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<p style="text-align: center;">TITLE I</p> <p style="text-align: center;">SUBJECT MATTER AND SCOPE, APPLICABLE PROVISIONS AND DEFINITIONS</p> <p style="text-align: center;">Article 1</p> <p style="text-align: center;">Subject matter and scope</p> <p>1. This Regulation lays down rules on:</p>	
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| <p>(a) general and specific objectives to be pursued through Union support financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) under the Common Agricultural Policy (CAP) as well as the related indicators;</p> <p>(b) types of interventions and common requirements for Member States to pursue these objectives <i>by ensuring a level playing field</i> as well as the related financial arrangements; [Am. 72]</p> <p>(c) CAP Strategic Plans to be drawn up by Member States, <i>and, where appropriate, in collaboration with their regions</i>, setting targets, defining interventions and allocating financial resources, in line with the specific objectives and identified needs <i>and in accordance with the internal market</i>; [Am. 73]</p> <p>(d) coordination and governance as well as monitoring, reporting and evaluation.</p> | |
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<p>2. This Regulation applies to Union support financed by the EAGF and the EAFRD for interventions specified in a CAP Strategic Plan drawn up by the Member States and approved by the Commission, covering the period from 1 January 2021 to 31 December 2027-2022. [Am. 74]</p>	
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<p style="text-align: center;">Article 2</p> <p style="text-align: center;">Applicable provisions</p> <p>1. Regulation (EU) .../... [HzR] of the European Parliament and of the Council¹ and the provisions adopted pursuant to that Regulation shall apply to support provided under this Regulation.</p> <p>2. <i>In order to ensure coherence between the European Structural and Investment funds (ESIF) and the CAP Strategic Plans</i>, Chapter III of Title II, Chapter II of Title III and Articles 41 and 43 of Regulation (EU) .../... [CPR] of the European Parliament and of the Council² shall apply to support financed by the EAFRD under this Regulation.</p> <p>[Am. 75]</p>	
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¹ Regulation (EU) .../...of the European Parliament and of the Council of [date] [full title] (OJ L).

² Regulation (EU) .../... of the European Parliament and of the Council of [date] [full title] (OJ L).

Article 3
Definitions

For the purposes of granting Union support under this Regulation, the following definitions shall apply:

- (a) 'farmer' means a natural or legal person, or a group of natural or legal persons, regardless of the legal status granted to such group and its members by national law, whose holding is situated within the territorial scope of the Treaties, as defined in Article 52 of the Treaty on European Union (TEU) in conjunction with Articles 349 and 355 of the Treaty on the Functioning of the European Union (TFEU), and who exercises an agricultural activity *in accordance with good farming practice* as defined by Member States; [Am. 76]
- (b) 'holding' means all the units used for agricultural activities and managed by a farmer situated within the territory of the same Member State;
- (ba) *'public goods' means goods or services that are not remunerated by the market and deliver environmental and societal outcomes above the statutory environmental, climate, and animal welfare legislation.* [Am. 77]

<p>(bb) <i>‘European public goods’ means public goods or services that can only be provided effectively at Union level through intervention to ensure coordination between Member States and level playing field on the Union agricultural market. European public goods include in particular water conservation, biodiversity protection, soil fertility protection, protection of pollinators, and animal welfare; [Am. 78]</i></p> <p>(c) 'intervention' means a support instrument with a set of eligibility conditions as specified by the Member States in the CAP Strategic Plans based on a type of intervention as provided for in this Regulation;</p> <p>(d) 'support rate' means the rate of public contribution to an operation. In the case of financial instruments it refers to the gross grant equivalent of the support as defined in Article 2(20) of Commission Regulation (EU) No 702/2014³;</p>	
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³ Commission Regulation (EU) No 702/2014 of 25 June 2014 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (OJ, L 193/1, 1.7.2014, p. 1).

<p>(e) 'mutual fund' means a scheme accredited by the Member State in accordance with its national law for affiliated farmers to <i>make provision against risks and to receive compensation payments in the event of</i> insure themselves, whereby compensation payments are made to affiliated farmers who experience economic losses <i>or a fall in income.</i> [Am. 79]</p> <p>(f) 'operation' means:</p> <p>(i) a project, contract, action or group of projects selected under the <i>strategic plan</i> programs concerned; [Am. 80]</p> <p>(ii) in the context of financial instruments, a <i>strategic plan</i> program contribution to a financial instrument and the subsequent financial support provided to final recipients by that financial instrument; [Am. 81]</p> <p>(g) 'intermediate body' means any public or private law body which acts under the responsibility of a Managing Authority, or which carries out duties on behalf of such an authority;</p>	
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<p>(h) In the case of types of intervention for rural development, 'beneficiary' means:</p> <p>(i) a public or private law body, an entity with or without legal personality or a natural person <i>or a group of natural or legal persons</i>, responsible for initiating or both initiating and implementing operations; [Am. 82]</p> <p>(ii) in the context of state aid schemes, the body <i>entity</i> which receives the aid; [Am. 83]</p> <p>(iii) in the context of financial instruments, the body that implements the holding fund or, where there is no holding fund structure, the body that implements the specific fund or, where the Managing Authority manages the financial instrument, the Managing Authority;</p> <p>(i) 'targets' means pre-agreed values to be achieved at <i>by</i> the end of the period <i>of the CAP Strategic Plan</i> in relation to the result indicators included under a specific objective; [Am. 84]</p>	<p>ENVI 56</p> <p>(i) 'targets' means pre-agreed values to be achieved at the end of the period in relation to the result <i>and impact</i> indicators included under a specific objective;</p>
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<p>(j) 'milestones' means intermediate targets to be achieved <i>by a Member State</i> at a given point in time during the CAP Strategic Plan period <i>to ensure timely progress</i> in relation to the <i>results</i> indicators included under a specific objective.</p> <p>[Am. 85]</p>	
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Article 4

Definitions to be formulated in the CAP Strategic Plans

1. Member States shall provide in their CAP Strategic Plan the definitions of agricultural activity, agricultural area, eligible hectare, ~~genuine~~ **active** farmer, ~~and~~ young farmer **and new farmer**: [Am. 86]
 - (a) 'agricultural activity' shall be defined in a way that it includes both the production of agricultural products listed in Annex I to the TFEU, including cotton and short rotation coppice, and maintenance of the agricultural area in a state which makes it suitable for grazing or cultivation, without preparatory action going beyond usual agricultural methods and machineries;
 - (b) 'agricultural area' shall be defined in a way that it is composed of arable land, permanent crops and permanent grassland **and agroforestry systems**. ***Landscape features shall be included as components of the agricultural area.*** The terms 'arable land', 'permanent crops' and 'permanent grassland' **and**

Article 4 - Definitions (permanent pasture)

ENVI 60

- (a) 'agricultural activity' shall be defined in a way that it includes both the production of agricultural products listed in Annex I to the TFEU, including cotton and short rotation coppice, and maintenance of the agricultural area in a state which makes it suitable for grazing or cultivation, without preparatory action going beyond usual agricultural methods and machineries ***including in agroforestry***;
- (b) 'agricultural area' shall be defined in a way that it is composed of arable land, permanent crops and permanent grassland.

Landscape features may hereby be included as components of the agricultural area. The terms 'arable land', 'permanent crops' and

<p><i>'agroforestry systems'</i> shall be further specified by Member States within the following framework: [Am. 87]</p> <p>(i) 'arable land' shall be land cultivated for crop production or areas available for crop production but lying fallow, <i>and it may include a combination of crops with trees and/or shrubs to form a silvoarable agroforestry system</i>, and include areas set aside in accordance with Articles 22, 23 and 24 of Council Regulation (EC) No 1257/1999⁴, with Article 39 of Council Regulation (EC) No 1698/2005⁵, with Article 28 of Regulation (EU) No 1305/2013 or with Article 65 of this Regulation; [Am. 88]</p> <p>(ii) 'permanent crops' shall be non-rotational crops other than permanent grassland and permanent pasture that occupy the land for five years or</p>	<p>'permanent grassland' shall be further specified by Member States within the following framework:</p> <p>(i) 'arable land' shall be land cultivated for crop production or areas available for crop production but lying fallow, <i>and it can include a combination of crops with trees and/or shrubs to form a silvoarable agroforestry system</i>, and include areas set aside in accordance with Articles 22, 23 and 24 of Council Regulation (EC) No 1257/1999¹, with Article 39 of Council Regulation (EC) No 1698/2005², with Article 28 of Regulation (EU) No 1305/2013 or with Article 65 of this Regulation;</p> <p>(ii) 'permanent crops' shall be non-rotational crops other than permanent grassland and permanent pasture that occupy the land for five years or more, which yield repeated harvests,</p>
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⁴ Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (OJ L 160, 26.6.1999, p. 80).

⁵ Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L 277, 21.10.2005, p. 1).

<p>more, which yield repeated harvests, including nurseries and short rotation coppice;</p> <p>(iii) 'permanent grassland and permanent pasture' (together referred to as 'permanent grassland') <i>means land shall be land not included in the crop rotation of the holding for five years or more, used to grow grasses or other herbaceous forage naturally (self-seeded) or through cultivation (sown) and that has not been included in the crop rotation of the holding for seven years or more, as well as, where Member States so decide, that has not been ploughed up for five years or more;</i> it may include other species such as shrubs and/or trees which can be grazed or <i>and, where Member States so decide, other species such as shrubs and/or trees which produce animal feed, provided that the grasses and other herbaceous forage remain</i></p>	<p>including nurseries, <i>including those in planters lined with plastic (if the Member State makes provision for this)</i>, and short rotation coppice;</p> <p>(iii) 'permanent grassland and permanent pasture' (together referred to as 'permanent grassland') shall be land, used to grow grasses or other herbaceous forage naturally (self-seeded) or through cultivation (sown) <i>and that has not been included in the crop rotation of the holding for five years or more, as well as that has not been ploughed up for five years or more. The definition shall include other species such as shrubs and/or trees which can be grazed and other species such as shrubs and/or trees which produce animal feed, provided that the grasses and other herbaceous forage remain predominant;</i></p> <p>(iiia) 'temporary grassland' shall be defined as grass or herbaceous species grown on arable land for less than five consecutive years, or beyond five years where ploughing and reseedling occur. It shall not count towards carbon sinking or climate goals.</p>
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<p><i>predominant. Member States may also decide to consider as permanent grassland:</i></p> <p>(i) <i>land which can be grazed and which forms part of established local practices where grasses and other herbaceous forage are traditionally not predominant in grazing areas; and/or</i></p> <p>(ii) <i>land which can be grazed where grasses and other herbaceous forage are not predominant or are absent in grazing areas; [Am. 89]</i></p> <p>(iiia) <i>'agroforestry systems' means land use systems in which trees are grown on the same land as where agricultural practices are carried out; [Am. 90]</i></p> <p>(c) for the purpose of types of interventions in the form of direct payments, 'eligible hectare' shall be defined in a way that it includes any agricultural area of the</p>	<p><i>Member States may also decide to consider as permanent grassland:</i></p> <p>(a) <i>land which can be grazed and which forms part of established local practices where grasses and other herbaceous forage are traditionally not predominant in grazing areas; and/or</i></p> <p>(b) <i>land which can be grazed where grasses and other herbaceous forage are not predominant or are absent in grazing areas;</i></p> <hr/> <p>Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (OJ L 160, 26.6.1999, p. 80).</p>
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holding, *including mobile or stationary temporary technical installations, in particular internal farm tracks and water troughs, as well as silage bales and rewetted areas used for paludiculture*: [Am. 91]

- (i) that, during the year for which support is requested, is used for an agricultural activity or, where the area is also used for non-agricultural activities, is predominantly used for agricultural activities, and which is at the farmer's disposal. Where duly justified for environmental reasons, eligible hectares may also include certain areas used for agricultural activities only every ~~second~~ *third* year. [Am. 92]
- (ii) that gave a right to payments under Subsection 2 of Section 2 of Chapter II of Title III of this Regulation or under the basic payment scheme or the single area payment scheme laid down in Title III of Regulation (EU) No 1307/2013, and which:

Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L 277, 21.10.2005, p. 1).

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| <ul style="list-style-type: none">– no longer complies with the definition of 'eligible hectare' set out in point (a) of Regulation (EU) No 1307/2013 as a result of the implementation of Directives 92/43/EEC and 2009/147/EC or Directive 2000/60/EC;– for the duration of the relevant commitment by the individual farmer, is afforested pursuant to Article 31 of Regulation (EC) No 1257/1999 or to Article 43 of Regulation (EC) No 1698/2005 or to Article 22 of Regulation (EU) No 1305/2013 or under a national scheme the conditions of which comply with Article 43(1), (2) and (3) of Regulation (EC) No 1698/2005 or Article 22 of Regulation (EU) No 1305/2013 or Articles 65 and 67 of this Regulation.– for the duration of the relevant commitment of the individual farmer, is set | |
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aside pursuant to Articles 22, 23 and 24 of Regulation (EC) No 1257/1999, to Article 39 of Regulation (EC) No 1698/2005, to Article 28 of Regulation (EU) No 1305/2013 or to Article 65 of this Regulation.

