008) 258

the sheep and goat sector¹ and the Berlato report on the Community Tobacco Fund².

In this connection the rapporteur is proposing that the European Parliament should adopt the following main amendments to the Commission proposals relating to:

I. COUNCIL REGULATION ESTABLISHING COMMON RULES FOR DIRECT SUPPORT SCHEMES FOR FARMERS UNDER THE COMMON AGRICULTURAL POLICY AND ESTABLISHING CERTAIN SUPPORT SCHEMES FOR FARMERS

(a) Conditionality

The rapporteur welcomes the efforts at simplification which have been made in this area. For the purpose of giving adequate prominence to the Work and Employment factors the rapporteur considers that Safety at Work should be added to the legal management requirements which have already been laid down.

(b) Modulation

Modulation is justifiable as a second-pillar financing instrument. Progressive modulation is also fully justified on the grounds that it is right that the beneficiaries who receive most should contribute most to that objective. For the same reasons it is justified that EUR 5000 should be retained and that a large number of small beneficiaries (over 80% of the total number thereof) should be exempted from application of this measure. Despite the fact that the rapporteur is personally in favour of a higher modulation percentage, he considers that he should abide by the decision approved by Parliament in March 2008 in connection with the Goepel report (5% of compulsory modulation for all beneficiaries above EUR 5000 + 1% for those between EUR 10 000 and EUR 99 999, + 2% for the EUR 100 000-199 999 bracket, + 3% for the EUR 200 000-299 999 bracket and + 4% for amounts in excess of EUR 300 000).

Furthermore, he does not consider that application of this measure to the new Member States should be proposed, on the grounds that until 2013 they will be in a phasing-in period as regards first-pillar payments.

As regards redistribution (Rule 80-20), it is not considered justifiable that the amounts governed by the new progressive modulation should be subject to a different rule from the one which is already applied to compulsory modulation.

In opting (for the reasons described) for a smaller modulation percentage the rapporteur is aware that the amounts to be transferred to the second pillar by means of this mechanism are significantly smaller than would be the case if the modulation percentage proposed by the Commission were to be applied. Hence he will propose complementary mechanisms with a view to obtaining an approximate result either on the basis of Article 68 (on a voluntary basis) or through the introduction of a new ceiling mechanism, for the reasons set out below.

¹ P6_TA(2008) 310

² P6_TA(2008) 204

(c) Maximum ceiling

In order to compensate for the reduction in the transfer of financial resources to the second pillar (which stems from the low rates of modulation proposed) and for reasons of fairness and justice, it is considered that a ceiling for the allocation of direct aid should be set at EUR 500 000.

In view of the boost which is to be given to agricultural and rural employment and the important role which many agricultural businesses play in this area (in particular cooperatives), it is proposed that the maximum ceiling to be applied to each of these major beneficiaries should be EUR 500 000, increased by the total amount spent each year on wages.

In view of the fact that these major beneficiaries are very unevenly distributed amongst the Member States, it is proposed that the amounts stemming from this measure should be paid to the Member State concerned.

(d) Minimum limits

The Commission is proposing to establish a minimum limit of EUR 250 per year or of one hectare, under which small farmers will be prevented from receiving direct support on account of the high cost and the bureaucracy associated with the processing of support.

In the rapporteur's view, such a proposal reveals a woeful lack of social sensitivity. If it were to be applied it would contribute not only to turning many farmers against the CAP, it would also cancel out the positive effects of the contribution made by those farmers (allies who should not be underestimated for the purpose of achieving the objectives of applying good agricultural and environmental practices). It should be borne in mind that farmers who receive up to EUR 250 represent nearly 31% of the total but receive a mere 0.84% of payments.

On these grounds the rapporteur is recommending rejection of the Commission proposal.

However, being sensitive to the arguments relating to the need for the bureaucracy associated with the payment of such aid to be reduced, the rapporteur is proposing that amounts of EUR 500 per year or less may be paid every two years, starting in the first year.

(e) Additional payments (Article 68)

Article 68 is being proposed by the Commission in the context of the proposals relating to the abolition of partial decoupling and to the transition towards a land-based model for the allocation of aid and the impact which that will have on certain sectors and regions. The Member States will be allowed to use up to 10% of their national ceilings for the purpose of financing a set of measures designed to cushion the likely impact.

With a view to making better use of the potential offered by this policy instrument, the rapporteur is proposing;

- to withdraw funding for the Article 68 system for risk- and crisis-management, thereby

releasing more funding for the other measures envisaged;

- to create a new Article 68a allowing the Member States to use up to 5% of their national ceilings in order to finance crop insurance and mutual funds, so as to ensure that the risk and crisis system is adequately funded; since these are matters relating to the management and organisation of markets, these instruments should be brought into use within the single COM and not in the framework of the rules relating to schemes providing direct support for farmers;
- to allow the possibility (for Member States which so desire) to transfer unused amounts relating to Articles 68 and 68a to the second pillar, in which case the Member States would be able to use those amounts (without resorting to co-financing) in order to strengthen their rural-development programmes, thereby compensating for the reduction in transfers to the second pillar which stems from the reduction in the modulation rate proposed as an alternative to the Commission proposal;
- to abolish the 2.5% ceiling which will subsequently be determined objectively on the basis of the proposals adopted in this context and in accordance with the *de minimis* clause and the Agricultural Agreement's 'blue' box, as accepted by the EU within the WTO and in accordance with the Doha negotiating mandate.

(f) Decoupled aid

The rapporteur welcomes the Commission proposal concerning the progressive introduction of land-based criteria for the allocation of aid to farmers. However, he is also aware that, since the opportunity for a more detailed debate on the topic has been wasted, the flexibility granted to the Member States is a possible solution but one which will ultimately result in 27 different models.

Given the current state of the markets and in particular the implications thereof as regards farm production, the following action should be taken:

- in the case of the slaughter of calves, coupled aid should be maintained
- in the case of the sheep and goat sector, retaining up to 100% coupled aid should be permitted;
- for crops more closely related to animal production and in order to encourage a greater supply of animal feed against a background of high demand and high prices, coupled aid for dry forage and protein crops should be maintained;
- for small COMs the current scheme should remain in force until 2012/2013;
- in the case of tobacco and in accordance with the European Parliament's majority decision, the current scheme should remain in force until 2012/2013.

II. COUNCIL REGULATION ON MODIFICATIONS TO THE COMMON AGRICULTURAL POLICY BY AMENDING REGULATIONS (EC) NO 320/2006, (EC) NO 1234/2007, (EC) NO 3/2008 AND (EC) NO [...] /2008

(a) Risk- and crisis-management

The risk and crisis scheme proposed by the Commission on the basis of crop insurance and mutual funds is important on account of its preventive nature in response to individual risks but it is insufficient as a response to major systemic crises such as some which have occurred in the recent past (BSE, for example). Consequently it is proposed that Article 44 should remain.

It is also proposed that the Community share should be increased to 70% (+ 30% more than what is proposed for the old Member States) in the case of the new Member States once they enter a transitional stage and have problems with the co-financing of the risk- and crisis-management scheme.

Furthermore, it is considered that a more active role should be conferred on farmers' organisations and/or interbranch organisations as regards the prevention of risks and crises, in view of the fact that such organisations have the potential to promote a better knowledge of the markets.

(b) Market-intervention mechanisms

- Soft wheat

It is proposed that the intervention mechanism should continue to operate, although the timetable for the last three months of the marketing year should be shortened so that it can perform its role as a safety net and prevent speculation. On the other hand the award mechanism proposed by the Commission is rejected on the grounds that it would cause prices to enter a downward spiral.

- Pigmeat sector

Pursuant to the precautionary principle it is proposed that the zero-quantity intervention mechanism should continue to operate.

- Dairy sector

It is proposed that aid for the relief of surpluses should be retained, although exclusively for non-profit-making organisations.

(c) Private storage

It is proposed that veal should be included in the private-storage mechanism, since it is exposed to the same uncertainties as other kinds of meat.

(d) Export refunds for cereals

The Commission has given an undertaking that this mechanism will be abolished when the WTO Doha Round is concluded. In view of the current state of the market and all the

forecasts, this mechanism should be abolished unilaterally. This will give a clear political signal of solidarity with developing countries and at the same time will increase Europe's supply, especially for animal production.

(e) Dairy sector

Reform of the dairy sector is one of the most sensitive aspects of the 'health check' and the one which give rise to the widest variety of opinions, in view of the huge differences in production conditions throughout the EU.