Areas used for the production of hemp shall only be eligible hectares if the varieties used have a tetrahydrocannabinol content not exceeding ~~0,2~~ **0,3** %;
[Am. 93]

- (d) ~~'genuine~~ **'active** farmers' shall be defined **by Member States** in **such** a way **as** to ensure that no support is granted to those whose agricultural activity forms only an insignificant part of their overall economic activities ~~or whose principal business activity is not agricultural,~~ while not precluding from support pluri-active farmers. The definition shall ~~allow to determine which farmers are not considered genuine,~~ **in any event, preserve the family farming model of the Union of an individual**

or group nature, irrespective of its size, and may take into account, if necessary, the special features of the regions defined in Article 349 TFEU. Member States may exclude from these definition individuals or companies carrying out large scale processing of agricultural products, with the exception of groups of farmers, based on conditions such as income tests, labour inputs on the farm, company object and/or inclusion in registers. [Am. 94]

(e) 'young farmer' shall be defined in a way that it includes *an age limit of 40 years old and; [Am. 95]:*

(i) ~~a maximum age limit that may not exceed 40~~
years [Am. 96]

(ii) the conditions for being 'head of the holding';

(iii) the appropriate training and/or skills ~~required.~~

[Am. 97]

When evaluating compliance with the conditions for being head of the holding, Member States shall take

into account the specificities of partnership arrangements. [Am. 98]

(ea) 'new farmer' shall be defined in such a way that includes:

- (i) the conditions for being 'head of the holding';*
- (ii) the appropriate training and/or skills;*
- (iii) an age limit over 40 years old.*

A 'new farmer' under this definition shall not be recognised as a 'young farmer' as defined in point (e). [Am. 99]

2. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules making the granting of payments conditional upon the use of certified seeds of certain hemp varieties and the procedure for the determination of hemp varieties and the verification of their tetrahydrocannabinol content referred to in point (c) of paragraph 1 *of this Article* to preserve public health. [Am. 100]

<p style="text-align: center;">TITLE II</p> <p style="text-align: center;">OBJECTIVES AND INDICATORS</p> <p style="text-align: center;">Article 5</p> <p style="text-align: center;">General objectives</p> <p><i>In conjunction with the objectives of the CAP set out in Article 39 TFEU</i>, support from the EAGF and EAFRD shall aim to further improve the sustainable development of farming, food and rural areas and shall contribute to achieving the following general objectives <i>in the economic, environmental and social spheres</i>: [Am. 101]</p> <p>(a) to foster a smart <i>modern, competitive</i>, resilient and diversified agricultural sector ensuring <i>long term</i> food security <i>while safeguarding the family farm model</i>; [Am. 102]</p> <p>(b) to <i>support and improve</i> bolster environmental <i>protection, biodiversity</i> care and climate action and to contribute to the environmental- and climate-related objectives of the Union; [Am. 103]</p> <p>(c) to strengthen the socio-economic fabric of rural areas, <i>in order to contribute to the creation and maintenance of employment, by guaranteeing a viable income for farmers</i>,</p>	<p>ENVI 61</p> <p style="text-align: center;">Article 5</p> <p style="text-align: center;">General objectives</p> <p>Support from the EAGF and EAFRD shall aim to further improve the sustainable development of farming, food and rural areas, be coherent with the Union’s environmental and climate objectives, and shall contribute to achieving the following general objectives:</p> <p>(a) to foster an inclusive, smart, resilient and diversified agricultural sector ensuring sustainable, and long-term food security;</p> <p>(b) to support and improve environmental protection, climate action and biodiversity; to meet environmental- and climate-related objectives of the Union;</p> <p>(c) to strengthen the socio-economic fabric for both women and men in rural areas, to achieve a balanced territorial development of</p>
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pursuing a fair standard of living for the entire agricultural population and tackling rural depopulation, with a particular focus on the less populated and the less developed regions, and balanced territorial development.

[Am. 104]

Those objectives shall be complemented *and interconnected with* by the cross-cutting objective of modernising the sector by ~~fostering~~ *ensuring that farmers have access to research, training* and sharing of knowledge *and knowledge transfer services*, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake. [Am. 105]

rural economies and to contribute, to create and maintain employment, observing the principles of fairness and equality.

Those objectives shall be complemented by the cross-cutting objective of modernising the sector by fostering sustainable development and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake.

These objectives shall be achieved while aiming at external convergence between Member States.

Article 6
Specific objectives

1. The achievement of the general objectives shall be pursued through the following specific objectives:
 - (a) ~~support~~ **ensure** viable farm income and resilience **of the agricultural sector** across the Union to enhance **long-term** food security **and agricultural diversity, while providing safe and high quality food at fair prices with the aim of reversing the decline in the number of farmers and ensuring the economic sustainability of agricultural production in the Union;** [Am. 106]
 - (b) enhance market orientation, **in local, national, Union as well as international markets, as well as market stabilisation, risk and crisis management,** and increase **long term farm** competitiveness, **processing**

Article 6 - Specific Objectives
BASED ON ENVI 62 WITH MODIFICATIONS

Article 6
Specific objectives

1. The achievement of the general objectives shall be pursued through the following specific objectives:
 - (a) support viable farm income and **agricultural** resilience across the Union to enhance **long-term** food security, **preventing overproduction, with the aim of reversing the decline in the number of farmers;**
 - (b) enhance **local, national and European** market orientation and increase **environmental sustainability, long-term** competitiveness, including greater focus on research, **investment,** technology and digitalisation **within a circular economy logic;**

<p><i>and marketing capabilities of agricultural products, with including greater focus on quality differentiation, research, innovation, technology, knowledge transfer and exchange and digitalisation, and facilitating the access of farmers to circular economy dynamics; [Am. 107]</i></p> <p>(c) improve the farmers' <i>bargaining</i> position in the value chain chain <i>chains by encouraging associative forms, producer organisations and collective negotiations, as well as promoting short supply chains and improving market transparency; [Am. 108]</i></p> <p>(d) contribute to climate change mitigation and adaptation <i>to global warming</i>, as well as <i>favouring the incorporation of</i> sustainable energy <i>while ensuring food security in the future, by reducing the greenhouse gas emissions of the agricultural and food sector, including through soil carbon sequestration and the protection of forests, in accordance with the relevant international agreements; [Am. 109]</i></p>	<p>(c) improve the farmers' position in the value chain and develop local markets, notably by developing short supply chains;</p> <p>(d) contribute to climate change mitigation and adaptation, particularly by reducing greenhouse gas emissions from the agricultural, food and feed sector, including sources of GHG emissions and through enhancing the removal and sequestration of carbon in the soil, in line with the Paris Agreement and the European Climate Law;</p>
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<p>(e) foster sustainable development and efficient management of natural resources such as water, soil and air, <i>while reducing chemical dependency with the aim of reaching the goals provided for in the relevant legislative instruments and rewarding farming practices and systems that deliver multiple environmental benefits including the halting of desertification</i>; [Am. 110]</p> <p>(f) contribute to <i>reversing the decline</i> protection of biodiversity <i>including by protecting beneficial fauna, including pollinator species, promoting agrobiodiversity, environmental</i> enhance ecosystem services, <i>nature conservation and agroforestry, as well as contributing preventing natural risk and achieving greater resilience, restoring and preserving soils, water bodies, and preserve habitats and landscapes, and supporting High Nature Value (HNV) farming systems</i>; [Am. 111]</p>	<p>(e) contribute to the protection and improvement of the quality of air and water, while reducing pesticide and antibiotic use in accordance with the Farm to Fork Strategy, and promote a more sustainable use of water and to the protection and improvement of soil;</p> <p>(f) enhance ecosystem services including in rural areas, and halt and reverse biodiversity loss, including pollinators; to contribute to the conservation, preservation and enhancement of habitats, High Nature Value farming systems, species, and landscapes, in accordance with the Biodiversity Strategy;</p>
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<p>(g) attract <i>and support</i> young farmers, <i>new farmers, and promoting the participation of women in the agricultural sector, particularly in the most depopulated areas and areas with natural constraints;</i> and facilitate <i>training and experience across the Union, sustainable</i> business development <i>and job creation</i> in rural areas; [Am. 112]</p> <p>(h) promote <i>social and territorial cohesion in rural areas including through</i> employment <i>creation</i>, growth, <i>investment</i>, social inclusion, <i>combatting rural poverty and through</i> and local development in rural areas, including <i>high quality local services for rural communities, focusing in particular on areas with natural constraints; promoting decent living, working and economic conditions; diversification of activities and income, including agri-tourism, bio-economy, circular economy,</i> and sustainable forestry, <i>while ensuring gender equality; promoting equal opportunities in rural areas through specific support measures, and recognition of women's work in</i></p>	<p>(g) attract young farmers and new entrants to farming, particularly in the most depopulated areas, promote gender equality and facilitate sustainable business development in rural areas;</p> <p>(h) promote employment, growth, social inclusion, gender equality, and local and business development in rural areas, such as areas with natural constraints including sustainable bio-economy, circular economy, and sustainable agriculture and forestry, to achieve social and territorial cohesion;</p>
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<p><i>agriculture, crafts, tourism and local services;</i> [Am. 113]</p> <p>(i) improve the response of EU agriculture to societal demands on food and health, including safe, nutritious, <i>high quality</i> and sustainable food, <i>organic agriculture</i>, food waste, as well as <i>environmental sustainability</i>, <i>antimicrobial resistance and improving animal health and welfare, as well as increasing social awareness of the importance of agriculture and rural areas while contributing to the implementation of the 2030 Agenda for Sustainable Development.</i> [Am. 114]</p> <p>2. When pursuing the <i>With a view to achieving</i> specific objectives, Member States <i>and the Commission</i> shall ensure simplification and the performance of the CAP support <i>and simplification for final beneficiaries by reducing the administrative burden while ensuring non-discrimination among beneficiaries.</i> [Am. 115]</p>	<p>(i) improve the response of Union agriculture to societal demands on food and health, including safe, nutritious and sustainable food, low input farming and organic agriculture, reducing food waste, as well as prevention of antimicrobial resistance and enhancement of animal welfare.</p> <p>2. When pursuing the specific objectives Member States shall ensure simplification and performance of the CAP support.</p> <p>2a. Member States shall indicate their respective contribution to the objectives as set out in this Article, and propose national targets accordingly. The general and specific objectives, support measures and national targets shall be coherent with and complementary to the legislation set out in Annex XI. In line with</p>
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	<p>the procedure outlined in Chapter III of Title V, the Commission shall ensure that the interventions and respective contributions planned by Members States are sufficient to allow the achievement of the Union objectives in the relevant legislation set out in Annex XI.</p>
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	<p>Article 6 a (new) - EU-wide targets</p> <p><i>Art 6 a (new)</i></p> <p><i>EU-wide Targets</i></p> <p><i>1. The achievement of the specific objectives under Article 6 (1) (d) (e) and (f) shall occur in so far as the following targets, regarded as minimum requirements, have been reached by 2027 at EU level:</i></p> <ul style="list-style-type: none"> <i>(a) 30% Reduction in greenhouse gas emissions linked to the agricultural sector and its related land-use compared to 2005, as per I.10 of Annex I</i> <i>(b) 50% reduction in nutrient losses, as per I.15 of Annex I, compared to the latest year for which data is available, and 20% of fertiliser use</i> <i>(c) Achieving 10% of agricultural area covered by high-biodiversity elements and landscape features, as per I.20 of Annex I</i> <i>(d) 50% reduction in the use of antibiotics in agriculture, as per I.26 of Annex I, compared to the latest year for which data is</i>
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	<p><i>available</i></p> <p><i>(e) 50% reduction in the overall use and impact of chemical pesticides (as per I.27 of Annex I), and 50% reduction in the use of more hazardous pesticides, compared to the latest year for which data is available</i></p> <p><i>(f) Achieving 25% of UAA under organic farming [as per CAP context indicator C.32]</i></p> <p><i>(g) Reverse the decline of pollinators and farmland birds, as per I.19a and I.18 of Annex I</i></p> <p><i>(h) Reverse the decline in active farmers, as per I.4a</i></p> <p><i>2. Within three months after the adoption of the Regulation, the Commission shall determine the standard values upon which the targets at European Union level identified under paragraph 1 will be calculated.”</i></p>
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<p style="text-align: center;">Article 7 Indicators</p> <p>1. Achievement of the objectives referred to in Articles 5 and 6(1) shall be assessed on the basis of common indicators related to output, result and impact <i>and shall be based on official sources of information</i>. The set of common indicators shall include: [Am. 116]</p> <p>(a) output indicators relating to the realised output of the interventions supported;</p> <p>(b) result indicators relating to the specific objectives concerned and used for the establishment of quantified milestones and targets in relation to those specific objectives in the CAP Strategic Plans and assessing progress towards the targets. The indicators relating to environment- and climate-specific objectives may cover interventions included in relevant national environmental and climate-planning instruments <i>which contribute to the commitments</i> emanating from the Union legislation listed in Annex XI; [Am. 117]</p>	<p style="text-align: center;"><i>Based on agri 116, agri 117, envi 63, agri 120</i></p> <p style="text-align: center;">Article 7 Indicators</p> <p>1. Achievement of the objectives referred to in Articles 5 and 6(1) shall be assessed on the basis of common indicators related to output, result and impact, <i>and shall be based on official sources of information [agri 116]</i>. The set of common indicators shall include:</p> <p>(a) output indicators relating to the realised output of the interventions supported;</p> <p>(b) result indicators relating to the specific objectives concerned and used for the establishment of quantified milestones and targets in relation to those specific objectives in the CAP Strategic Plans and assessing progress towards the targets. The indicators relating to environment- and climate-specific objectives may cover interventions <u>included in relevant national environmental and climate-planning instruments</u> <i>which contribute to the commitments [agri 117]</i> emanating from the Union legislation listed in Annex XI; [...]</p> <p>(c) impact indicators related <i>to the objectives set out in Articles 5 and 6(1) and used to support the establishment of quantified performance targets in respect to the specific objectives</i> in the</p>
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<p>(c) impact indicators related to the objectives set out in Articles 5 and 6(1) and used in the context of the <i>Strategic Plans of CAP, taking into account external factors beyond Strategic Plans and of the CAP.</i> [Am. 118]</p> <p>The common output, result and impact indicators are set out in Annex I.</p> <p><i>Member States may break down the output indicators and result indicators laid down in Annex I into more detail in relation to particular national and regional features in their Strategic Plans.</i> [Am. 119]</p> <p>2. <i>The Commission shall carry out a full assessment on the effectiveness of the output, result and impact indicators laid down in Annex I by the end of the third year of application of the Strategic Plans.</i></p> <p><i>Following that assessment,</i> the Commission is empowered to adopt delegated acts in accordance with Article 138 amending Annex I to adapt, <i>if necessary</i>, the common output, result and impact indicators <i>taking</i> to take into account the experience with their application and, where</p>	<p>context of the CAP Strategic Plans and <i>assessing progress made towards the targets and</i> the CAP. [envi 63]</p> <p>[...]</p> <p>2. <i>The Commission shall carry out a full assessment on the effectiveness of the output, result and impact indicators laid down in Annex I by the end of the third year of application of the Strategic Plans.</i></p> <p><i>Following that assessment,</i> the Commission is empowered to adopt delegated <i>acts</i>, in accordance with Article 138, amending Annex I to adapt, <i>if necessary</i>, the common indicators <i>taking</i> into account the experience <i>gained during the implementation of this Regulation.</i> [agri 120]</p>
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<p>needed, to add new indicators <i>gained during the implementation of this Regulation.</i> [Am. 120]</p>	
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<p>TITLE III</p> <p>COMMON REQUIREMENTS AND TYPES OF INTERVENTIONS</p> <p>CHAPTER I</p> <p>COMMON REQUIREMENTS</p> <p>SECTION 1</p> <p>GENERAL PRINCIPLES</p> <p>Article 8</p> <p>Selection of interventions</p> <p>Member States, <i>and, where applicable, their regions</i>, shall pursue the objectives set out in Title II by specifying interventions based on the types of interventions set out in Chapters II, III and IV of this Title in accordance with the common requirements set out in this Chapter.</p> <p>[Am. 121]</p>	
<p>Article 9</p> <p>General principles</p> <p>Member States, <i>in collaboration, where applicable, with their regions</i>, shall design the interventions of their CAP Strategic Plans in</p>	