In the search for a satisfactory compromise and in view of the price fluctuations which have characterised the dairy market in the recent past, it is proposed that a rather more cautious approach should be adopted than the one contained in the Commission proposal, on the following terms:

- 15% increase in dairy quotas for the 2009/10 and 2010/11 marketing years;
- Decisions concerning the future of the sector to be brought forward to 2010, taking into account an adequate assessment of the period corresponding to the three previous marketing years;
- Establishment of the 'Dairy Fund' financed by the amounts corresponding to application of the super tax and to the savings stemming from the dismantling of the market instruments. The Fund cannot be used to finance actions which could be paid for by means of some other instrument (in particular Article 68).

III. COUNCIL REGULATION AMENDING REGULATION (EC) NO 1698/2005 ON SUPPORT FOR RURAL DEVELOPMENT BY THE EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT (EAFRD) AND COUNCIL DECISION AMENDING DECISION 2006/144/EC ON THE COMMUNITY STRATEGIC GUIDELINES FOR RURAL DEVELOPMENT (PROGRAMMING (period 2007 to 2013))

- The rapporteur agrees with the Commission's analysis as regards the need for new challenges to be included in rural-development programmes with particular reference to climate change, renewable energy sources, water management and the protection of biodiversity, although he considers that the Member States should be allowed greater flexibility. Although on the one hand the Commission – in order to take such challenges into account – opts for a flexible approach when drawing up a non-exhaustive list of possible measures to be applied by the Member States, it stipulates on the other hand that such measures must be fully financed from the additional funds stemming from the new modulation.

The rapporteur suggests that this obligation should be restricted to 50% of the additional funds, which will allow the Member States greater flexibility as regards the use of the financial resources transferred to the second pillar and stemming from the new modulation, the ceiling and the new *passerelle* mechanism incorporated into Article 68, both for actions to be implemented in the context of the 'new challenges' and for the purpose of strengthening the Member States' rural-development programmes.

Also proposed are additional measures relating to:

- the use of solar, wind and geothermic energy,
 - improved management of waste and the recycling of materials,
 - flood-risk management.
- It is proposed that the scope for this instrument should be enlarged in order to extend eligibility to expenditure relating to specific measures intended to promote innovation and knowledge-transfer, not only as a contribution to agriculture and rural development under the Lisbon Strategy but also in order to enable a more effective response to be made to the new challenges, in particular matters relating to new energy sources and action to combat climate change, biodiversity and the management of water resources.

In view of the pre-existing problem of an ageing agricultural workforce and rural exodus, greater support should be provided for the initial establishment of young farmers, with the payment being increased from EUR 55 000 to EUR 75 000.

7.10.2008

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Agriculture and Rural Development

on the proposal for a Council regulation establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers

(COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS))

Rapporteur: Theodor Dumitru Stolojan

SHORT JUSTIFICATION

I. Introduction

Your draftsman welcomes the Commission proposals to continue the CAP reform, to allow the farmers to respond quicker and more flexible to the market signals and to prepare them to face the new challenges such as climate change, water management, bio-energy and food price rise.

He wishes to point out that the impact of the Health Check proposals on the EU budget 2009 and on the financial perspective (2010-2013) has to be budgetary neutral. The financial flows between Pillar I (direct payments to farmers) and Pillar II (rural development) within Heading 2 (Title 05), should be by design budgetary neutral. Any change of the Commission's proposals should also remain neutral. On the other hand, it is very difficult to foresee the final amounts needed for direct payments according to the legislation in force.

II. Common rules for direct support schemes - Amendments concerning the new regulation proposed (CNS 2008/103 part of the Commission proposal)

In the context of recent attempts to shift significant amounts from Heading 2 to Heading 4, your draftsman proposes two amendments reminding provisions of the Inter-institutional Agreement (IIA) on budgetary discipline and sound financial management.

Concerning the text itself, your draftsman supports the Commission's proposal that the system of modulation should not be applied to farmers in the new Member States until the level of direct payments applicable in those Member States is equal to the level applicable in the other Member States. The Rapporteur in the lead committee also supports this idea and therefore is modifying Article 7 and 10 of the new regulation. By doing so it is to hope that the threshold

of equality of payments in old and new Member States will arrive only in 2013, not as proposed by the Commission, earlier (because of the new modulation scheme). These proposed changes to the proposal, (AGRI amendments 28 - 42) can be endorsed, but do not have to be subject of amendments in the Budgets Committee.

III. Specific points

Your draftsman is of the opinion that the Commission's proposal to eliminate the specific support for energy crops is not appropriate for the new Member States, particularly the countries with unused agricultural land (recital 38).

Therefore, an amendment taking up Title IV, chapter 5 of regulation 1782/2003 and re-introducing it into new regulation could be tabled, thus maintaining the current system for New Member States.

Welcomes the Health Check proposals to abolish of set aside and to end the milk quota as an instrument of supply control.

Appreciates the use of intervention prices for cereals only as a safety net. The same principle of intervention should be applied for pig meat instead to abolish it (recital 5). This would also be in line with AGRI report, but an amendment should be tabled to regulation 1234/2007 (recital 5 and amendments 14, and possibly 18) which has not been referred to the Budgets committee.

Concerning rural development and strategic guidelines for it, your draftsman supports the Commission's proposals.

AMENDMENTS

The Committee on Budgets calls on the Committee on Agriculture and Rural Development, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Draft legislative resolution Paragraph 1 a (new)

Draft legislative resolution

Amendment

1a. Recalls Declaration 3 annexed to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management¹, which provides for

¹ OJ C 139, 14.6.2006, p. 1.

*financial revision of all aspects of EU
spending including the Common
Agricultural Policy;*

Amendment 2

**Draft legislative resolution
Paragraph 1 b (new)**

Draft legislative resolution

Amendment

***1b. Recalls that the annual amount will be
decided within the annual budgetary
procedure;***

Justification

This amendment aims to recall that the proposal, being part of the CAP, it is not only subject to the mid-term review of the Multiannual Financial Framework foreseen in Declaration 3 of the IIA of 17 May 2006 and the conclusions of the European Council ('full, wide-ranging review covering all aspects of EU spending, including the CAP'), but also subject to scrutiny within the annual Budget Procedure

Amendment 3

**Proposal for a regulation
Article 8 – paragraph 2**

Text proposed by the Commission

Amendment

2. The Commission, in accordance with the procedure referred to in Article 128(2) shall **review** the ceiling set out in Annex IV in order to take account of:

- (a) modifications to maximum amounts that may be granted in accordance with the direct payments;
- (b) modifications to the voluntary modulation referred to in Regulation (EC) No 378/2007;
- (c) structural changes of the holdings.

2. The Commission, in accordance with the procedure referred to in Article 128(2) shall **examine annually** the ceiling set out in Annex IV in order to take account of:

- (a) modifications to maximum amounts that may be granted in accordance with the direct payments;
- (b) modifications to the voluntary modulation referred to in Regulation (EC) No 378/2007;
- (c) structural changes of the holdings,
and shall inform the European

Parliament thereof.

Justification

As it is difficult to foresee the real financial needs for direct payments, it is proposed that the Commission should review annually the ceilings for Members States' direct payments and compare them to actual needs.

Amendment 4

Proposal for a regulation

Article 33

Text proposed by the Commission

Amendment

Article 33

deleted

Review

Support schemes listed in Annex I shall apply without prejudice to possible review at any moment in the light of economic developments and the budgetary situation.

Amendment 5

Proposal for a regulation

Article 68 – paragraph 3

Text proposed by the Commission

Amendment

3. Support for measures referred to in paragraph 1(b) may only be granted:

deleted

(a) upon full implementation of the single payment scheme in the sector concerned in accordance with Articles 54, 55 and 71.

(b) to the extent necessary to create an incentive to maintain current levels of production.

Justification

Following amendments on Article 68, paragraph 1.

Amendment 6

Proposal for a regulation
Article 68 – paragraph 4

Text proposed by the Commission

Amendment

4. Support under the measures referred to in paragraph 1(a), (b) and (e) shall be limited to 2.5% of the national ceilings referred to in Article 41 Member States may set sublimits per measure. **deleted**

Justification

Following amendments on Article 68, paragraph 1. The amendment should fall if these amendments are not adopted.

Amendment 7

Proposal for a regulation
Article 68 – paragraph 6

Text proposed by the Commission

Amendment

6. The transfer of payment entitlements with increased unit values and of additional payment entitlements referred to in paragraph 5(c) may only be allowed if the transferred entitlements are accompanied by the transfer of an equivalent number of hectares. **deleted**

Justification

Following amendments on Article 68, paragraph 1.