<p>accordance with the Charter of Fundamental Rights of the European Union and the general principles of Union law. [Am. 122]</p> <p>Member States, <i>in collaboration, where applicable, with their regions</i>, shall ensure that interventions are set out on the basis of objective and non-discriminatory criteria, are compatible with and do not hinder the proper functioning of the internal market and do not distort competition. [Am. 123]</p> <p>Member States <i>in collaboration, where applicable, with their regions</i>, shall establish the legal framework governing the granting of Union support to beneficiaries on the basis of the CAP Strategic Plan and in accordance with the principles and requirements set out in this Regulation and Regulation (EU) .../... [HzR]. [Am. 124]</p>	
<p style="text-align: center;">Article 9a</p> <p style="text-align: center;"><i>Integration of a gender perspective</i></p> <p><i>Member States shall ensure the integration of a gender perspective throughout the preparation, implementation and evaluation of their CAP Strategic Plans, with the aim of promoting gender equality and combating gender discrimination. [Am. 125]</i></p>	

	<p>ENVI 65</p> <p>Article 9a</p> <p>Sustainable development</p> <p>The objectives of the CAP Strategic Plans shall be pursued in line with the principle of sustainable development and with the aim of preserving, protecting and improving the quality of the environment, as set out in Article 11 and Article 191(1) TFEU, taking into account the polluter pays principle. The Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity, disaster resilience, and risk mitigation and prevention are promoted in the preparation and implementation of CAP specific objectives. Interventions shall be planned and carried out in accordance with the principle of policy coherence for development as set out in Article 208 TFEU. This strategic consistency shall be checked by the Commission in line with the procedure outlined in Chapter III of Title V.</p>
	<p>ENVI 66</p> <p>Article 9b</p>

	<p style="text-align: center;">Compliance with the Paris Agreement</p> <ol style="list-style-type: none"> 1. The objectives of the CAP Strategic Plans shall be pursued in line with the Paris Agreement, and with a view to reaching the global objectives set out in the Paris Agreement and the commitments described in the Union's and Member States' Nationally Determined Contributions. 2. The CAP shall aim to reduce greenhouse gas emissions of the agricultural and food sector in the Union by 30% by 2027. 3. Member States shall ensure that their CAP Strategic Plans are in line with already established long-term national targets set out in or deriving from the legislative acts referred to in Annex XI and with the objectives set out in paragraph 2 of this Article. 4. The Commission shall make sure, before approving CAP Strategic Plans, that the combination of all CAP Strategic Plans targets and measures will allow the fulfilment of the climate objectives set out in this Article. 5. In order to maintain a level playing field across the Union, the Commission shall ensure that national climate targets and measures of each Member State are similar.
	ENVI 67

	<p style="text-align: center;">Article 10a</p> <p style="text-align: center;">Global dimension of the CAP</p> <p>1. In accordance with Article 208 of the TFEU, the Union and Member States shall ensure that development cooperation objectives are taken into account in all CAP interventions, and respect the Right to Food as well as the Right to Development.</p> <p>2. Member States shall ensure that CAP Strategic Plans contribute to the maximum extent possible to the timely achievement of the goals set in the 2030 Agenda for Sustainable Development, notably SDG 2, SDG 10, SDG 12, and SDG 13, as well as in the Paris Agreement. Therefore, CAP interventions shall:</p> <ul style="list-style-type: none"> (i) contribute to developing diversified and sustainable agriculture and resilient agro-ecological practices both in the Union and in partner countries; (ii) contribute to maintaining the genetic diversity of seeds, cultivated plants, farmed and domesticated animals and their related wild species, in the Union and in partner countries; (iii) contribute to harnessing the potential of small-scale farmers, small agricultural enterprises, in particular women farmers,
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	<p>indigenous peoples active in agricultural production and pastoralists, both in the Union and in partner countries;</p> <p>(iv) contribute to the development of local food systems and domestic and regional markets both in the Union and in partner countries, with the aim of minimising food import dependency and shortening food chains;</p> <p>(v) end trade practices that distort global trade on agricultural markets;</p> <p>(vi) fully integrate climate change mitigation and adaptation measures;</p> <p>(vii) respect the “Climate first, trade second” principle</p> <p>3. The compliance of the CAP with Policy Coherence for Development shall be assessed on a regular basis, inter alia using data from the monitoring mechanism set out in Article 119a. The Commission shall report to the Council and to the European Parliament about the results of the assessment and the Union’s policy response.</p>
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Article 10

WTO domestic support

-1. *The Commission shall ensure that the Member States' Strategic Plans comply with the World Trade Organisation (WTO) commitments. [Am. 126]*

1. Member States shall ensure that the interventions based on the types of interventions which are listed in Annex II to this Regulation, including the definitions set out in Article 3 and the definitions to be formulated in the CAP Strategic Plans set out in Article 4, shall respect the provisions of paragraph 1 of Annex 2 to the WTO Agreement on Agriculture.
[Am. 127]

Those interventions shall also respect the provisions of the additional paragraph of Annex 2 to the WTO Agreement on Agriculture as set out in Annex II to this Regulation.

Interventions belonging to types of interventions other than the basic income support for sustainability, the complementary redistributive income support for sustainability, the complementary income support for young

farmers and the schemes for the climate and the environment may instead respect a different paragraph of Annex 2 to the WTO Agreement on Agriculture if that is justified in the CAP Strategic Plan.

~~2. Member States shall ensure that the interventions based on the crop specific payment for cotton provided for in Subsection 2 of Section 3 of Chapter II of this Title respect the provisions of Article 6(5) of the WTO Agreement on Agriculture.~~ **[Am. 128]**

SECTION 2
CONDITIONALITY

Article 11

Principle and scope

1. Member States shall include in their CAP Strategic Plans a system of conditionality, ~~under which~~ *corresponds to an administrative penalty shall be imposed on beneficiaries receiving direct payments under Chapter II of this Title or the annual premia under Articles 65, 66 and 67 who do not comply with the* statutory management requirements under Union law and the standards for good agricultural and environmental condition of land, *as listed in Annex III*, established in the CAP Strategic Plan, ~~as listed in Annex III~~, relating to the following specific areas: [Am. 129]
 - (a) the climate and the environment, *including water quality, soil conservation and biodiversity*; [Am. 130]
 - (b) public health, animal health and plant health;
 - (c) animal welfare.

Article 11 - Principle and Scope

Based on ENVI 68 with modifications

Article 11

Principle and scope

1. Member States shall include in their CAP Strategic Plans a system of conditionality, under which beneficiaries receiving direct payments under Chapters II and III of this Title or the annual premia under Articles 65, 66 and 67 shall be subject to an administrative penalty if they do not comply, where applicable, with *the applicable working and employment conditions resulting from relevant collective agreements and social and labour law at national, Union and international level, as well as* statutory management requirements under Union law and the standards for good agricultural and environmental condition of land as listed in Annex III, established in the CAP Strategic Plan, relating to the following specific areas:
 - (a) the climate and the environment, including water, air, soil, biodiversity and ecosystem services;

<p>2. The rules on <i>an effective system of</i> the administrative penalties, <i>as laid down</i> to be included in the CAP Strategic Plan shall respect the requirements set out in Chapter IV of Title IV of Regulation (EU) .../... [HzR], <i>shall apply to all beneficiaries receiving direct payments under Chapter II of this Title or annual premiums under Articles 65, 66 and 67 when they do not comply with the conditionality rules set out paragraph 1 of this Article.</i> [Am. 131]</p> <p>2a. <i>The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation regarding temporary derogations on conditionality rules during disease epidemics, adverse climate events, catastrophic events or natural disasters.</i> [Am. 132]</p> <p>3. The legal acts referred to in Annex III concerning the statutory management requirements shall apply in the version that is applicable and, in the case of Directives, as implemented by the Member States.</p> <p>4. For the purpose of this Section, 'statutory management requirement' means each individual statutory management</p>	<p>(b) public health, animal health and plant health;</p> <p>(c) animal welfare.</p> <p>2. The rules on an effective and dissuasive system of administrative penalties to be included in the CAP Strategic Plan shall respect the requirements set out in Chapter IV of Title IV of Regulation (EU) [HzR].</p> <p>3. The legal acts referred to in Annex III concerning the statutory management requirements shall apply in the version that is applicable and, in the case of Directives, as implemented by the Member States.</p> <p>4. For the purpose of this Section, 'statutory management requirement' means each individual statutory management</p>
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requirement under Union law referred to in Annex III within a given legal act, differing in substance from any other requirements in the same act.	requirement under Union law referred to in Annex III within a given legal act, differing in substance from any other requirements in the same act
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Article 11 a (new) - Labour conditions

Article 11 a new

Respect of the applicable working and employment conditions and compliance with employers' obligations

Member States shall take appropriate measures to ensure that the administrative penalty as referred to in Article 11 (1) and 11 (2) is imposed on beneficiaries receiving direct payments under Chapter II of this Title or the annual premia under Articles 65, 66 and 67, who do not respect the applicable working and employment conditions and/or employer obligations resulting from relevant collective agreements and social and labour law at national and Union levels, in particular in the field of working conditions and awareness of conditions of employment, remuneration, working time, health and safety, gender equality, free movement of workers, equal treatment, provision of services and posting of workers, conditions of stay of third-country nationals, protection in the event of termination of employment, temporary agency work, information and consultation of workers, prohibition of child labour and protection of young people at work, social protection, social security coordination,

	<i>education and training. The administrative penalty shall also be imposed on beneficiaries in case of lack of compliance with fundamental International Labour Organisation (ILO) Conventions.</i>
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<p style="text-align: center;">Article 12</p> <p style="text-align: center;">Obligations of Member States relating to good agricultural and environmental condition</p> <p>1. Member States shall ensure that all agricultural areas including land which is no longer used for production purposes, is maintained in good agricultural and environmental condition. Member States shall define, <i>in consultation with relevant stakeholders</i> at national or, <i>where appropriate, at</i> regional level, minimum standards for beneficiaries for good agricultural and environmental condition of land in line with the main objective of the standards as referred to in Annex III, <i>to the extent applicable</i>, taking into account the specific characteristics of the areas concerned, including soil, <i>water</i>, and climatic condition, <i>specific agronomic and ecological characteristics of different productions, differences between annual crops, permanent crops and other specialised productions</i>, existing farming systems, land use, crop rotation, farming <i>local and traditional</i> practices, and farm structures, <i>by</i></p>	<p style="text-align: center;">ENVI 69</p> <p style="text-align: center;">Article 12</p> <p style="text-align: center;">Obligations of Member States relating to good agricultural and environmental condition</p> <p>1. Member States shall ensure that all agricultural areas including land which is no longer used for production purposes, is maintained in good agricultural and environmental condition. Member States shall define, <i>in consultation with relevant stakeholders</i>, at national or regional level, minimum standards for beneficiaries for good agricultural and environmental condition of land in line with the main objective of the standards as referred to in Annex III, <i>and coherent with and complementary to the legislation set out in Annex XI</i>. Member States shall take into account the specific characteristics of the areas concerned, including soil and climatic condition, <i>in view of achieving the specific objectives in points (d), (e), (f) and (i) of Article 6(1)</i>, existing farming systems, land use, crop rotation, farming practices, and farm structures.</p>
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ensuring the land contributes to the specific objectives set out in points (d), (e) and (f) of Article 6(1). [Am. 133]

2. In *order to protect the commonality of the CAP and to ensure a level playing field, and* respect of the main objectives laid down in Annex III Member States *shall not* may prescribe standards additional to those laid down in that Annex against those main objectives. However, Member States shall not define minimum standards for main objectives, *within the system of conditionality. In addition,* other than the main objectives laid down in Annex III. [Am. 134]

3. ~~Member States shall establish a system for providing the Farm Sustainability Tool for Nutrients referred to in Annex III, with the minimum content and functionalities defined therein, to beneficiaries, who shall use the Tool.~~
- ~~The Commission may support the Member States with the design of that Tool and with data storage and processing services requirements.~~ [Am. 135]

2. *Member States shall not define minimum standards for main objectives other than the main objectives laid down in Annex III.*

Nevertheless, in respect of the main objectives laid down in Annex III Member States may prescribe standards additional to those laid down in that Annex against those main objectives.