Amendment 8

Proposal for a regulation
Article 132 a (new)

Text proposed by the Commission

Amendment

Article 132a

Study on costs of compliance

The Commission shall undertake a study assessing the actual costs for farmers

which result from complying with EU legislation in the fields of the environment, animal welfare and food safety, which provides for standards going beyond those to which import products are subject. Such legislation includes, inter alia, the regulations and directives listed in Annex II which underpin the cross-compliance system, as well as the standards defined as good agricultural and environmental condition (GAEC) in Annex III which are also part of the cross-compliance requirements.

The study shall assess the compliance costs as described above in all Member States, which might vary between Member States and even between regions within Member States depending on differences in climatic, geological, economic, social and production features.

Justification

The European Parliament has repeatedly voiced its position (T6-0598/2007 and T6-0093/2008) that direct payments should be further rationalized after 2013 by making the height of these payments dependent on the actual costs of compliance with EU legislation that goes beyond the standards that import products are subject to. The results of the pilot can serve as a basis for putting into practice a rationalization of agricultural payments after 2013. Moreover, the results will help the EU to justify its agricultural payments within the framework of the WTO, as well as to its own citizens.

Amendment 9

Proposal for a regulation

Recital 23

Text proposed by the Commission

Amendment

(23) In order to achieve the objectives of the common agricultural policy, common support schemes have to be adapted to changing developments, if necessary within short time limits. Beneficiaries cannot, therefore, rely on support conditions remaining unchanged and should be prepared for a possible review of schemes in particular in the light of

deleted

economic developments or the budgetary situation.

Amendment 10

Proposal for a regulation Recital 29 a (new)

Text proposed by the Commission

Amendment

(29a) The cross-compliance system and the common agricultural policy (CAP) will probably require further adjustment in the future, as the level of payments currently does not always seem proportionate to the compliance efforts made by the farmers concerned, because payments still depend to a large extent on historic spending. In particular, animal welfare legislation is obviously most burdensome for livestock farmers, which is not reflected in the level of their payments. However, if imported products met the same animal welfare standards, then there would be no need to compensate farmers for their compliance with Community legislation in this field. The Commission should therefore strive for recognition of non-trade concerns as import criteria within the World Trade Organisation negotiations.

Justification

Reinstatement of amendment adopted by the European Parliament as part of report T6 - 0598/2007 on 11 December 2007 entitled "CAP: common rules for direct support schemes and certain support schemes for farmers and support for rural development".

PROCEDURE

Title	Support schemes for farmers under the CAP		
References	COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS)		
Committee responsible	AGRI		
Opinion by Date announced in plenary	BUDG 19.6.2008		
Drafts(wo)man Date appointed	Theodor Dumitru Stolojan 18.6.2008		
Discussed in committee	10.9.2008	22.9.2008	6.10.2008
Date adopted	6.10.2008		
Result of final vote	+: -: 0:	30 0 0	
Members present for the final vote	Reimer Böge, Herbert Bösch, Costas Botopoulos, Paulo Casaca, Brigitte Douay, James Elles, Göran Färm, Vicente Miguel Garcés Ramón, Salvador Garriga Polledo, Ingeborg Gräßle, Louis Grech, Nathalie Griesbeck, Catherine Guy-Quint, Jutta Haug, Ville Itälä, Anne E. Jensen, Sergej Kozlík, Wiesław Stefan Kuc, Janusz Lewandowski, Vladimír Maňka, Mario Mauro, Jan Mulder, Gianni Pittella, Theodor Dumitru Stolojan, László Surján, Gary Titley, Kyösti Virrankoski, Ralf Walter		
Substitute(s) present for the final vote	Paul Rübige, Gianluca Susta		

16.9.2008

OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

for the Committee on Agriculture and Rural Development

on the proposal for a Council regulation establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers

(COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS))

Rapporteur: Kathalijne Maria Buitenweg

SHORT JUSTIFICATION

The European agricultural sector is facing big challenges, such as climate change and water scarcity, and it will continue to do so. It is of big importance that the Common Agricultural Policy is adapted to those challenges. European agriculture still uses a lot of water, pesticides, fertilizers and energy, and without the necessary measures it will keep doing so.

It is difficult to explain to the public that the European Union is giving direct payments to large, intensive farms, on the basis of historic yields or landownership, without asking farmers to reduce their greenhouse gas emissions and their use of water, pesticides, fertilizers and energy.

Paying for public services

In November last year the Commission presented its Communication on the CAP Health Check. According to the European Commission, the Common Agricultural Policy would be radically reformed. Direct payments were supposed to be substantially cut in favour of strengthening environmental and employment benefits. Unfortunately, the Commission just marginally cut the direct payments in its legislative proposals, presented in May of this year.

Farmers should not be paid for historic yields or landownership, but for the public services that they deliver, such as enhancing biodiversity, and water management, and for achievements in the fields of environment, animal welfare and food safety, that go further than the legal obligations. The rapporteur therefore proposes to phase out all current direct payments by 2020. The budgetary principle in the Common Agricultural Policy should be 'using public money to pay for public services'.

Cross-compliance criteria

Any form of public funding for farming must be conditional on respect for environmental, nature and animal welfare legislation. This is regulated through the cross-compliance criteria. The rapporteur proposes to strengthen these criteria and to include additional provisions on water use and greenhouse gas emissions in the cross-compliance criteria.

Experience has shown the necessity of strengthening controls and increasing penalties for not respecting the cross-compliance criteria. To ensure that controls will be strengthened, the rapporteur proposes to set a minimum amount of controls. The competent authorities in Member States should annually control at least 5% of all farms.

Abolition of mandatory set aside

The Commission proposes to abolish mandatory set aside. This will cause a further loss of biodiversity, of birdlife in particular, and of other significant environmental benefits. The goal of the European Union is, to stop the loss of biodiversity by 2010.

This is impossible if the agricultural sector does not play its part.

Scientific evidence shows that set aside has brought important environmental benefits. Inter alia, providing habitats for wildlife and mitigating the impacts on soil and water in intensively cropped areas. These benefits will be lost by the abolition of set aside. This loss should be compensated through targeted measures within cross-compliance and within the Rural Development policy.

Furthermore buffer strips, with natural and blooming vegetation and extensively managed crops, in which no pesticides or fertilizers are used, shall be set along field borders. This is not only a good measure to enhance biodiversity, but it also leads to a cleaner soil and especially to cleaner ground- and surface water.

Climate change

The agricultural sector is a big emitter of greenhouse gases. Specific support should be given to measures aiming at reducing the energy consumption in the food chain, and to measures aiming at prevention and re-use of agricultural waste.

Special attention should be paid to intensive livestock farming, which causes about 18% of the global CO₂ emissions. In any case CAP money should not be used to promote meat consumption, which is still being done at this moment. What and how much you consume is a free, individual choice, but public money should not be used to promote the consumption of products that have a negative impact on climate change, water scarcity and world hunger.

To reduce greenhouse gas emissions in the whole agricultural sector, the Commission shall propose binding legislative proposals in 2009, aiming at reducing the greenhouse gas emissions by the agricultural sector with at least 30% by 2020, and with at least 80% by 2050.

Animal welfare

Animal welfare should be substantially improved in the agricultural sector. The Commission

should propose binding legislative proposals in 2009, aiming at improving animal welfare in the European Union. These proposals will include the phasing out of factory farming.

In 2007 a majority of the Parliament voted in favour of abolishing all subsidies that are given to the breeders of bullfighting bulls. Unfortunately the Commission and the Council ignored this clear call of the Parliament. Bullfighting is a cruel sport and should not be supported by the European Union. The rapporteur therefore repeats the call of the Parliament and asks for the abolishment of payments given to the breeders of bullfighting bulls.

Export subsidies

Export subsidies are still a barrier for fair trade in the agricultural sector. These subsidies often damage local markets of developing countries. The Commission should therefore abolish all export subsidies by 2009.

AMENDMENTS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Agriculture and Rural Development, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Experience drawn from the implementation of Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and amending Regulations (EEC) No 2019/93, (EC) No 1452/2001, (EC) No 1453/2001, (EC) No 1454/2001, (EC) No 1868/94, (EC) No 1251/1999, (EC) No 1254/1999, (EC) No 1673/2000, (EEC) No 2358/71 and (EC) No 2529/2001 shows that certain elements of the support mechanism need to be adjusted. In particular the decoupling of direct support should be extended and the functioning of the Single Payment Scheme should be simplified. It should also be

Amendment

(1) Experience drawn from the implementation of Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and amending Regulations (EEC) No 2019/93, (EC) No 1452/2001, (EC) No 1453/2001, (EC) No 1454/2001, (EC) No 1868/94, (EC) No 1251/1999, (EC) No 1254/1999, (EC) No 1673/2000, (EEC) No 2358/71 and (EC) No 2529/2001 shows that certain elements of the support mechanism need to be adjusted. In particular the decoupling of direct support should be ***strongly*** extended ***with the aim of full decoupling*** and the functioning of the Single Payment Scheme

noted that Regulation (EC) No 1782/2003 has been substantially amended since its entry into force. In the light of these developments and in the interest of clarity it should be repealed and replaced by a new Regulation.

should be simplified. It should also be noted that Regulation (EC) No 1782/2003 has been substantially amended since its entry into force. In the light of these developments and in the interest of clarity it should be repealed and replaced by a new Regulation.

Justification

In order to reach the environmental ambitions, including the new challenges, we need a big amount of money to be shifted from the first to the second pillar.

Amendment 2

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) Furthermore, in order to avoid the abandonment of agricultural land and ensure that it is maintained in good agricultural and environmental condition, Regulation (EC) No 1782/2003 established a Community framework within which Member States adopt standards taking account of the specific characteristics of the areas concerned, including soil and climatic conditions and existing farming systems (land use, crop rotation, farming practices) and farm structures. The abolition of compulsory set aside within the single payment scheme *may in certain cases have adverse effects for the environment, in particular as regards certain landscape features*. It is therefore *appropriate to reinforce the existing Community provisions* aiming at protecting, *where appropriate*, specified landscape features.

Amendment

(3) Furthermore, in order to avoid the abandonment of agricultural land and ensure that it is maintained in good agricultural and environmental condition, Regulation (EC) No 1782/2003 established a Community framework within which Member States adopt standards taking account of the specific characteristics of the areas concerned, including soil and climatic conditions and existing farming systems (land use, crop rotation, farming practices) and farm structures. The abolition of compulsory set aside within the single payment scheme *will cause a further loss of biodiversity, of bird life in particular, and of other significant environmental benefits*. It is therefore *necessary to provide for an appropriate compensation* aiming at protecting *and enhancing biodiversity, including, protecting and re-establishing* specified landscape features. *This should be achieved by reinforcing the existing Community provisions, but also by introducing new compensatory measures*.

Justification

Scientific evidence shows that set aside has brought important environmental benefits. Inter alia, providing habitats for wildlife and mitigating the impacts on soil and water in intensively cropped areas. These benefits will be lost by the abolition of set aside. This loss should be compensated through targeted measures within cross-compliance and the Rural Development policy.

Amendment 3

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Protection and management of water in the context of the agricultural activity **has increasingly become** a problem in **certain areas**. It is therefore appropriate to also reinforce the existing Community framework for good agricultural and environmental condition with the aim to protect water against pollution and run-off and to manage the use of water.

Amendment

(4) Protection and management of water in the context of the agricultural activity **is becoming** a problem in **an increasingly large part of the Community**. It is therefore appropriate to also reinforce the existing Community framework for good agricultural and environmental condition with the aim to protect water against pollution and run-off and to manage the use of water, **including reducing the substantial annual wastage of water through better agronomic and water management systems**.

Justification

In order to solve and avoid the problem of water scarcity, the annual wastage of water in the agricultural sector has to be reduced.

Amendment 4

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) Since permanent **pasture** has a positive environmental effect, it is appropriate to apply measures to encourage the maintenance of existing permanent **pasture** to avoid its massive conversion into arable

Amendment

(5) Since permanent **grassland** has a positive environmental effect, it is appropriate to apply measures to encourage the maintenance of existing permanent **grassland** to avoid its massive conversion

land.

into arable land.

Justification

Not all permanent grasslands are grazed. Permanent grasslands are important carbon stocks and Europe's most important biodiversity habitats. From that point of view, grasslands that are mowed are as important as pastures.

Amendment 5

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) In order to achieve a better balance between policy tools designed to promote sustainable agriculture and those designed to promote rural development, a system of compulsory progressive reduction of direct payments (“modulation”) was introduced by Regulation (EC) No 1782/2003. This system should be maintained including the exemption of payments up to EUR 5 000 from its application.

Amendment

(6) In order to achieve a better balance between policy tools designed to promote sustainable agriculture and those designed to promote rural development, a system of compulsory progressive reduction of direct payments (“modulation”) was introduced by Regulation (EC) No 1782/2003. This system should be maintained, including the exemption of payments up to EUR 5 000 from its application. ***The modulation percentages should be strongly enhanced with the aim of phasing out all existing direct payments by 2020.***

Justification

Farmers should be rewarded for the public services that they deliver, such as enhancing biodiversity and storing water, and they should not automatically get supported.

Amendment 6

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) The ***savings made*** through the modulation mechanism introduced by Regulation (EC) No 1782/2003 are used to finance measures under the rural development policy. Since the adoption of

Amendment

(7) The ***funds obtained*** through the modulation mechanism introduced by Regulation (EC) No 1782/2003 are used to finance measures under the rural development policy. Since the adoption of

that regulation the agricultural sector has been faced with a number of new and demanding challenges such as climate change, the increasing importance of bio-energy, as well as the need for a better water management and a more effective protection of biodiversity. The European Community, as party to the Kyoto Protocol, has been called to adapt its policies in the light of the climate change considerations. Furthermore, following serious problems related to water scarcity and droughts, water management issues *should* be further addressed. Protecting biodiversity remains a major challenge and while important progress has been made, the achievement of the European Community's *biodiversity* target for 2010 will *require* additional efforts. The Community acknowledges the need to tackle these new challenges in the framework of its policies. In the area of agriculture, rural development programs adopted under Council Regulation (EC) No 1698/2006 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) are an appropriate tool to deal with them. To enable Member States to revise their rural development programmes accordingly without being required to reduce their current rural development activities in other areas, additional funding needs to be made available. However, the financial perspectives for the period 2007 to 2013 do not provide for the financial means to reinforce the Community's rural development policy as necessary. Under these circumstances it is appropriate to mobilise a large part of the financial resources needed by providing for a gradual increase of the reduction of direct payments through modulation.

that regulation the agricultural sector has been faced with a number of new and demanding challenges such as climate change, the increasing importance of bio-energy, as well as the need for a better water management and a more effective protection of biodiversity. The European Community, as party to the Kyoto Protocol, has been called to adapt its policies in the light of the climate change considerations. Furthermore, following serious problems related to water scarcity and droughts, water management issues *within the Community need to* be further addressed *and firm action needs to be taken*. Protecting biodiversity remains, *alongside balanced water management*, a major challenge, and while important progress has been made, the achievement of the European Union's target for 2010 *of halting biodiversity loss within the EU* will *be impossible unless* additional efforts *are made in this area. Such action should include major changes to the way in which the European agricultural model is organised, drawing on the experience gained by States whose agricultural systems are based on a traditional, small-scale farming model*. The Community *accordingly* acknowledges the need to tackle these new challenges in the framework of its policies. In the area of agriculture, rural development programs adopted under Council Regulation (EC) No 1698/2006 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) are an appropriate tool to deal with them. To enable Member States to revise their rural development programmes accordingly without being required to reduce their current rural development activities in other areas, additional funding needs to be made available. However, the financial perspectives for the period 2007 to 2013 do not provide for the financial means to reinforce the Community's rural

development policy as necessary. Under these circumstances it is appropriate to mobilise a large part of the financial resources needed by providing for a gradual increase of the reduction of direct payments through modulation.

Justification

Disruptions to water management and a dramatic loss of biodiversity are the main agriculture-related environmental problems facing the Community. The result of ignoring or disregarding these problems, for example by failing to undertake a radical revamp of Community farming models, may be irreversible changes to farming and environmental patterns in rural areas.

A further increase in the number of large-scale agricultural holdings in the Community and the inadequate support for small farms are at odds with the principles of sustainable development and are making it impossible in practical terms for the Community to achieve the environmental goals it has set itself, the most important of which is the safeguarding of biodiversity.

Amendment 7

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) The particular geographical situation of the outermost regions as well as its insularity, small area and mountainous terrain and climate impose additional burdens to their agricultural sectors. In order to mitigate such burdens and *constrains* it seems appropriate to derogate from the obligation to apply the modulation reduction to farmers in **the** outermost regions.

Amendment

(9) The particular geographical situation of the outermost regions as well as its insularity, small area and mountainous terrain and climate impose additional burdens to their agricultural sectors. In order to mitigate such burdens and *constraints* it seems appropriate to derogate from the obligation to apply the modulation reduction to farmers in outermost **and disadvantaged** regions, **as far as sustainable agricultural practices are concerned**.