- 2a. *The Commission shall assess the standard defined by the Member States in accordance with the procedure set out in Article 106, taking into account the required efficiency of the standard and the existence of alternatives.*

3. Member States shall establish a system for providing the Farm Sustainability Tool for Nutrients *and Input Reduction* referred to in Annex III, with the minimum content and functionalities defined therein, to beneficiaries, who shall use the Tool. *In order to ensure the efficient use and implementation of this Tool, the Commission shall provide an adequate transition period for Member States.*
- The Commission may support the Member States with the design of that Tool and with data storage and processing services requirements.

<p>3a. <i>Member States may approve practices equivalent to those specified in paragraph 1, to be determined in accordance with the criteria established through delegated act, as provided for in paragraph 4, provided that they yield an equivalent or higher level of benefit for the climate and environment to that of one or more of the practices to which paragraph 1 refers. Such equivalent practices shall include:</i></p> <p>(a) <i>commitments undertaken in accordance with Article 65 or Article 28(2) of Regulation (EU) No 1305/2013;</i></p> <p>(b) <i>commitments undertaken in accordance with Article 28 of this Regulation;</i></p> <p>(c) <i>national or regional environmental certification schemes, including those for the certification of compliance with national environmental legislation, going beyond the mandatory standards established pursuant to Annex III to this Regulation, which aim to meet objectives relating to soil and water quality,</i></p>	
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biodiversity, landscape preservation, and climate change mitigation and adaptation. [Am. 136]

- 3b. Farmers satisfying the requirements laid down in Regulation (EU) No 2018/848 on organic agriculture shall, in doing so, be deemed to comply with rules 1, 8 and 9 on standards for good agricultural and environmental condition of land (GAEC) as laid down in Annex III to this Regulation. [Am. 137]*
- 3c. The outermost regions of the Union, defined pursuant to Article 349 TFEU and the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013, shall be exempt from the standards of good agricultural and environmental condition of lands requirements 1, 2, 8 and 9, as laid down in Annex III to this Regulation. [Am. 138]*
- 3d. Member States shall provide the beneficiaries concerned, where appropriate by the use of electronic means, with the list of the requirements and standards to be applied at farm*

<p><i>level, as well as clear and precise information thereon.</i> [Am. 139]</p> <p>4. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules <i>in relation to:</i>for good agricultural and environmental condition, including establishing the</p> <p>(a) <i>further</i> elements of the system of the ratio of permanent grassland, the year of reference and the rate of conversion under GAEC 1 as referred to in Annex III; the format and additional minimum elements and functionalities of the Farm Sustainability Tool for Nutrients.</p> <p>(b) <i>criteria for the determination of equivalent measures;</i></p> <p>(c) <i>rules laying down the appropriate requirements applicable to the national or regional certification schemes referred to in point (c) of paragraph 3a, including the level of guarantee offered by those schemes.</i> [Am. 140]</p>	<p>4. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules for good agricultural and environmental condition, including establishing the elements of the system of the ratio of permanent grassland, the format and additional minimum elements and functionalities of the Farm Sustainability Tool for Nutrients <i>and Input Reduction.</i></p> <p><i>The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules for good agricultural and environmental condition in cases of force majeure, including natural disasters, epidemics and plant diseases.</i></p>
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SECTION 3

FARM ADVISORY SERVICES

Article 13

Farm advisory services

1. Member States shall include in the CAP Strategic Plan a system providing *quality and independent* services for advising farmers and other beneficiaries of CAP support on land management and farm management ('farm advisory services') *which, when appropriate, shall build upon any already existing systems at Member States level. Member States shall allocate an appropriate budget for the funding of those services and a brief description of those services shall be included in the national CAP Strategic Plans.*
[Am. 141]
2. The farm advisory services shall cover economic, environmental and social dimensions and deliver up to date technological and scientific information developed by research and innovation, *taking account of traditional farming practices and techniques*. They shall be integrated within the interrelated services of farm *advisory networks*,

<p>advisors, researchers, farmer organisations, <i>cooperatives</i> and other relevant stakeholders that form the Agricultural Knowledge and Innovation Systems (AKIS). [Am. 142]</p> <p>3. Member States shall ensure that the farm advice given is impartial, <i>adapted to the whole range of means of production and farms</i> and that advisors have no conflict of interest. [Am. 143]</p> <p>3a. <i>Member States shall ensure that farm advisory services are equipped to provide advice on both production and the provision of public goods.</i> [Am. 144]</p> <p>4. The farm advisory services <i>established by the Member State</i> shall cover at least the following: [Am. 145]</p> <p>(a) all requirements, conditions and management commitments applying to farmers and other beneficiaries set in the CAP Strategic Plan, including requirements and standards under conditionality, <i>eco-schemes, environmental, climate and other management commitments under Article 65</i> and conditions for support schemes as well as information</p>	
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<p>on financial instruments and business plans established under the CAP Strategic Plan; [Am. 146]</p> <p>(b) the requirements as defined by Member States for implementing Directive 2000/60/EC, Directive 92/43/EEC, Directive 2009/147/EC, Directive 2008/50/EC, Directive (EU) 2016/2284, Regulation (EU) 2016/2031, Regulation (EU) 2016/429, Article 55 of Regulation (EC) No 1107/2009 of the European Parliament and of the Council⁶ and Directive 2009/128/EC;</p> <p>(c) farm practices preventing the development of antimicrobial resistance as set out in the Communication "A European One Health Action Plan against Antimicrobial Resistance"⁷;</p> <p>(d) risk <i>prevention and</i> management as referred to in Article 70; [Am. 147]</p>	
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⁶ Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC (OJ L 309, 24.11.2009, p. 1).

⁷ "A European One Health Action Plan against Antimicrobial Resistance (AMR)" (COM(2017)0339 final).

<p>(e) innovation support in particular for preparing and for implementing Operational Group projects of the European Innovation Partnership for agricultural productivity and sustainability as referred to in Article 114;</p> <p>(f) development of digital technologies in agriculture and rural areas as referred to in Article 102(b).</p> <p><i>(fa) techniques to optimise the economic performance of production systems, the improvement of competitiveness, market orientation, short supply chains and the promotion of entrepreneurship;</i> [Am. 148]</p> <p><i>(fb) specific advice for farmers setting up for the first time;</i> [Am. 149]</p> <p><i>(fc) safety standards and well-being in farming communities;</i> [Am. 150]</p> <p><i>(fd) the sustainable management of nutrients;</i> [Am. 151]</p>	
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| <p>(fe) <i>improvement of agro ecological and agroforestry practices and techniques on both agricultural and forest lands; [Am. 152]</i></p> <p>(ff) <i>concentration on producer organisations and other farmer groups; [Am. 153]</i></p> <p>(fg) <i>assistance to farmers who wish to change production, in particular due to changes in consumer demand, with advice concerning the new skills and equipment required; [Am. 154]</i></p> <p>(fh) <i>land mobility and succession planning services; [Am. 155]</i></p> <p>(fi) <i>all agricultural practices which make it possible to reduce the use of fertilisers and plant protection products by promoting natural methods of soil fertility improvement and pest control; and [Am. 156]</i></p> <p>(fj) <i>improving resilience and adapting to climate change. [Am. 157]</i></p> | |
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<p>4a. <i>Without prejudice to national law and other relevant provisions of Union law, persons and entities in charge of advisory services shall not disclose to any person other than the advised farmer or beneficiary any personal or business information or data relating to the farmer or beneficiary in question, which has been acquired in the course of their advisory assignment, with the exception of infringements subject to mandatory reporting to public authorities under national or Union law. [Am. 158]</i></p> <p>4b. <i>Member States shall also ensure by means of appropriate public procedure that advisors working within the farm advisory system are suitably qualified and regularly trained. [Am. 159]</i></p>	
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CHAPTER II

TYPES OF INTERVENTIONS IN THE FORM OF DIRECT PAYMENTS

SECTION 1

TYPES OF INTERVENTIONS AND REDUCTION

Article 14

Types of interventions in the form of direct payments

- 1-. The types of interventions under this Chapter may take the form of decoupled and coupled direct payments.
- 2. Decoupled direct payments shall be the following:
 - (a) the basic income support for sustainability;
 - (b) the complementary redistributive income support for sustainability;
 - (c) the complementary income support for young farmers;
 - (d) the schemes for the climate, ~~and~~ the environment *and animal welfare*; ~~and~~ [Am. 160]
 - (da) *the schemes for boosting competitiveness.* [Am. 161]

<p>-3. Coupled direct payments shall be the following:</p> <ul style="list-style-type: none">(a) the coupled income support;(b) the crop-specific payment for cotton.	
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Article 15

Reduction of payments

1. Member States shall reduce the amount of direct payments to be granted to a farmer pursuant to this Chapter for a given calendar year ~~exceeding EUR 60 000 as follows: *where that amount exceeds a threshold of EUR 100 000.*~~
 - ~~(a) by at least 25 % for the tranche between EUR 60 000 and EUR 75 000;~~
 - ~~(b) by at least 50 % for the tranche between EUR 75 000 and EUR 90 000;~~
 - ~~(c) by at least 75 % for the tranche between EUR 90 000 and EUR 100 000;~~
 - ~~(d) by 100 % for the amount exceeding EUR 100 000.~~**[Am. 162]**
2. Before applying paragraph 1, Member States ~~shall~~*may* subtract from the amount of direct payments to be granted to a farmer pursuant to this Chapter in a given calendar year:
[Am. 163]

Article 15 - Capping

1. Member States shall *limit* the amount of direct payments to be granted to a farmer pursuant to this Chapter for a given calendar year *to EUR 35 000*
 - (a) by at least 25 % for the tranche between EUR *35 000* and EUR *40 000*
 - (b) by at least 50 % for the tranche between EUR *40 000* and EUR *45 000*
 - (c) by at least 75 % for the tranche between EUR *45 000* and EUR *50 000*
 - (d) by 100 % for the amount exceeding EUR *50 000*.
2. Before applying paragraph 1, Member States shall subtract from the amount of direct payments to be granted to a farmer pursuant to this Chapter in a given calendar year *the payments granted for schemes for the climate and the environment pursuant to Article 28, payments granted for schemes for animal welfare pursuant to*

(a) **50% of** the salaries linked to an agricultural activity declared by the farmer, including taxes and social contributions related to employment; and [Am. 164]

~~(b) — the equivalent cost of regular and unpaid labour linked to an agricultural activity practiced by persons working on the farm concerned who do not receive a salary, or who receive less remuneration than the amount normally paid for the services rendered, but are rewarded through the economic result of the farm business. [Am. 165]~~

(ba) the direct support referred to in Articles 27 and 28.
[Am. 166]

To calculate the amounts referred to in point (a), ~~a) and b)~~, Member States shall use *the actual salary costs or* the average standard salaries linked to an agricultural *and related* activity at national or regional level multiplied by the number of annual work units declared by the farmer concerned. *Member States may use indicators on standard salary costs associated with various types of farm or*

Article 28a, and the payments granted for complementary support for agricultural employment pursuant to Article 26a.

<p><i>reference data on employment generation by farm type.</i> [Am. 167]</p> <p>3. The estimated product of the reduction of payments shall primarily be used to contribute to the financing of <i>be prioritised to finance</i> the complementary redistributive income support for sustainability and thereafter of other interventions belonging to decoupled direct payments. [Am. 168]</p> <p>Member States may also use all or part of the product to finance types of interventions under the EAFRD as specified in Chapter IV by means of a transfer. Such transfer to the EAFRD shall be part of the CAP Strategic Plan financial tables and may be reviewed in 20232024 in accordance with Article 90. It shall not be subject to the maximum limits for the transfers of funds from the EAGF to the EAFRD established under Article 90. [Am. 169]</p> <p>3a. <i>In the case of a legal person, or a group of natural or legal persons, Member States may apply the reduction referred to in paragraph 1 at the level of the members of those legal</i></p>	<p>3. The estimated product of the reduction of payments shall primarily be used to contribute to the financing of the <i>schemes for the climate and the environment</i> and thereafter of <i>types of interventions under the EAFRD as specified in Chapter IV by means of a transfer. Such transfer to the EAFRD shall be part of the CAP Strategic Plan financial tables and may be reviewed in 2023 in accordance with Article 90. It shall not be subject to the maximum limits for the transfers of funds from the EAGF to the EAFRD established under Article 90.</i></p> <p>Member States may also use all or part of the product to finance <i>complementary redistributive income support for sustainability or other interventions belonging to decoupled direct payments.</i></p>
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<p><i>persons or groups where national law provides for the individual members to assume rights and obligations comparable to those of individual farmers who have the status of a head of holding, in particular as regards their economic, social and tax status, provided that they have contributed to strengthening the agricultural structures of the legal persons or groups concerned. [Am. 170]</i></p> <p>3b. <i>Where a Member State grants complementary redistributive income support to farmers under Article 26 and to that end uses at least 10% of its allocation for direct payments laid down in Annex IV, it may decide to waive the application of this Article. [Am. 171]</i></p> <p>3c. <i>No advantage consisting of avoiding reductions of the payment shall be granted in favour of farmers in respect of whom it is established that they artificially created the conditions to avoid the effects of this Article. [Am. 172]</i></p> <p>4. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation</p>	<p>3a. <i>In the case of a legal person, or a group of natural or legal persons, Member States may apply the reduction referred to in paragraph 1 at the level of the members of those legal persons or groups where national law provides for the individual members to assume rights and obligations comparable to those of individual farmers who have the status of a head of holding, in particular as regards their economic, social and tax status, provided that they have contributed to strengthening the agricultural structures of the legal persons or groups concerned. [same as Am. 170]</i></p> <p>3b. <i>No advantage consisting of avoiding reductions of the payment shall be granted in favour of farmers in respect of whom it is</i></p>
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~~with rules establishing a harmonised basis for calculation for the reduction of payments laid down in paragraph 1 to ensure a correct distribution of the funds to the entitled beneficiaries.~~ **[Am. 173]**

established that they artificially created the conditions to avoid the effects of this Article. (same as AM. 172)

4. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules establishing a harmonised basis for calculation for the reduction of payments laid down in paragraph 1 to ensure a correct distribution of the funds to the entitled beneficiaries.