Justification

No subsidies should be given to unsustainable agricultural practices.

Amendment 8

Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission

Amendment

(23a) All existing direct payments should be phased out by 2013. By then, farmers should only receive support for the public services that they deliver, such as enhancing biodiversity, and water management, and for achievements in the fields of environment, animal welfare and food safety.

Justification

Farmers need to be encouraged to react to the market. Direct subsidies distort the market and are a substantial drain on community funds. Environmental management is best achieved through the second pillar.

Amendment 9

Proposal for a regulation
Recital 23 b (new)

Text proposed by the Commission

Amendment

(23b) The first pillar of the CAP needs to be retained in the future so as to guarantee the key role which farmers play as motors of the economy in numerous rural regions, as well as being guardians of the landscape and ensuring the high standards of food safety required by the EU.

Justification

An across-the-board cut in direct aid to farmers could significantly reduce their profitability and put at risk the survival of many farms. The EU needs to prioritise self-sufficiency in food for the future.

Amendment 10

Proposal for a regulation Recital 27

Text proposed by the Commission

(27) Compulsory set aside of arable land was introduced as a supply control mechanism. Market developments in the arable crops sector together with the introduction of decoupled aids no longer justify the need for maintaining this instrument, which therefore should be abolished. Set-aside entitlements established in accordance with Articles 53 and 63(2) of Regulation (EC) No 1782/2003 shall therefore be activated on hectares subject to the same eligibility conditions *that* any other entitlement.

Amendment

(27) Compulsory set aside of arable land was introduced as a supply control mechanism. Market developments in the arable crops sector together with the introduction of decoupled aids no longer justify the need for maintaining this instrument, which therefore should be abolished. Set-aside entitlements established in accordance with Articles 53 and 63(2) of Regulation (EC) No 1782/2003 shall therefore be activated on hectares subject to the same eligibility conditions *as* any other entitlement.
Through payments from the second pillar, farmers should be stimulated to actively promote biodiversity through sustainable agricultural practices. In this way the environmental harm caused by abolition of the compulsory set-aside of arable land should be offset.

Justification

Scientific research shows that the abolition of mandatory set aside will have very negative effects on biodiversity. It is therefore crucial to countervail these effects.

Amendment 11

Proposal for a regulation Recital 30

Text proposed by the Commission

(30) Regulation (EC) No 1782/2003, while introducing a decoupled single payment scheme allowed Member States to exclude certain payments from that scheme. At the same time Article 64(3) of that Regulation provided for the revision of the options provided for in Sections 2 and 3 of Chapter

Amendment

(30) Regulation (EC) No 1782/2003, while introducing a decoupled single payment scheme allowed Member States to exclude certain payments from that scheme. At the same time Article 64(3) of that Regulation provided for the revision of the options provided for in Sections 2 and 3 of Chapter

5 of its Title III, in the light of market and structural developments. An analysis of the relevant experience shows that decoupling introduces flexibility in the choice of producers, enabling them to take their production decisions on the basis of profitability and market response. This is particularly the case for the arable crops, hops and seeds sectors, and to a certain extent, also the beef sector. Therefore, the partially coupled payments in these sectors should be integrated into the single payment scheme. In order for farmers in the beef sector to gradually adjust to the new support arrangements provision should be made for a phasing-in of the integration of the special premium for male animals and the slaughter premium. Since the partially coupled payments in the fruit and vegetable sectors were only recently introduced, and only as a transitional measure, no review of such schemes is necessary.

5 of its Title III, in the light of market and structural developments. An analysis of the relevant experience shows that decoupling introduces flexibility in the choice of producers, enabling them to take their production decisions on the basis of profitability and market response. This is particularly the case for the arable crops, hops and seeds sectors, and to a certain extent, also the beef sector. Therefore, the partially coupled payments in these sectors should be integrated into the single payment scheme. In order for farmers in the beef sector to gradually adjust to the new support arrangements provision should be made for a phasing-in of the integration of the special premium for male animals and the slaughter premium. ***All payments given to the breeders of bullfighting bulls should be stopped.*** Since the partially coupled payments in the fruit and vegetable sectors were only recently introduced, and only as a transitional measure, no review of such schemes is necessary.

Justification

We should not support bullfighting. We have to put pressure on bull breeders to stop selling bulls for this purpose.

Amendment 12

Proposal for a regulation

Recital 31

Text proposed by the Commission

(31) However, as regards the suckler cow and sheep and goat sector it appears that maintaining a minimum level of agricultural production may still be necessary for the agricultural economies in certain regions and, in particular, where farmers cannot have recourse to other economic alternatives. Against this background, Member States should have

Amendment

(31) However, as regards the suckler cow and sheep and goat sector it appears that maintaining a minimum level of agricultural production may still be necessary for the agricultural economies in certain regions and, in particular, where farmers cannot have recourse to other economic alternatives. Against this background, Member States should have

the option to maintain coupled support at the current level or, for suckler cows, at a lower level. In that case, special provision should be made for the respect of the identification and registration requirements provided for by Regulation (EC) No 1760/2000 of the European Parliament and of the Council and Council Regulation (EC) No 21/2004, in particular with a view to *secure* the traceability of animals.

the option to maintain coupled support at the current level or, for suckler cows, at a lower level, ***insofar as sustainable and animal friendly agricultural practices are involved***. In that case, special provision should be made for the respect of the identification and registration requirements provided for by Regulation (EC) No 1760/2000 of the European Parliament and of the Council and Council Regulation (EC) No 21/2004, in particular with a view to *securing* the traceability of animals.

Justification

No subsidies should be given to unsustainable agricultural practices.

Amendment 13

Proposal for a regulation Article 3 a (new)

Text proposed by the Commission

Amendment

Article 3 a

In working progressively towards the abolishment of all export subsidies by 2013 as agreed in Hong Kong, all export subsidies on livestock shall be abolished by 2009.

Amendment 14

Proposal for a regulation Article 5 - paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. In 2009 the Commission shall present proposals to the European Parliament and the Council, aiming at legislative measures to reduce the greenhouse gas emissions of the agricultural sector by at least 30% by 2020. The proposals will also include an ambitious long term target to

be reached by 2050.

Amendment 15

Proposal for a regulation

Article 5 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The Commission shall propose binding legislative measures in 2009, aimed at improving animal welfare in the European Union.

Justification

Animal welfare needs to be improved.

Amendment 16

Proposal for a regulation

Article 6 – paragraph 1

Text proposed by the Commission

Amendment

1. Member States shall ensure that all agricultural land, especially land which is no longer used for production purposes, is maintained in good ***agricultural and*** environmental condition. Member States shall define, at national or regional level, minimum requirements for good ***agricultural and*** environmental condition on the basis of the framework set up in Annex III, taking into account the specific characteristics of the areas concerned, including soil and climatic condition, existing farming systems, land use, crop rotation, farming practices, and farm structures.

1. Member States shall ensure that all agricultural land, especially land which is no longer used for production purposes, is maintained in good environmental condition. Member States shall define, at national or regional level, ***on the basis of Commission guidelines,*** minimum requirements for good environmental condition on the basis of the framework set up in Annex III, taking into account the specific characteristics of the areas concerned, including soil and climatic condition, existing farming systems, land use, crop rotation, farming practices, and farm structures.

Amendment 17

Proposal for a regulation Article 7 – paragraph 1

Text proposed by the Commission

1. Any amount of direct payments to be granted in a given calendar year to a farmer that exceeds EUR 5 000 shall be reduced for each year until 2012 by the following percentages:

- (a) 2009: **7%**,
- (b) 2010: **9%**,
- (c) 2011: **11%**,
- (d) 2012: **13%**.

Amendment

1. Any amount of direct payments to be granted in a given calendar year to a farmer that exceeds EUR 5 000 shall be reduced for each year until 2012 by the following percentages:

- (a) 2009: **15%**
- (b) 2010: **22%**
- (c) 2011: **29%**
- (d) 2012: **36%**

Justification

Modulation percentages should aim at phasing out direct payments by 2020, as direct payments do not assure that farmers deliver public goods.

Amendment 18

Proposal for a regulation Article 24 – paragraph 1

Text proposed by the Commission

1. Member States shall carry out on-the-spot-checks to verify whether the farmer complies with the obligations referred to in Chapter 1.

Amendment

1. Member States shall carry out on-the-spot-checks ***on at least 5% of all farms to which direct payments are granted***, to verify whether the farmer complies with the obligations referred to in Chapter 1.

Justification

There has to be a minimum level of control, so that farmers feel the need to respect the cross-compliance criteria.

Amendment 19

Proposal for a regulation Article 43

Text proposed by the Commission

Any payment entitlement which has not been activated for a period of **2 years** shall be allocated to the national reserve, except in case of *force majeure* and exceptional circumstances within the meaning of Article 36(1).

Amendment

Any payment entitlement which has not been activated for a period of **1 year** shall be allocated to the national reserve, except in case of *force majeure* and exceptional circumstances within the meaning of Article 36(1). ***This money should be used to improve environmentally sound agricultural practices.***

Justification

Unspent money from the single payment budget should be used to make the agricultural sector more environmental friendly.

Amendment 20

Proposal for a regulation Article 51 – point b

Text proposed by the Commission

(b) for hectares ***under*** permanent ***pasture*** at the date provided for the area aid applications for 2008 and for any other eligible hectare.

Amendment

(b) for hectares ***used as permanent grassland*** at the date provided for the area aid applications for 2008 and for any other eligible hectare.

Justification

Not all permanent grasslands are grazed. Permanent grasslands are important carbon stocks and Europe's most important biodiversity habitats. From that point of view, grasslands that are mowed are as important as pastures.

Amendment 21

Proposal for a regulation Article 55 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. Member States that in accordance with

PE407.775v03-00

Amendment

1. Member States that in accordance with

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Article 68(2)(a)(i) of Regulation (EC) No 1782/2003 retained all or part of the component of national ceilings referred to in Article 41 of this Regulation corresponding to the suckler cow premium referred to in Annex VI to Regulation (EC) No 1782/2003 shall make, on a yearly basis, an additional payment to farmers.

Article 68(2)(a)(i) of Regulation (EC) No 1782/2003 retained all or part of the component of national ceilings referred to in Article 41 of this Regulation corresponding to the suckler cow premium referred to in Annex VI to Regulation (EC) No 1782/2003 shall make, on a yearly basis, an additional payment to farmers. ***However, no payments shall be given to the breeders of bullfighting bulls.***

Justification

We should not support bullfighting. We have to put pressure on bull breeders to stop selling bulls for this purpose.

Amendment 22

Proposal for a regulation Article 55 – paragraph 2

Text proposed by the Commission

2. In 2010 and 2011, Member States that in accordance with Article 68(1), 68(2)(a)(ii) or 68(2)(b) of Regulation (EC) No 1782/2003 retained all or part of the national ceilings referred to in Article 41 of this Regulation corresponding to the slaughtering premium for calves, the slaughtering premium for animals other than for calves or the special male premium may make an additional payment to farmer. The additional payments shall be granted on slaughtering of calves, on slaughtering of bovine animals other than calves and for holding male bovine animals, under the conditions provided for in Section 8 of Chapter 1 of Title IV. The additional payment shall be made at 50% of the level applied under Article 68 of Regulation (EC) No 1782/2003 and within the limit fixed in accordance with Article 53(2) of this Regulation.

Amendment

2. In 2010 and 2011, Member States that in accordance with Article 68(1), 68(2)(a)(ii) or 68(2)(b) of Regulation (EC) No 1782/2003 retained all or part of the national ceilings referred to in Article 41 of this Regulation corresponding to the slaughtering premium for calves, the slaughtering premium for animals other than for calves or the special male premium may make an additional payment to farmer. The additional payments shall be granted on slaughtering of calves, on slaughtering of bovine animals other than calves and for holding male bovine animals, under the conditions provided for in Section 8 of Chapter 1 of Title IV. The additional payment shall be made at 50% of the level applied under Article 68 of Regulation (EC) No 1782/2003 and within the limit fixed in accordance with Article 53(2) of this Regulation. ***However, no payments shall be given to the breeders of bullfighting bulls.***

Justification

We should not support bullfighting. We have to put pressure on bull breeders to stop selling bulls for this purpose.

Amendment 23

Proposal for a regulation Article 62 – point b

Text proposed by the Commission

(b) for hectares of permanent ***pasture*** as identified on 30 June 2008 and for any other eligible hectare.

Amendment

(b) for hectares of permanent ***grassland*** as identified on 30 June 2008 and for any other eligible hectare.

Justification

Not all permanent grasslands are grazed. Permanent grasslands are important carbon stocks and Europe's most important biodiversity habitats. From that point of view, grasslands that are mowed are as important as pastures.

Amendment 24

Proposal for a regulation Article 68 – paragraph 1 - points (a) - (e)

Text proposed by the Commission

- (a) for:
- (i) specific types of farming which are important for the protection or enhancement of the environment,
 - (ii) for improving the quality of agricultural products, or
 - (iii) for improving the marketing of agricultural products;
- (b) to address specific disadvantages affecting farmers in the dairy, beef, sheep and goatmeat and rice sectors in economically vulnerable or environmentally sensitive areas,
- (c) in areas subject to restructuring and/or

Amendment

- (a) for:
- (i) specific types of farming which are important for the protection or enhancement of the environment,
 - (ii) for improving the ***environmental and health*** quality of agricultural products, or
 - (iii) for improving the marketing of ***sustainable and healthy*** agricultural products;
- (b) to address specific disadvantages affecting farmers in the ***sustainable*** dairy, beef, sheep and goatmeat and rice sectors in economically vulnerable or environmentally sensitive areas,
- (c) in areas subject to restructuring and/or

development programs in order to avoid abandoning of land and/or in order to address specific disadvantages for farmers in those areas,

(d) in the form of contributions to crop insurance premiums in accordance with the conditions set out in Article 69,

(e) mutual funds for animal and plant diseases in accordance with the conditions set out in Article 70.

development programs in order to avoid abandoning of *environmentally valuable* land and/or in order to address specific disadvantages for farmers *of environmentally valuable land* in those areas,

(d) in the form of contributions to crop insurance premiums in accordance with the conditions set out in Article 69,

(e) *in the form of contributions to* mutual funds for animal and plant diseases in accordance with the conditions set out in Article 70.

Justification

No support should be given to unsustainable agricultural practices. Environmentally valuable land has to be protected.

Amendment 25

Proposal for a regulation Article 69 – title

Text proposed by the Commission

Crop insurance

Amendment

Agricultural insurance

Amendment 26

Proposal for a regulation Article 69 – paragraph 1

Text proposed by the Commission

1. Member States may grant financial contributions to premiums for *crop* insurance against losses caused by adverse climatic events.

For the purpose of this article, 'adverse climatic event' means weather conditions which can be assimilated to a natural

Amendment

1. Member States may grant financial contributions to premiums for *agricultural* insurance against *financial* losses caused by adverse climatic events *or by animal or plant diseases., insofar as it is not possible to get these risks covered by private insurance.*

For the purpose of this article:

disaster, such as frost, hail, ice, rain or drought and destroy more than 30% of the average of annual production of a given farmer in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and lowest entry.

- 'adverse climatic event' means weather conditions which can be assimilated to a natural disaster, such as frost, hail, ice, rain or drought and destroy more than 30% of the average of annual production of a given farmer in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and lowest entry;

- '**financial losses**' means any additional cost incurred by a farmer in the wake of exceptional measures adopted by himself with the aim of reducing supplies to the market in question or any substantial loss in production. It shall not mean costs for which compensation could be paid under other Community provisions or costs arising from the application of any other health, veterinary or plant health measure.

Amendment 27

Proposal for a regulation Annex II – part A – point 1 – column 2

Text proposed by the Commission

Articles 3(1) and 3(2)(b), 4(1), (2), (4),
5(a), (b) and (d)

Amendment

Articles 3(1) and (2)(b) **and (d)**, 4(1), (2)
and (4) and 5

Justification

To protect nature, biodiversity in particular, all relevant provisions from Council Directive 79/409/EEC (the wild birds directive) and from Council Directive 92/43/EEC (the flora and fauna directive), should be included in the statutory management requirements, as it is in the current CAP legislation. All provisions that will be included in the statutory management requirements, if this amendment is adopted, are already part of the current CAP legislation.

Amendment 28

Proposal for a regulation Annex II – Part A – point 5 – column 2

Text proposed by the Commission

Amendment

Articles 6 *and* 13(1)(a)

Articles 6, 13 *and* 15

Justification

To protect nature, biodiversity in particular, all relevant provisions from Council Directive 79/409/EEC (the wild birds directive) and from Council Directive 92/43/EEC (the flora and fauna directive), should be included in the statutory management requirements, as it is in the current CAP legislation. All provisions that will be included in the statutory management requirements, if this amendment is adopted, are already part of the current CAP legislation.