SECTION 2
DECOUPLED DIRECT PAYMENTS

SUBSECTION 1
GENERAL PROVISIONS

Article 16

Minimum requirements for receiving decoupled direct payments

1. Member States shall grant decoupled direct payments *to active farmers* under the conditions set out in this Section and as further specified in their CAP Strategic Plans.
[Am. 174]
2. Member States shall set an area threshold *and/or a minimum limit for direct payments* and only grant ~~decoupled~~ direct payments to ~~genuine~~ *active* farmers whose ~~eligible area of the holding for which decoupled direct payments are claimed goes beyond this area threshold.~~ *payment areas and/or volumes equal or exceed those thresholds.* [Am. 175]

When setting the area threshold *or minimum limit for payments*, Member States shall aim at ensuring that

Article 16 - Minimum requirements for receiving decoupled direct payments

2. Member States *may* set an area threshold ~~and/or a minimum limit for direct payments~~ and only grant ~~decoupled~~ direct payments to ~~genuine~~ *active* farmers whose ~~eligible area of the holding for which decoupled direct payments are claimed goes beyond this area threshold.~~ *payment areas and/or amounts volumes equal or exceed those thresholds.* [Am. 175]

When setting the area threshold ~~or minimum limit for payments~~, Member States shall aim at ensuring that ~~decoupled direct payments may only be granted to genuine~~ *active* farmers if: [Am. 176]

<p>decoupled direct payments may only be granted to genuine active farmers if: [Am. 176]</p> <p>(a) the management of the corresponding payments <i>equalling or exceeding those thresholds</i> does not cause excessive administrative burden, and [Am. 177]</p> <p>(b) the corresponding amounts <i>the amounts received above the threshold established</i> make an effective contribution to the objectives set out in Article 6(1) to which decoupled direct payments contribute. [Am. 178]</p> <p>3. The Member States concerned may decide not to apply paragraph 1 <i>this Article</i> to the outermost regions and to the smaller Aegean Islands <i>and to the Balearic Islands archipelago</i>. [Am. 179]</p>	<p>(a) the management of the corresponding payments <i>equalling or exceeding those thresholds</i> does not cause excessive administrative burden, and [Am. 177]</p> <p>(b) the corresponding amounts <i>the amounts received above the threshold established</i> make an effective contribution to the objectives set out in Article 6(1) to which decoupled direct payments contribute, in particular Article 6(1) point (g) and (h). [Am. 178]</p> <p>3. The Member States concerned may decide not to apply paragraph 1 <i>this Article</i> to the outermost regions and to the smaller Aegean Islands <i>and to the Balearic Islands archipelago</i>. [Am. 179]</p>
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SUBSECTION 2

BASIC INCOME SUPPORT FOR SUSTAINABILITY

Article 17

General rules

1. Member States shall provide for a basic income support for sustainability ('basic income support') under the conditions set out in this subsection and as further specified in their CAP Strategic Plans.
2. Member States shall provide for a basic income support in the form of an annual decoupled payment per eligible hectare.
- 2a. *In specific situations where, owing to the nature of the farming system, farmers do not have land but have been granted aid in the form of the basic payment at the entry into force of this regulation, basic income support shall be an amount per holding. [Am. 180]*
3. Without prejudice to Articles 19 to 24, the basic income support shall be granted for each eligible hectare declared by ~~a genuine~~ *an active* farmer. [Am. 181]

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Article 18

Amount of support per hectare

1. Unless Member States decide to grant the basic income support based on payment entitlements as referred to in Article 19, the support shall be paid as a uniform amount per hectare.
2. Member States may decide to differentiate the amount *per hectare* of the basic income support *according to per hectare* amongst different groups of *areas in accordance with* territories faced with similar socio-economic, *environmental* or agronomic conditions. *Member States may decide to increase the amounts for regions with natural or area-specific handicaps, and depopulated areas.* [Am. 182]
- 2a. *Member States may lay down mechanisms that restrict the number of national eligible hectares that can benefit from support, on the basis of a reference period decided by the Member State.* [Am. 183]

Article 19

Payment entitlements

1. Member States having applied the basic payment scheme as laid down in Section 1 of Chapter I of Title III of Regulation (EU) No 1307/2013, may decide to grant the basic income support based on payment entitlements in accordance with Articles 20 to 24 of this Regulation.
2. Where Member States having applied the basic payment scheme as laid down in Section 1 of Chapter I of Title III of Regulation (EU) No 1307/2013 decide not to grant the basic income support based on payment entitlements, the payment entitlements allocated under Regulation (EU) No 1307/2013 shall expire on 31 December ~~2020~~ **2022**. *Member States which have already completed the internal adjustment process of the payment entitlements may decide to waive the payment entitlements earlier.* [Am. 184]

Article 20

Value of payment entitlements and convergence

1. Member States shall determine the unit value of payment entitlements before convergence in accordance with this Article by adjusting the value of payment entitlements proportionally to their value as established in accordance with Regulation (EU) No 1307/2013 for claim year ~~2020~~ **2021** and the related payment for agricultural practices beneficial for the climate and environment provided for in Chapter III of Title III of that Regulation for claim year ~~2020~~ **2021**. **[Am. 185]**
2. Member States may decide to differentiate the value of payment entitlements in accordance with Article 18(2).
3. Member States shall, by claim year 2026 at the latest, set a maximum level for the value of payment entitlements for the Member State or for each group of territories defined in accordance with Article 18(2).
4. Where the value of payment entitlements as determined in accordance with paragraph 1 is not uniform within a Member

<p>State or within a group of territories as defined in accordance with Article 18(2), Member States shall ensure a <i>full</i> convergence of the value of payment entitlements towards a uniform unit value by claim year 2026 at the latest.</p> <p>[Am. 186]</p>	
<p>5. For the purposes of paragraph 4, Member States shall ensure that, for claim year 2024 at the latest, all payment entitlements have a value of at least 75% of the average planned unit amount for the basic income support for claim year 20262024 as laid down in the CAP Strategic Plan transmitted in accordance with Article 106 (1) for the Member State or for the territories as defined in accordance with Article 18(2). [Am. 187]</p>	
<p>5a. <i>For the purposes of paragraph 4, Member States shall ensure that, for the last claim year of the programming period at the latest, all payment entitlements have a value of 100% of the average planned unit amount for the basic income support for claim year 2026 as laid down in the CAP Strategic Plan transmitted in accordance with Article</i></p>	

106 (1) for the Member State or for the territories as defined in accordance with Article 18(2). [Am. 188]

6. Member States shall finance the increases in the value of payment entitlements needed to comply with paragraphs 4 and 5 by using any possible product resulting from the application of paragraph 3, and, where necessary, by reducing the difference between the unit value of payment entitlements determined in accordance with paragraph 1 and the average planned unit amount for the basic income support for claim year 2026 as laid down in the CAP Strategic Plan transmitted in accordance with Article 106 (1) for the Member State or for the territories as defined in accordance with Article 18(2).

Member States may decide to apply the reduction to all or part of the payment entitlements with a value determined in accordance with paragraph 1 exceeding the average planned unit amount for the basic income support for claim year 2026, as laid down in the CAP Strategic Plan transmitted in

<p>accordance with Article 106 (1) for the Member State or for the territories as defined in accordance with Article 18(2).</p> <p>7. The reductions referred to in paragraph 6 shall be based on objective and non-discriminatory criteria. Without prejudice to the minimum set in accordance with paragraph 5, such criteria may include the fixing of a maximum decrease that may not be lower than 30% <i>per year</i>. [Am. 189]</p>	
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Article 21

Activation of payment entitlements

1. Member States shall grant genuine farmers holding owned or leased-in payment entitlements basic income support upon activation of those payment entitlements. Member States shall ensure that for the purpose of the activation of payment entitlements ~~genuine~~ **active** farmers declare the eligible hectares accompanying any payment entitlement. **[Am. 190]**
2. Member States shall ensure that payment entitlements, including in the case of actual or anticipated inheritance, be activated only in the Member State or within the group of territories defined in accordance with Article 18(2) where they were allocated.
3. Member States shall ensure that activated payment entitlements give a right to payment based on the amount fixed therein.

Article 22

Reserves for payment entitlements

1. Each Member State deciding to grant the basic income support based on payment entitlements shall ~~set up~~ manage a national reserve, *equivalent to a maximum of 3 % of the allocations laid down in Annex VII.* [Am. 191]
2. By way of derogation from paragraph 1, where Member States decide to differentiate the basic income support in accordance Article 18(2), they may decide to have a reserve for each group of territories defined in accordance with that Article.
- 2a. *Member States may exceed the percentage referred to in paragraph 1 where that is necessary to cover allocation requirements pursuant to points (a) and (b) of paragraph 4 and of paragraph 5.* [Am. 192]
3. Member States shall ensure that payment entitlements from the reserve be only allocated to ~~genuine~~ *active* farmers. [Am. 193]

4. Member States shall use their reserve as a matter of priority to allocate payment entitlements to the following farmers:
- (a) young farmers who have newly set up a holding for the first time; **or [Am. 194]**
 - (b) farmers who have newly set up a holding for the first time, as head of the holding and with appropriate training or acquired necessary skills ~~as defined by the Member States for young farmers~~ **and knowledge; [Am. 195]**

In the case of points (a) and (b) of the first subparagraph of this paragraph, Member States may give priority to women with a view to helping to meet the objective referred to in point (h) of Article 6(1). [Am. 196]

- 4a. *Member States may also identify, through objective and non-discriminatory criteria, other cases which, according to the needs assessment described in Article 96, are more vulnerable or more relevant to achieve the specific objectives set out in Article 6, as well as farmers who are newly making use of collectively managed areas. [Am. 197]*

<p>5. Member States shall allocate payment entitlements to, or increase the value of the existing payment entitlements of genuine active farmers who are entitled by virtue of a definitive court ruling or by virtue of a definitive administrative act of the competent authority of a Member State. Member States shall ensure that those genuine active farmers receive the number and value of payment entitlements established in that ruling or act at a date to be fixed by the Member State. [Am. 198]</p> <p>5a. <i>Member States may use the national reserve to increase basic support for income across the board or with a view to meeting specific objectives laid down in Article 6(1), on the basis of non-discriminatory criteria, provided that sufficient amounts remain available for the allocations laid down in paragraphs 4 and 5 of this Article. [Am. 199]</i></p> <p>6. Member States shall ensure that the reserve be replenished by a linear reduction of the value of all payment entitlements where the reserve is insufficient to cover the allocation of payment entitlements in accordance with paragraphs 4 and 5.</p>	
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<p>7. Member States may lay down additional rules for the use of the reserve and the cases that would trigger its replenishment by a linear reduction of the value of all payment entitlements.</p> <p>8. Member States shall fix the value of new payment entitlements allocated from the reserve at the national average value of payment entitlements in the year of allocation or at the average value of payment entitlements for each group of territories defined in accordance with Article 18(2) in the year of allocation.</p> <p>9. Member States may decide to increase the value of the existing payment entitlements up to the national average value in the year of allocation or up to the average value for each group of territories defined in accordance with Article 18(2).</p>	
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~~Article 23~~

~~Delegated powers~~

~~The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules on:~~

- ~~(a) — the establishment of the reserve;~~
- ~~(b) — on access to the reserve;~~
- ~~(c) — the content of the declaration and the requirements for the activation of payment entitlements. [Am. 200]~~

Article 24

Transfers of payment entitlements

1. Except in the case of transfer by actual or anticipated inheritance, payment entitlements shall be transferred only to a ~~genuine~~ *active* farmer. **[Am. 201]**
- 1a. Payment entitlements may not be given a market value.*
[Am. 202]
2. Where Member States decide to differentiate the basic income support in accordance with Article 18(2) payment entitlements shall only be transferred within the group of territories where they were allocated.