Amendment 29

Proposal for a regulation Annex III

Text proposed by the Commission

Good ***agricultural and*** environmental condition referred to in Article 6

Issue	Standards
Soil erosion: Protect soil through appropriate measures	– Minimum soil cover – Minimum land management reflecting site-specific conditions – Retain terraces
Soil organic matter: Maintain soil organic matter levels through appropriate practices	– Standards for crop rotations where applicable – Arable stubble management
Soil structure: Maintain soil structure through appropriate measures	– Appropriate machinery use
Minimum level of maintenance: Ensure a minimum level of maintenance and avoid the deterioration of habitats	– Minimum livestock stocking rates or/and appropriate regimes – Protection of permanent <i>pasture</i>

Issue	Standards
Protection and management of water: Protect water against pollution and run-off, and manage the use of water	<ul style="list-style-type: none"> – Retention of landscape features, including, where appropriate, hedges, ponds, ditches trees in line, in group or isolated and field margins, – where appropriate, prohibition of the grubbing up of olive trees – Avoiding the encroachment of unwanted vegetation on agricultural land – Maintenance of olive groves and vines in good vegetative condition – Establishment of buffer strips along water courses, – respect of authorisation procedures for using water for irrigation.

Amendment by Parliament

Good environmental condition referred to in Article 6

Issue	Standards
<i>Enhance biodiversity</i>	<ul style="list-style-type: none"> – <i>Establishment of buffer strips with natural and blooming vegetation (minimum 2 metres) or extensively (without pesticides and fertilisers) managed crops (minimum 5 metres) along field borders</i>
Soil erosion: Protect soil through appropriate measures	<ul style="list-style-type: none"> – Minimum soil cover – Minimum land management reflecting site-specific conditions – Retain terraces
Soil organic matter: Maintain soil organic matter levels through appropriate practices	<ul style="list-style-type: none"> – Standards for crop rotations where applicable – Arable stubble management
Soil structure: Maintain soil structure through appropriate measures	<ul style="list-style-type: none"> – Appropriate machinery use
Minimum level of maintenance: Ensure a minimum level of maintenance and avoid the deterioration of habitats	<ul style="list-style-type: none"> – Minimum livestock stocking rates or/and appropriate regimes – Protection of permanent <i>grassland</i>

Issue	Standards
<p>Protection and management of water: Protect water against pollution and run-off, and manage the use of water</p>	<ul style="list-style-type: none"> – Retention of landscape features, including, where appropriate, hedges, ponds, ditches, trees in line, in groups or isolated, and field margins, – where appropriate, prohibition of the grubbing up of olive trees – Avoiding the encroachment of unwanted vegetation on agricultural land – Maintenance of olive groves and vines in good vegetative condition – <i>where appropriate, prohibition of the grubbing up of old olive orchards that are rich in species</i> – Establishment of buffer strips along water courses, – respect of authorisation procedures for using water for irrigation.
<p><i>Soil and groundwater protection</i></p>	<ul style="list-style-type: none"> – <i>Maximum levels of pesticides, heavy metals and fertilisers in soil and groundwater</i>

Justification

It should not be obligatory to maintain land in a good agricultural condition, especially not if land is no longer used for production purposes. Often it is good for the sake of enhancing the environmental benefits of an area, to decrease the agricultural value. In order to compensate for ecological disadvantages caused by the abolition of set aside, alternative measures must be taken to ensure the protection of biodiversity.

PROCEDURE

Title	Support schemes for farmers under the CAP
References	COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS)
Committee responsible	AGRI
Opinion by Date announced in plenary	ENVI 19.6.2008
Drafts(wo)man Date appointed	Kathalijne Maria Buitenweg 3.7.2008
Date adopted	9.9.2008
Result of final vote	+: 35 -: 5 0: 12
Members present for the final vote	Adamos Adamou, Georgs Andrejevs, Pilar Ayuso, Johannes Blokland, John Bowis, Frieda Brepoels, Martin Callanan, Chris Davies, Avril Doyle, Anne Ferreira, Matthias Groote, Françoise Grossetête, Cristina Gutiérrez-Cortines, Satu Hassi, Gyula Hegyi, Jens Holm, Marie Anne Isler Béguin, Caroline Jackson, Dan Jørgensen, Christa Kläß, Eija-Riitta Korhola, Holger Kraemer, Urszula Krupa, Aldis Kušķis, Peter Liese, Jules Maaten, Linda McAvan, Roberto Musacchio, Riitta Myller, Péter Olajos, Miroslav Ouzký, Vladko Todorov Panayotov, Vittorio Prodi, Frédérique Ries, Dagmar Roth-Behrendt, Guido Sacconi, Daciana Octavia Sârbu, Carl Schlyter, Richard Seeber, Bogusław Sonik, María Sornosa Martínez, Antonios Trakatellis, Evangelia Tzampazi, Donato Tommaso Veraldi, Anja Weisgerber, Glenis Willmott
Substitute(s) present for the final vote	Kathalijne Maria Buitenweg, Duarte Freitas, Jutta Haug, Erna Hennicot-Schoepges, Alojz Peterle, Robert Sturdy

12.9.2008

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Agriculture and Rural Development

on the proposal for a Council regulation establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers
(COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS))

Rapporteur: Markus Pieper

SHORT JUSTIFICATION

The Commission's proposal aims at promoting a sustainable and market orientated agricultural sector, without constituting a fundamental reform.

The rapporteur welcomes the path of reform and considers that the process of opening up the market and simplifying the CAP by 2013 must be pursued. Nevertheless it should be guaranteed that the 2003 reforms are completed before a revolutionary restructuring of the CAP is undertaken.

Modulation and degressivity: The rapporteur takes the view that the European farmers need planning reliability. In times of rising prices for feedstock additional modulation is not justified. Therefore, the rapporteur does not approve of the further progressive modulation as a matter of principle: the proposal introduces more bureaucracy and might just lead to the split up of larger farms and to additional burden for small farmers.

Cross-compliance: The rapporteur rejects any widening of the scope of cross-compliance. Therefore, he deems that additional criteria should not be compulsory since they do not correspond to the aims of cutting red tape and unnecessary burden.

AMENDMENTS

The Committee on Regional Development calls on the Committee on Agriculture and Rural Development, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) Furthermore, in order to avoid the abandonment of agricultural land and ensure that it is maintained in good agricultural and environmental condition, Regulation (EC) No 1782/2003 established a Community framework within which Member States adopt standards taking account of the specific characteristics of the areas concerned, including soil and climatic conditions and existing farming systems (land use, crop rotation, farming practices) and farm structures. The abolition of compulsory set aside within the single payment scheme may in certain cases have adverse effects for the environment, in particular as regards certain landscape features. It is therefore appropriate to reinforce the existing Community provisions aiming at protecting, where appropriate, specified landscape features.

Amendment

(3) Furthermore, in order to avoid the abandonment of agricultural land and ensure that it is maintained in good agricultural and environmental condition, Regulation (EC) No 1782/2003 established a Community framework within which Member States adopt standards taking account of the specific characteristics of the areas concerned, including soil and climatic conditions and existing farming systems (land use, crop rotation, farming practices) and farm structures. The abolition of compulsory set aside within the single payment scheme may in certain cases have adverse effects for the environment, in particular as regards certain landscape features. It is therefore appropriate to reinforce the existing Community provisions aiming at protecting, where appropriate, specified landscape features. ***While taking account of the need to ensure the highest water quality standards, as laid down in Community legislation, no further restrictions should be imposed which would impede desirable rural development.***

Amendment 2

Proposal for a regulation

Article 4 – paragraph 1

Text proposed by the Commission

1. A farmer receiving direct payments shall respect the statutory management requirements listed in Annex II, and the good agricultural and environmental condition established under Article 6.

Amendment

1. A farmer receiving direct payments shall respect the statutory management requirements listed in Annex II, and the good agricultural and environmental condition established under Article 6,

unless impracticable and disproportionate, for instance, in the event of major natural disasters.

Justification

The principle of simplifying procedures through cross-compliance is in conflict with this prescription, which reintroduces unnecessary burden and bureaucracy. Most of the required criteria are already covered by existing EU provisions.

Amendment 3

Proposal for a regulation

Article 4 – paragraph 2

Text proposed by the Commission

2. The competent national authority shall provide the farmer with the list of statutory management requirements and good agricultural and environmental condition ***to be respected.***

Amendment

2. The competent national authority shall provide the farmer with the list of statutory management requirements and good agricultural and environmental condition.