Article 25

~~Round sum payment~~ *Simplified scheme* for small farmers [Am. 203]

Member States *shall introduce a simplified scheme for* ~~may grant~~
~~payments to small farmers as defined by Member States by way of a~~
~~round~~ *requesting support in respect of an amount of up to EUR 1*
250. That scheme may consist of a lump sum, replacing direct
payments under this Section and Section 3 of this Chapter, *or a per-*
hectare payment, which may be different for different territories,
defined in accordance with Article 18(2). Member States shall design
the corresponding intervention in the CAP Strategic Plan as optional
for the farmers. [Am. 204]

1a. Farmers wishing to participate in the simplified scheme
shall submit an application not later than a date to be set by
the Member State, without prejudice to the Member States
being able to automatically include the farmers fulfilling
the conditions and offering them the possibility of
withdrawing from it by a specific deadline. [Am. 205]

1b. For farmers participating in the simplified scheme,
Member States may apply simplified conditionality checks,
as laid down in Article 84 of Regulation (EU) .../... [HzR].
[Am. 206]

<p><i>1c. Member States may establish rules and services for reducing administrative costs, supporting small farmers to cooperate. [Am. 207]</i></p> <p><i>1d. Member States shall ensure that no advantage provided for in this Article shall be granted to farmers if it is established that they artificially created, after 1 June 2018, the conditions for receiving payments to small farmers. [Am. 208]</i></p>	
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<p style="text-align: center;">SUBSECTION 3</p> <p style="text-align: center;">COMPLEMENTARY INCOME SUPPORT</p> <p style="text-align: center;">Article 26</p> <p style="text-align: center;">Complementary redistributive income support for sustainability</p> <ol style="list-style-type: none"> 1. Member States shall provide for a complementary redistributive income support for sustainability ('redistributive income support') under the conditions set out in this Article and as further specified in their CAP Strategic Plans. 2. Member States shall ensure <i>a fair</i> redistribution of support from bigger to smaller or medium-sized farms by providing for a redistributive income support in the form of an annual decoupled payment per eligible hectare to farmers who are entitled to a payment under the basic income support referred to in Article 17. [Am. 209] 3. Member States shall establish <i>a payment equivalent to</i> an amount per hectare or different amounts for different ranges of hectares. <i>They may differentiate those amounts in accordance with the territories defined pursuant to Article 18(2).</i> as well as the maximum number of hectares per 	<p>Article 26 - Complementary redistributive income support for sustainability</p> <p style="text-align: center;">Article 26</p> <p style="text-align: center;">Complementary redistributive income support for sustainability</p> <ol style="list-style-type: none"> 1. Member States shall provide for a complementary redistributive income support for sustainability ('redistributive income support') under the conditions set out in this Article and as further specified in their CAP Strategic Plans. 2. Member States shall ensure <i>a fair</i> redistribution of support from bigger to smaller or medium-sized farms by providing for a redistributive income support in the form of an annual decoupled payment per eligible hectare to farmers who are entitled to a payment under the basic income support referred to in Article 17. [Am. 209] 3. Member States shall establish <i>a payment equivalent to</i> an amount per hectare or different amounts for different ranges of hectares. <i>They may differentiate those amounts in accordance with the territories defined pursuant to Article</i>
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<p>farmer for which the redistributive income support shall be paid. [Am. 210]</p> <p>3a. <i>The amount of the redistributive payment per hectare shall not be higher than 65 % of the basic income support for sustainability, in accordance with the national or territory average, multiplied by the number of eligible hectares. [Am. 211]</i></p> <p>3b. <i>The number of eligible hectares per farmer shall not be greater than the national average size of holdings, or the average size in accordance with the territories defined pursuant to Article 18(2). Member States shall grant access to that payment starting from the first eligible hectare of the holding. [Am. 212]</i></p> <p>3c. <i>Member States shall identify non-discriminatory criteria, with the objective laid down in point (a) of Article 6(1), for calculating the amount to be granted for complementary redistribution of income for sustainability in the context of the CAP Strategic Plans, and shall also set a financial</i></p>	<p>18(2). as well as the maximum number of hectares per farmer for which the redistributive income support shall be paid. [Am. 210]</p> <p>3a. — The amount of the redistributive payment per hectare shall not be higher than 65 % of the basic income support for sustainability, in accordance with the national or territory average, multiplied by the number of eligible hectares. [Am. 211]</p> <p>3b (new) <i>The number of eligible hectares per farmer shall not be greater than the national average size of holdings, or the average size in accordance with the territories defined pursuant to Article 18(2) or 30 hectares, whichever is smaller. Member States shall grant access to that payment starting from the first eligible hectare of the holding.</i></p> <p>3c. <i>Member States shall identify non-discriminatory criteria, with the objective laid down in point (a) and (g) of Article 6(1), for calculating the amount to be granted for complementary redistribution of income for sustainability</i></p>
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<p><i>ceiling above which farms shall not be entitled to the redistributive payment. Member States shall take into consideration the average level of farms' income at national or regional level. In the distribution criteria, they shall also take into consideration the natural and specific constraints faced by some regions, including island regions, in the development of their agricultural activity.</i> [Am. 213]</p> <p>4. — The amount per hectare planned for a given claim year shall not exceed the national average amount of direct payments per hectare for that claim year. [Am. 214]</p> <p>5. — The national average amount of direct payments per hectare is defined as the ratio of the national ceiling for direct payments for a given claim year as laid down in Annex IV and the total planned outputs for the basic income support for that claim year, expressed in number of hectares. [Am. 215]</p> <p>5a. <i>For a legal person, or a group of natural or legal persons, Member States may apply the maximum number of hectares referred to in paragraph 3 at the level of the</i></p>	<p><i>in the context of the CAP Strategic Plans, and shall also set a financial ceiling above which farms shall not be entitled to the redistributive payment. Member States shall take into consideration the average level of farms' income at national or regional level. In the distribution criteria, they shall also take into consideration the natural and specific constraints faced by some regions, including island regions, in the development of their agricultural activity.</i> [Am. 213]</p> <p>4. — The amount per hectare planned for a given claim year shall not exceed the national average amount of direct payments per hectare for that claim year. [Am. 214]</p> <p>5. — The national average amount of direct payments per hectare is defined as the ratio of the national ceiling for direct payments for a given claim year as laid down in Annex IV and the total planned outputs for the basic income support for that claim year, expressed in number of hectares. [Am. 215]</p> <p>5a. <i>For a legal person, or a group of natural or legal persons, Member States may apply the maximum number of</i></p>
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members of those legal persons or groups where national law provides for the individual members to assume rights and obligations comparable to those of individual farmers who have the status of head of holding, in particular as regards their economic, social and tax status, provided that they have contributed to strengthening the agricultural structures of the legal persons or groups concerned.

[Am. 216]

5b. *Member States shall ensure that no advantage provided for under this Chapter is granted to farmers in respect of whom it is established that they divided their holding with the sole purpose of benefiting from the redistributive payment. This shall also apply to farmers whose holdings result from that division. [Am. 217]*

hectares referred to in paragraph 3 at the level of the members of those legal persons or groups where national law provides for the individual members to assume rights and obligations comparable to those of individual farmers who have the status of head of holding, in particular as regards their economic, social and tax status, provided that they have contributed to strengthening the agricultural structures of the legal persons or groups concerned.

[Am. 216]

5b. *Member States shall ensure that no advantage provided for under this Chapter is granted to farmers in respect of whom it is established that they divided their holding with the sole purpose of benefiting from the redistributive payment. This shall also apply to farmers whose holdings result from that division. [Am. 217]*

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Article 26 a (new) - Complementary support for agricultural employment

Article 26a

Complementary support for agricultural employment

1. Member States may provide for additional support for agricultural employment under the conditions laid down in this Article and as specified in their strategic plans under the CAP.

2. As part of their obligations to contribute to the specific objective of 'promoting employment, growth, social inclusion and local development in rural areas, including the bio-economy and sustainable forestry', as defined in Article 6(1)(h), Member States may provide for additional support for agricultural employment to agricultural holdings which create paid employment and which are entitled to a payment under the basic income support referred to in Article 17.

3. The complementary support for agricultural employment shall take the form of an annual decoupled payment per eligible Annual Work Unit.

	<p>4. The Commission is empowered to determine the maximal amount of complementary support for agricultural employment that may be attributed per worker.</p> <p>5. This aid shall be subject to limits imposed in Article 15.</p>
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Article 27

Complementary income support for young farmers

1. Member States may provide for complementary income support for young farmers *defined in accordance with the criteria laid down in point (d) of Article 4(1)*, under the conditions set out in this Article and as further specified in their CAP Strategic Plans. **[Am. 218]**
2. As part of their obligations to ~~contribute to the specific objective 'attract young farmers and facilitate business development in rural areas'~~ *in line with the objective* set out in point (g) of Article 6(1) and to dedicate at least 2% of their allocations for direct payments to this objective in accordance with Article 86(4), Member States may provide a complementary income support for young farmers who have newly set up for the first time *as head of the holding* and who are entitled to a payment under the basic income support as referred to in Article 17. **[Am. 219]**
3. The complementary income support for young farmers *shall be granted for a maximum period of seven years, starting from the date of the submission of the application for the*

payment for young farmers, and shall take the form of an annual decoupled payment per eligible hectare. It may be calculated at the national level or on the basis of the territories defined in accordance with Article 18(2).
[Am. 220]

3a. *Young farmers who have received in the final year of application of Regulation (EU) No 1307/2013 the support provided for in Article 50 of that Regulation may receive the support provided for in this Article for the maximum total period referred to in paragraph 3.* [Am. 221]

3b. *The payment shall be granted for a number of hectares not exceeding average size of the farms at national level or according to the territories defined in Article 18(2).*
[Am. 222]

3c. *Member States may lay down specific provisions relating to young farmers belonging to groups of farmers, producer organisations or cooperatives with the aim of ensuring they do not lose support pursuant to this Article when joining such entities.* [Am. 223]

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SUBSECTION 4

SCHEMES FOR THE CLIMATE AND THE ENVIRONMENT

Article 28

Schemes for the climate, ~~and the environment~~ *and animal welfare*

[Am. 224]

1. Member States shall *establish and* provide support for voluntary schemes for the climate, ~~and the environment~~ *and animal welfare* ('eco-schemes') under the conditions set out in this Article and as further specified in their CAP Strategic Plans. [Am. 225]

That support shall aim to preserve beneficial practices and/or promote the necessary conversion to practices and techniques that make a stronger contribution to the environment and climate.

Support may be directed towards commitments for agricultural practices in specific sectors and/or geographical areas defined by the Member States. Areas designated pursuant to Directives 92/43/EEC or 2009/147/EC shall automatically be regarded as eligible for the scheme. [Am. 226]

Article 28 - Schemes for the climate and the environment

Article 28

Schemes for the climate and the environment

1. *Member States shall establish and provide support for voluntary schemes for the climate and environment 'eco-schemes') under the conditions set out in this Article and as further specified in their CAP Strategic Plans.*

These schemes shall aim to contribute to the environment and climate objectives set out in Article 6(1) (d) (e) and (f), as well as the EU wide objectives of Article 6 a.

<p>2. Member States shall support under this type of intervention genuine <i>active farmers or groups of</i> farmers who make commitments to observe, on eligible hectares, agricultural practices <i>and certified schemes</i> beneficial for the climate, and the environment <i>and animal welfare, which lead to achieving one or more of the specific objectives defined in points (d), (e), (f) and (i) of Article 6(1), and are tailored to address specific national or regional needs.</i> [Am. 227]</p> <p>3. Member States <i>The Commission shall adopt delegated acts, by ... [two months after the date of entry into force of this Regulation], in accordance with Article 138, supplementing this Regulation by establishing a catalogue of examples</i> establish the list of agricultural practices beneficial for the climate, and the environment <i>and animal welfare, taking into account the conditions referred to in paragraph 4 of this Article.</i></p>	<p>2. <i>Member States shall support under this type of intervention</i> <i>genuine</i> <i>active farmers or groups of farmers who make commitments to observe, maintain and promote, on eligible hectares, agricultural practices and systems beneficial for the climate and the environment.</i></p> <p>3. <i>The Commission shall adopt delegated acts in accordance with Article 138 by the latest two months after entry into force of this regulation supplementing this Regulation by establishing the Union list of agricultural practices beneficial for the climate and environment, taking into account the conditions referred to in paragraph 4 of this Article.</i></p> <p><i>Member States shall establish complementary national lists of agricultural practices beneficial for the climate and the environment through selecting from the Union list referred to in the first subparagraph. Member States shall prioritise schemes that</i></p>
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<p><i>Member States may establish, in cooperation with, national, regional and local stakeholders, complementary national lists or draw from the examples in the catalogue referred to in the previous paragraph to take into account their specific needs.</i></p> <p><i>Those lists shall consist of measures of a type other than those covered under Article 65, or of measures of the same nature but with a different level of ambition. Farmers may choose at least one of them in order to be eligible for aid.</i> [Am. 228]</p> <p>3a. <i>Member States shall, at least, include in those lists eco-schemes to set up a minimum share of agricultural area devoted to non-productive features or areas, the use of a farm tool for the sustainable management of nutrients, and, where applicable, appropriate maintenance of wetland and peatland.</i> [Am. 229]</p>	<p><i>provide co-benefits, promote synergies and emphasise an integrated approach.</i></p> <p><i>The Commission shall provide the necessary guidance to the Member States when devising the national lists, in coordination with the European and National Common Agricultural Policy Networks as set out in Article 113, to facilitate the exchange of best practices, to improve the knowledge base and solutions for meeting the specific environmental- and climate-related objectives laid down in points (d), (e), and (f) of Article 6(1). Special attention shall be given to the potential replication of measures and schemes tailored to specific local, regional or national and/or environmental contexts or constraints.</i></p> <p><i>In duly justified cases, supplementary schemes that are not established in the Union list may be included in national lists, with the approval of the Commission in accordance with the procedure set out in Articles 106 and 107.</i></p> <p><i>When drafting the lists, the Commission and Member States shall ensure in the process referred to under Chapter III of Title V that</i></p>
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<p>4. <i>Each of</i> those practices shall be designed to meet one or more of the specific environmental- and climate-related <i>and animal welfare</i> objectives laid down in points (d), (e) and (f) , (f) <i>and (i)</i> of Article 6(1). [Am. 230]</p> <p>5. Under this type of interventions, Member States shall only provide payments covering commitments which:</p> <p>(a) go beyond the relevant statutory management requirements and standards of good agricultural and</p>	<p><i>the lists are produced as a joint effort between agricultural and environmental authorities, in consultation with experts.</i></p> <p><i>The Commission shall (bi-)annually assess the national lists, taking into account the required efficiency, existence of alternatives and contribution of the schemes to the specific environmental- and climate-related objectives laid down in points (d), (e) and (f) of Article 6(1). The assessments shall be made publically available and in cases of inadequacy/negative assessments, the Member States shall propose amended national lists and schemes in accordance with the procedure set out in Article 107.</i></p> <p>4. <i>Those practices shall be designed to meet one or more of the specific environmental-, and climate-related objectives laid down in points (d), (e), and (f) of Article 6(1), and, in relation to objective (f), due regard shall be given to high nature value farming and Natura 2000 farming. Practices shall be designed taking due account of the EU Taxonomy Regulation, and it shall be ensured that pursuit of one objective does not jeopardise the achievement of another.</i></p>
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<p>environmental condition established under Section 2 of Chapter I of this Title;</p> <p>(b) go beyond the minimum requirements for <i>animal welfare and the reduction of</i> the use of fertilisers and plant protection products, animal welfare, as well as other mandatory requirements established by national and Union law; [Am. 231]</p> <p>(c) go beyond the conditions established for the maintenance of the agricultural area in accordance with point (a) of Article 4(1);</p> <p>(d) are different from, <i>or complementary to</i>, commitments in respect of which payments are granted under Article 65;- [Am. 232]</p> <p><i>(da) contribute to the maintenance of practices that are beneficial for the environment.</i> [Am. 233]</p>	<p>5. <i>Under this type of interventions, Member States shall only provide payments covering commitments which:</i></p> <p>(a) <i>go beyond the relevant statutory management requirements and standards of good agricultural and environmental condition established under Section 2 of Chapter I of this Title and Annex III;</i></p> <p>(b) <i>go beyond the minimum requirements for the use of fertilisers and plant protection products, animal welfare, as well as other mandatory requirements established by national and Union law;</i></p> <p>(c) <i>go beyond the conditions established for the maintenance of the agricultural area in accordance with point (a) of Article 4(1);</i></p> <p>(d) <i>are different from, or complementary to, commitments in respect of which payments are granted under Article 65.</i></p>
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<p>6. Support for eco-schemes shall take the form of an annual payment per eligible hectare <i>or/and a per farm payment</i>, and it shall be granted as <i>incentive payments going beyond compensation of additional costs incurred and income foregone, which may consist of a lump sum</i> either:.</p> <p>(a) payments additional to the basic income support as set out in Subsection 2 of this Section; or</p> <p>(b) payments compensating beneficiaries for all or part of the additional costs incurred and income foregone as a result of the commitments as set pursuant to Article 65.</p> <p>[Am. 234]</p> <p><i>The level of payments shall vary according to the level of ambition of sustainability of each intervention or set of interventions, based on non-discriminatory criteria, in order to offer an effective incentive for participation.</i></p> <p>[Am. 235]</p>	<p>6. <i>Support for eco-schemes shall take the form of an annual payment per eligible hectare or holding and it shall be granted as payments additional to the basic income support as set out in Subsection 2 of this Section, going beyond compensation of additional costs incurred and income foregone, which may consist of a lump sum or other simplified costs options as referred to in article 77. The level of payments shall vary according to the level of ambition of sustainability of each intervention or set of interventions, based on non-discriminatory criteria, in order to offer an effective incentive for participation.;</i></p> <p>6a. <i>Member States may require mandatory participation of specific eco-schemes in areas with high natural value or where duly justified to meet one or more of the specific environmental- and climate-related objectives laid down in points (d), (e) and (f) of Article 6(1).</i></p>
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<p>7. Member States shall ensure that interventions under this Article are consistent with those granted under Article 65, <i>assuring the adequate delimitation between the two types of interventions. Where the distinction between interventions decided under both articles is the level of environmental ambition, the Member State shall avoid double financing.</i> [Am. 236]</p> <p>8. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with further rules on the eco-schemes. [Am. 237]</p>	<p>6b. <i>Member States shall exclude eco-schemes from a potential reduction of payments as set out in Article 15 or maximum financing levels.</i></p> <p>7. <i>Member States shall ensure that interventions under this Article are consistent with those granted under Article 65.</i></p> <p>8. <i>The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with further rules</i></p>
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Article 28 b - Schemes for the climate and the environment

Article 28

Schemes for animal welfare

1. Member States shall establish and provide support for voluntary schemes for animal welfare under the conditions set out in this Article and as further specified in their CAP Strategic Plans.

These schemes shall aim to contribute to the animal welfare objectives set out in Article 6(1) point (i).

2. Member States shall support under this type of intervention active farmers or groups of farmers who make commitments to observe, maintain and promote, ~~on eligible hectares~~, agricultural practices and systems beneficial for the climate, the environment and animal welfare.

Concentrated animal feeding operations shall not be eligible for animal welfare schemes..

	<p><i>3. The Commission shall adopt delegated acts in accordance with Article 138 by the latest two months after entry into force of this regulation supplementing this Regulation by establishing the Union list of agricultural practices beneficial for animal welfare, taking into account the conditions referred to in paragraph 4 of this Article.</i></p> <p><i>Member States shall establish complementary national lists of agricultural practices beneficial for animal welfare through selecting from the Union list referred to in the first subparagraph. Member States shall prioritise schemes that provide co-benefits with climate and environment objectives, and emphasise an integrated approach.</i></p> <p><i>The Commission shall provide the necessary guidance to the Member States when devising the national lists, in coordination with the European and National Common Agricultural Policy Networks as set out in Article 113, to facilitate the exchange of best practices, to improve the knowledge base and solutions for meeting</i></p>
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	<p><i>the specific animal welfare objective of point (i) of Article 6(1). Special attention shall be given to the potential replication of measures and schemes tailored to specific local, regional or national and/or environmental contexts or constraints.</i></p> <p><i>In duly justified cases, supplementary schemes that are not established in the Union list may be included in national lists, with the approval of the Commission in accordance with the procedure set out in Articles 106 and 107.</i></p> <p><i>When drafting the lists, the Commission and Member States shall ensure in the process referred to under Chapter III of Title V that the lists are produced as a joint effort between agricultural, veterinarian and environmental authorities, in consultation with experts.</i></p> <p><i>The Commission shall (bi-)annually assess the national lists, taking into account the required efficiency, existence of alternatives and contribution of the schemes to the specific animal welfare objectives of point (i) of Article 6(1). The assessments shall be made publically available and in cases of inadequacy/negative assessments, the</i></p>
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	<p><i>Member States shall propose amended national lists and schemes in accordance with the procedure set out in Article 107.</i></p> <p><i>4. Those practices shall be designed to meet the specific animal welfare objectives of point (i) of Article 6(1). Practices shall be designed taking due account of the EU Taxonomy Regulation, and it shall be ensured that pursuit of the animal welfare objective does not jeopardise the achievement of the specific objectives of article 6(1) points (d), (e) and (f).</i></p> <p><i>5. Under this type of interventions, Member States shall only provide payments covering commitments which:</i></p> <p><i>(a) go significantly beyond the minimum requirements for animal welfare, as well as other mandatory requirements established by national and Union law;</i></p> <p><i>(b) go beyond the relevant statutory management requirements and standards of good agricultural and environmental condition established under Section 2 of Chapter I of this Title and Annex III;</i></p>
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	<p><i>(c) go beyond the conditions established for the maintenance of the agricultural area in accordance with point (a) of Article 4(1);</i></p> <p><i>(d) are different from, or complementary to, commitments in respect of which payments are granted under Article 65.</i></p> <p><i>6. Support for animal welfare schemes shall take the form of an annual payment per holding, which may consist of a lump sum or other simplified costs options as referred to in article 77. It shall be granted as payments additional to the basic income support as set out in Subsection 2 of this Section. The level of payments shall vary according to the level of ambition of each intervention or set of interventions, in going beyond the minimum requirements for animal welfare, as well as other mandatory requirements established by national and Union law. Where Member States are able to confirm, conform to the procedure set out in Article 99, a high level of ambition in their interventions, payments may exceed the simple compensation of additional costs incurred and income foregone, in order to offer an effective incentive for participation.</i></p>
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	<p><i>6b. Member States shall exclude animal welfare schemes from a potential reduction of payments as set out in Article 15.</i></p> <p><i>7. Member States shall ensure that interventions under this Article are consistent with those granted under Article 65.</i></p> <p><i>8. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with further rules on the animal welfare schemes</i></p>
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<p style="text-align: center;"><i>Article 28a</i></p> <p style="text-align: center;"><i>Schemes for boosting competitiveness</i></p> <p><i>1. Member States shall provide support for voluntary schemes for boosting competitiveness ('boost-schemes') under the conditions set out in this Article and as further specified in their CAP Strategic Plans</i></p> <p><i>2. Member States shall support under this type of intervention active farmers who make commitments to expenditure beneficial for boosting agricultural competitiveness of the farmer.</i></p> <p><i>3. Member States shall establish an eligible list of categories of expenditure beneficial for boosting competitiveness of the farmer.</i></p> <p><i>4. Those practices shall be designed to meet one or more of the specific economic objectives laid down in points (a), (b) and (c) of Article 6(1) and contributes to the cross-cutting objective as set out in Article 5.</i></p>	<p>Deletion of Article 28a</p>
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<p>5. <i>Under this type of interventions, Member States shall only provide payments covering commitments which do not result in double funding in respect of this Regulation</i></p> <p>6. <i>Support for boost-schemes shall take the form of annual payment and it shall be granted as either:</i></p> <p style="padding-left: 40px;">(a) <i>payments based on eligible hectares additional to the basic income support as set out in Subsection 2 of this Section; or</i></p> <p style="padding-left: 40px;">(b) <i>payments compensating beneficiaries for all or part of the costs incurred; or</i></p> <p style="padding-left: 40px;">(c) <i>based on output relevant for this type of intervention.</i></p> <p>7. <i>Member States shall ensure that interventions under this Article are consistent with those granted under Articles 27, 28, 65, 68, 69, 70, 71 and 72.</i></p> <p>8. <i>The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with further rules on the boost-schemes. [Am. 238]</i></p>	
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SECTION 3
COUPLED DIRECT PAYMENTS

SUBSECTION 1
COUPLED INCOME SUPPORT

Article 29
General rules

1. Member States may grant coupled income support to ~~genuine~~ **active** farmers under the conditions set out in this Subsection and as further specified in their CAP Strategic Plans.
[Am. 239]
2. The Member States' interventions shall help the supported sectors and productions or specific types of farming therein listed in Article 30 addressing the difficulty or difficulties they undergo by improving their competitiveness, their **structuring, their** sustainability or their quality. ***In addition, these interventions must be consistent with relevant specific objectives set out in Articles 6(1).*** **[Am. 240]**

<p>3. Coupled support income <i>is a production-limiting scheme that shall take the form of an annual payment per hectare or animal based on fixed areas and yields or on a fixed number of animals and shall respect financial ceilings to be determined by Member States for each measure and notified to the Commission. [Am. 241]</i></p>	<p>ENVI 84</p> <p>3. Coupled income support shall take the form of an annual payment per hectare or animal <i>that may be capped by Member States to ensure better distribution of the support.</i></p>
<p>3a. <i>Member States may decide to target or increase the coupled aid according to the beneficiary's commitment to improve its competitiveness, quality or the structuring of the sector. [Am. 242]</i></p>	<p>ENVI 86 (plus ENVI 85 and ENVI 88)</p> <p>3b. <i>When a Member State proposes voluntary coupled support in its CAP Strategic Plan as envisaged in Article 106, the Commission shall ensure that:</i></p> <ul style="list-style-type: none"> <i>(a) the aid meets the ‘do no harm’ principle;</i> <i>(b) there is a clear environmental or social need or benefit, justified with empirical quantifiable and independently verifiable evidence;</i> <i>(c) the support is used to satisfy the Union’s food security needs and does not create distortions of the internal or international markets;</i> <i>(d) the granting of the coupled income support does not lead to trade outcomes which adversely impact on agro-food sector</i>

	<p><i>investment, production and processing development in partner developing countries;</i></p> <p><i>(e) voluntary coupled support is not to be granted for markets that are in crisis due to overproduction or oversupply;</i></p> <p><i>(f) in line with Chapter III of Title V, support for livestock production shall only be granted for low population densities within limits of the ecological carrying capacities and within a defined maximum livestock stocking density for a given river basin as defined in Directive 2000/60/EC, and is linked to sufficient areas of fodder or grazing to be maintained without external inputs. [ENVI 85]</i></p> <p><i>(g) voluntary coupled support shall only be granted to beneficiaries whose standards of production are higher than the relevant minimum environmental and animal welfare standards in force. [ENVI 88]</i></p> <p><i>When the conditions set out in points (a) to (f) are fulfilled, the Commission may approve or, in coordination with that Member State, as described in Articles 115 and 116 of this Regulation, adjust the variables proposed by that Member State.</i></p>
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Article 30

Scope

Coupled income support may only be granted to the following sectors and productions or specific types of farming ~~therein where these are important for economic, social or environmental reasons~~: cereals, oilseeds, protein crops, grain legumes, flax, hemp, rice, nuts, starch potato, milk and milk products, seeds, sheepmeat and goatmeat, beef and veal, olive oil, silkworms, dried fodder, hops, sugar beet, cane and chicory, fruit and vegetables, short rotation coppice ~~and other non food crops, excluding trees, used for the production of products that have the potential to substitute fossil materials.~~ **[Am. 243]**

<p style="text-align: center;">Article 31</p> <p style="text-align: center;">Eligibility</p> <p>1. Member States may grant coupled income support in the form of a payment per hectare only for areas they have defined as eligible hectares.</p> <p><i>1a. By way of derogation from paragraph 1, coupled support may be granted to farmers who do not have eligible hectares at their disposal. [Am. 244]</i></p> <p><i>When granting coupled support, Member States shall ensure that the following conditions are fulfilled:</i></p> <p><i>(a) there is a clear environmental, or socioeconomic need or benefit;</i></p> <p><i>(b) the support does not create major distortions in the internal market; and</i></p> <p><i>(c) support for livestock production is consistent with Directive 2000/60/EC. [Am. 244]</i></p> <p>2. Where the coupled income support concerns bovine animals or sheep and goats, Member States shall define as eligibility conditions for the support the requirements to identify and</p>	<p>ENVI 90</p> <p><i>1a (new) Without prejudice to the first subparagraph, support shall not be awarded to intensive animal production. The Commission is empowered to adopt delegated acts in accordance with Article 138</i></p>
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<p>register the animals in compliance with Regulation (EC) No 1760/2000 of the European Parliament and of the Council⁸ or Council Regulation (EC) No 21/2004⁹ respectively.</p> <p>However, without prejudice to other applicable eligibility conditions, bovine animals or sheep and goats shall be considered as eligible for support as long as the identification and registration requirements are met by a certain date in the claim year concerned to be fixed by the Member States.</p>	<p><i>supplementing this Regulation by defining types of intensive animal production systems ineligible for coupled support, effectively excluding from support dairy, bovine animals or sheep and goats where there is a discrepancy between the number of eligible hectares and number of animals. This provision will take into account shepherding or transhumance practices.</i></p> <p><i>Similar ENVI 93</i></p> <p><i>2c. Concentrated animal feeding operations shall not be eligible for coupled support.</i></p>
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⁸ Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products and repealing Council Regulation (EC) No 820/97 (OJ L 204, 11.8.2000, p. 1).