Justification

See justification to Amendment 2(ex Amendment 1).

Amendment 4

Proposal for a regulation

Article 7

Text proposed by the Commission

1. Any amount of direct payments to be granted in a given calendar year to a farmer that exceeds ***EUR 5 000*** shall be reduced for each year until 2012 by the following percentages:

- (a) 2009: ***7%***,
- (b) 2010: ***9%***,
- (c) 2011: ***11%***,
- (d) 2012: ***13%***.

2. The reductions referred to in paragraph 1 shall be increased for the:

(a) amounts between EUR 100 000 and

Amendment

1. Any amount of direct payments to be granted in a given calendar year to a farmer that exceeds ***EUR 10 000*** shall be reduced for each year until 2012 by the following percentages:

- (a) 2009: ***6%***,
- (b) 2010: ***7%***,
- (c) 2011: ***8%***,
- (d) 2012: ***9%***.

*199 999, by 3 percentage points,
(b) amounts between EUR 200 000 and
299 999, by 6 percentage points,
(c) amounts of EUR 300 000 or more, by
9 percentage points.*

3. Paragraphs 1 and 2 shall not apply to direct payments granted to farmers in the French overseas departments, in the Azores and Madeira, in the Canary and Aegean islands.

2. Paragraph 1 shall not apply to direct payments granted to farmers in the French overseas departments, in the Azores and Madeira, in the Canary and Aegean islands.

Justification

Rising prices for feedstock do not justify additional modulation. Progressive modulation should be deleted as it discriminates against and penalises large efficient farmers who rely on economy of scale and strengthen rural development. At the same time small farmers should not have to bear on additional burden.

Amendment 5

**Proposal for a regulation
Article 9 – paragraph 4**

Text proposed by the Commission

4. The remaining amount resulting from the application of Article 7(1) **and the amounts resulting from the application of Article 7(2)** shall be allocated to the Member State where the corresponding amounts have been generated, in accordance with the procedure referred to in Article 128(2). They shall be used in accordance with Article 69(5a) of Regulation (EC) No 1698/2005.

Amendment

4. The remaining amount resulting from the application of Article 7 shall be allocated **in full** to the Member State where the corresponding amounts have been generated, in accordance with the procedure referred to in Article 128(2). They shall be used in accordance with Article 69(5a) of Regulation (EC) No 1698/2005.

Justification

Amendment introduced to ensure coherence of text due to approval of Amendment 4 (ex Amendment 3).

Amendment 6

Proposal for a regulation Article 10 - paragraph 4

Text proposed by the Commission

4. Any amount resulting from the application of Article 7(1) **and (2)** shall be allocated to the new Member State where the corresponding amounts have been generated in accordance with the procedure referred to in article 128(2). They shall be used in accordance with Article 69(5a) of Regulation (EC) no 1698/2005.

Amendment

4. Any amount resulting from the application of Article 7(1) shall be allocated to the new Member State where the corresponding amounts have been generated in accordance with the procedure referred to in article 128(2). They shall be used in accordance with Article 69(5a) of Regulation (EC) no 1698/2005.

Justification

Amendment introduced to ensure coherence of text due to approval of Amendment 4 (ex Amendment 3).

Amendment 7

Proposal for a regulation Article 47 - paragraph 2

Text proposed by the Commission

2. Member States shall define the regions according to objective and non.-discriminatory criteria such as their institutional or administrative structure and/or the regional agricultural potential.

Member States with less than three million eligible hectares may be considered as one single region.

Amendment

2. Member States shall define the regions according to objective and non.-discriminatory criteria such as their institutional or administrative structure and/or the regional agricultural potential, ***and/or the structural disadvantages suffered by deprived regions.***

Member States with less than three million eligible hectares may be considered as one single region. ***The Commission shall consider the provision of an appeals mechanism in the event of a dispute.***

Justification

To ensure that no existing or new discrimination is sustained at regional level.

Amendment 8

Proposal for a regulation
Article 60 - paragraph 2

Text proposed by the Commission

2. The new Member States shall define the regions according to objective and non-discriminatory criteria.

Amendment

2. The new Member States shall define the regions according to objective and non-discriminatory criteria. ***The Commission shall consider the provision of an appeals mechanism in the event of a dispute.***

Justification

To ensure that no new discrimination is permitted at regional level.

Amendment 9

Proposal for a regulation
Annex III – point 5

Text proposed by the Commission

***Protection and management of water:
Protect water against pollution and run-off, and manage the use of water
– Establishment of buffer strips along water courses,
– respect of authorisation procedures for using water for irrigation.***

Amendment

deleted

Justification

The approach should focus on simplifying cross compliance criteria. In contrast, this proposal broadens the scope. Most of the required criteria are already covered by existing EU legislation, for example on plant protection and fertilisation.

PROCEDURE

Title	Support schemes for farmers under the CAP
References	COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS)
Committee responsible	AGRI
Opinion by Date announced in plenary	REGI 10.7.2008
Drafts(wo)man Date appointed	Markus Pieper 16.7.2008
Discussed in committee	17.7.2008
Date adopted	9.9.2008
Result of final vote	+: 48 –: 2 0: 2
Members present for the final vote	Emmanouil Angelakas, Stavros Arnaoutakis, Elspeth Attwooll, Jean Marie Beaupuy, Rolf Berend, Victor Boştinaru, Wolfgang Bulfon, Giorgio Carollo, Antonio De Blasio, Bairbre de Brún, Petru Filip, Gerardo Galeote, Iratxe García Pérez, Eugenijus Gentvilas, Ambroise Guellec, Gábor Harangozó, Marian Harkin, Jim Higgins, Filiz Hakaeva Hyusmenova, Mieczysław Edmund Janowski, Rumiana Jeleva, Gisela Kallenbach, Tunne Kelam, Evgeni Kirilov, Miloš Koterec, Constanze Angela Krehl, Florencio Luque Aguilar, Sérgio Marques, Yiannakis Matsis, Miroslav Mikolášik, James Nicholson, Lambert van Nistelrooij, Jan Olbrycht, Maria Grazia Pagano, Maria Petre, Markus Pieper, Pierre Pribetich, Giovanni Robusti, Wojciech Roszkowski, Elisabeth Schroedter, Grażyna Staniszewska, Catherine Stihler, Margie Sudre, Andrzej Jan Szejna, Kyriacos Triantaphyllides, Oldřich Vlasák
Substitute(s) present for the final vote	Den Dover, Emanuel Jardim Fernandes, Lidia Joanna Geringer de Oedenberg, Eleonora Lo Curto, Zita Pleštinská, Iuliu Winkler

PROCEDURE

Title	Support schemes for farmers under the CAP			
References	COM(2008)0306 – C6-0240/2008 – 2008/0103(CNS)			
Date of consulting Parliament	16.6.2008			
Committee responsible Date announced in plenary	AGRI 19.6.2008			
Committee(s) asked for opinion(s) Date announced in plenary	BUDG 19.6.2008	ENVI 19.6.2008	REGI 10.7.2008	
Rapporteur(s) Date appointed	Luis Manuel Capoulas Santos 1.4.2008			
Discussed in committee	20.5.2008	27.5.2008	24.6.2008	14.7.2008
	23.9.2008	7.10.2008		
Date adopted	7.10.2008			
Result of final vote	+: 28	–: 11	0: 3	
Members present for the final vote	Vincenzo Aita, Peter Baco, Sergio Berlato, Niels Busk, Luis Manuel Capoulas Santos, Giovanna Corda, Joseph Daul, Albert Deß, Gintaras Didžiokas, Konstantinos Droutsas, Constantin Dumitriu, Michl Ebner, Carmen Fraga Estévez, Duarte Freitas, Ioannis Gklavakis, Lutz Goepel, Bogdan Golik, Friedrich-Wilhelm Graefe zu Baringdorf, Esther Herranz García, Lily Jacobs, Elisabeth Jeggle, Heinz Kindermann, Vincenzo Lavarra, Stéphane Le Foll, Véronique Mathieu, Mairead McGuinness, Rosa Miguélez Ramos, James Nicholson, Neil Parish, María Isabel Salinas García, Agnes Schierhuber, Willem Schuth, Czesław Adam Siekierski, Alyn Smith, Petya Stavreva, Donato Tommaso Veraldi			
Substitute(s) present for the final vote	Katerina Batzeli, Wiesław Stefan Kuc, Astrid Lulling, Catherine Neris, Zdzisław Zbigniew Podkański, Bernadette Vergnaud, Vladimír Železný			
Date tabled	14.10.2008			