⁹ Council Regulation (EC) No 21/2004 of 17 December 2003 establishing a system for the identification and registration of ovine and caprine animals and amending Regulation (EC) No 1782/2003 and Directives 92/102/EEC and 64/432/EEC (OJ L 5, 9.1.2004, p. 8).

<p>Article 32</p> <p>Measures to avoid beneficiaries of coupled income support suffering from structural market imbalances in a sector</p> <p>The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation as regards measures in order to avoid beneficiaries of coupled income support suffering from structural market imbalances in a sector. Those delegated acts may allow Member States to decide that coupled income support may continue to be paid until 2027 on the basis of the production units for which such support was granted in a past reference period.</p>	

Article 33

Implementation of the Memorandum of Understanding between the European Economic Community and the United States of America on oilseeds

1. ~~Where the coupled income support intervention concerns some or all of the oilseeds referred to in the Annex to the Memorandum of Understanding between the European Economic Community and the United States of America on oilseeds¹⁰, the total of the support area based upon the planned outputs included in the CAP Strategic Plans of the Member States concerned shall not exceed the maximum support area for the whole Union for the purpose of ensuring compliance with its international commitments.~~

~~At the latest 6 months following the entry into force of this Regulation, the Commission shall adopt implementing acts fixing an indicative reference support area for each Member State, calculated on the basis of each Member State's share of the average cultivation area in the Union during the five years preceding the year of entry into force of this~~

<p>Regulation. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2).</p> <p>2. — Each Member State that intends to grant coupled income support for oilseeds concerned by the Memorandum of Understanding referred to in paragraph 1 shall indicate the respective planned outputs in terms of hectares in its CAP Strategic Plan proposal referred to in Article 106(1).</p> <p>If following the notification of all planned outputs by Member States the maximum support area for the whole Union is exceeded, the Commission shall calculate for each Member State that notified an excess compared to its reference area, a reduction coefficient that is proportionate to the excess of its planned outputs. This shall result in an adaptation to the maximum support area for the whole Union referred to in the paragraph 1. Each Member State concerned shall be informed about this reduction coefficient in the</p>	
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¹⁰ Memorandum of Understanding between the Economic Community and the United States of America on oil seeds under GATT (OJ L147, 18/06/1993).

~~Commission's observations to the CAP Strategic Plan in accordance with Article 106(3). The reduction coefficient for each Member State shall be set in the implementing act by which the Commission approves its CAP Strategic Plan as referred to in Article 106(6).~~

~~The Member States shall not amend their support area on their own initiative after the date referred to in Article 106(1).~~

3. ~~Where Member States intend to increase their planned outputs referred to in paragraph 1 as approved by the Commission in the CAP Strategic Plans, they shall notify the Commission of the revised planned outputs by means of a request for amendment of the CAP Strategic Plans in accordance with Article 107 before 1 January of the year preceding the claim year concerned.~~

~~Where appropriate, in order to avoid that the maximum support area for the whole Union as referred to in the first subparagraph of paragraph 1 is exceeded, the Commission shall revise the reduction coefficients referred to in that~~

~~paragraph for all Member States that exceeded their reference area in their CAP Strategic Plans.~~

~~The Commission shall inform the Member States concerned about the revision of the reduction coefficient at the latest before 1 February of the year preceding the claim year concerned.~~

~~Each Member State concerned shall submit a corresponding request for amendment of its CAP Strategic Plan with the revised reduction coefficient referred to in the second subparagraph before 1 April of the year preceding the claim year concerned. The revised reduction coefficient shall be set in the implementing act approving the amendment of the CAP Strategic Plan as referred to in Article 107(8).~~

4. ~~With regard to the oilseeds concerned by the Memorandum of Understanding referred to in the first subparagraph of paragraph 1, Member States shall inform the Commission of the total number of hectares for which support has been actually paid in the annual performance reports referred to in Article 121.~~ [Am. 245]

SUBSECTION 2

CROP-SPECIFIC PAYMENT FOR COTTON

Article 34

Scope

Member States shall grant a crop-specific payment for cotton to ~~genuine~~*active* farmers producing cotton falling within CN code 5201 00 under the conditions laid down in this Subsection. **[Am. 246]**

Article 35

General rules

1. The crop-specific payment for cotton shall be granted per hectare of eligible area of cotton. The area shall be eligible only if it is located on agricultural land authorised by the Member State for cotton production, sown with varieties authorised by the Member State and actually harvested under normal growing conditions.
2. The crop-specific payment for cotton shall be paid for cotton of sound, fair and marketable quality.
3. Member States shall authorise the land and the varieties referred to in paragraph 1 in accordance with the rules and conditions to be adopted pursuant to paragraph 4.
4. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules and conditions for the authorisation of land and varieties for the purposes of the crop-specific payment for cotton.

<p>5. The Commission shall adopt implementing acts laying down rules on the procedure for the authorisation of land and varieties for the purposes of the crop-specific payment for cotton and on the notifications to the producers related to this authorisation. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2).</p>	
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Article 36

Base areas, fixed yields and reference amounts

1. The following national base areas are established:
 - Bulgaria: 3 342 ha
 - Greece: 250 000 ha
 - Spain: 48 000 ha
 - Portugal: 360 ha
2. The following fixed yields in the reference period are established:
 - Bulgaria: 1,2 tonne/ha
 - Greece: 3,2 tonne/ha
 - Spain: 3,5 tonne/ha
 - Portugal: 2, 2 tonne/ha
3. The amount of the crop-specific payment per hectare of eligible area shall be calculated by multiplying the yields

<p>established in paragraph 2 with the following reference amounts:</p> <ul style="list-style-type: none"> – Bulgaria: X EUR 624,11, [Am. 247] – Greece: XEUR 225,04, [Am. 248] – Spain: X EUR 348,03, [Am. 249] – Portugal: X EUR 249,09-[Am. 250] <p>4. If the eligible area of cotton in a given Member State and in a given year exceeds the base area established in paragraph 1, the amount referred to in paragraph 3 for that Member State shall be reduced proportionately to the overrun of the base area.</p> <p>5. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules on the conditions for the granting the crop-specific payment for cotton, on the eligibility requirements and on agronomic practices.</p> <p>6. The Commission may adopt implementing acts laying down rules on the calculation of the reduction provided for in</p>	
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paragraph 4. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2).

Article 37

Approved interbranch organisations

1. For the purpose of this Subsection, an 'approved interbranch organisation' means a legal entity made up of farmers producing cotton and at least one ginner, carrying out activities such as:
 - (a) helping to better coordinate the way cotton is placed on the market, particularly through research studies and market surveys;
 - (b) drawing up standard forms of contract compatible with Union rules;
 - (c) orienting production towards products that are better adapted to market needs and consumer demand, particularly in terms of quality and consumer protection;
 - (d) updating methods and means to improve product quality;
 - (e) developing marketing strategies to promote cotton via quality certification schemes.

<p>2. The Member State where the ginners are established shall approve interbranch organisations that satisfy the criteria to be laid down pursuant to paragraph 3.</p> <p>3. The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with rules on:</p> <ul style="list-style-type: none">(a) criteria for the approval of interbranch organisations;(b) obligations for producers;(c) the situation where the approved interbranch organisation does not satisfy the criteria referred to in point (a).	
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Article 38

Granting of the payment

1. Farmers shall be granted the crop-specific payment for cotton per eligible hectare as established in Article 36.
2. In the case of farmers who are members of an approved interbranch organisation, the crop-specific payment for cotton per eligible hectare within the base area laid down in Article 36(1) shall be increased by an amount of EUR 2.

CHAPTER III
SECTORAL TYPES OF INTERVENTIONS

SECTION 1
GENERAL PROVISIONS

Article 39

Scope

This Chapter lays down rules concerning the types of interventions in the following sectors:

- (a) fruit and vegetables sector, as referred to in point (i) of Article 1(2) of Regulation (EU) No 1308/2013 *and such products as are earmarked for processing*; [Am. 251]
- (b) apiculture products sector, as referred to in point (v) of Article 1(2) of Regulation (EU) No 1308/2013;
- (c) wine sector, as referred to in point (l) of Article 1(2) of Regulation (EU) No 1308/2013;
- (d) hops sector, as referred to in point (f) of Article 1(2) of Regulation (EU) No 1308/2013;

<p>(e) olive oil and table olives sector, as referred to in point (g) of Article 1(2) of Regulation (EU) No 1308/2013;</p>	<p>ENVI 96</p> <p><i>(ea) the leguminous crop sector;</i></p>
<p>(f) other sectors referred to in points (a) to (h), (k), (m), (o) to (t) and (w) of Article 1(2) of Regulation (EU) No 1308/2013, <i>as well as protein crops</i>. [Am. 252</p>	<p>ENVI 97</p> <p>(f) other sectors referred to in points (a) to (h), (k), (m), (o), <i>(p)</i>, <i>(r)</i>, <i>(s)</i> and (w) of Article 1(2) of Regulation (EU) No 1308/2013.</p>

Article 40

Mandatory and optional sectoral types of interventions

1. The sectoral type of interventions in the fruit and vegetables sector referred to in point (a) of Article 39 and in the apiculture sector referred to in point (b) of Article 39 shall be mandatory for every Member State.
2. The sectoral type of intervention in the wine sector referred to in point (c) of Article 39 shall be mandatory for the Member States listed in Annex V.
3. Member States may choose in their CAP Strategic Plan to implement the sectoral types of interventions referred to in points (d), (e) and (f) of Article 39, ***and they shall substantiate their choice of sectors and type of interventions.*** [Am. 253]
4. The Member State referred to in Article 82(3) may implement in the hops sector the sectoral type of intervention referred to in point (f) of Article 39 only if that Member State decides in its CAP Strategic Plan not to implement the

<p>sectoral type of intervention referred to in point (d) of Article 39.</p> <p>5. The Member States referred to in Article 82(4) may implement in the olive oil and table olives sector the sectoral type of intervention referred to in point (f) of Article 39 only if those Member States decide in their CAP Strategic Plans not to implement the sectoral type of intervention referred to in point (e) of Article 39.</p>	
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Article 41

Delegated powers for additional requirements for sectoral types of interventions

The Commission shall be empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with requirements additional to those laid down in this Chapter in particular as regards:

- (a) ensuring the proper functioning of types of interventions laid down in this Chapter, *in particular with a view to avoid distortions of competition in the internal market*; [Am. 254]
- (aa) *providing support for producers organisations in relation to the fulfilment of their specific tasks under this Chapter*; [Am. 255]
- (b) the basis for the calculation of Union financial assistance referred to in this Chapter, including the reference periods and the calculation of the value of marketed production;
- (c) the maximum level of Union financial assistance for market withdrawals referred to in point (a) of Article 46(4) and for

<p>the types of interventions referred to in Article 52(3), <i>as well as fixed packaging and transport rates for products withdrawn for free distribution and processing costs prior to delivery for that purpose</i>; [Am. 256]</p> <p>(ca) <i>establishing the conditions for setting up and managing the operating fund as well as requests for aid and advances.</i> [Am. 257]</p> <p>(d) the rules for the fixing of a ceiling for expenditure on the replanting of vineyards referred to in point (a) of Article 52(1);</p> <p>(e) the rules under which producers are to withdraw the by-products of winemaking, and on exceptions to that obligation in order to avoid additional administrative burden and rules for the voluntary certification of distillers.</p>	
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<p style="text-align: center;">SECTION 2</p> <p style="text-align: center;">THE FRUIT AND VEGETABLES SECTOR</p> <p style="text-align: center;">Article 42</p> <p style="text-align: center;">Objectives in the fruit and vegetables sector</p> <p><i>In accordance with Articles 5 and 6</i>, the following objectives shall be pursued in the fruit and vegetables sector: [Am. 258]</p> <p>(a) planning of production, adjusting production to demand, particularly in terms of quality and quantity, optimisation of production costs and returns on investments and stabilising producer prices; those objectives relate to the specific objectives set out in points (a), (b), (c) and (i) of Article 6(1);</p> <p>(b) concentration of supply and the placing on the market of the products of the fruit and vegetables sector, including through direct marketing <i>and short supply chains, as well as promoting the collective negotiation of contracts</i>; those objectives relate to the specific objectives set out in points (a), <i>(b)</i> and (c) of Article 6(1); [Am. 259]</p> <p>(c) <i>application</i>, research and development of sustainable production methods, including pest resilience, innovative practices boosting economic competitiveness and bolstering</p>	<p>Article 42 - Objectives in the fruits and vegetables sector</p> <p>ENVI 98</p> <p style="text-align: center;">Article 42</p> <p style="text-align: center;">Objectives in the fruit and vegetables sector</p> <p><i>Notwithstanding Articles 5 and 6 on overall objectives, the</i> following objectives shall be pursued in the fruit and vegetables sector:</p> <p>a) planning of production, adjusting production to demand, particularly in terms of quality and quantity, optimisation of production costs and returns on investments and stabilising producer prices; those objectives relate to the specific objectives set out in points (a), (b), and (i) of Article 6(1);</p> <p>b) concentration of supply and the placing on the market of the products of the fruit and vegetables sector, including through direct marketing; those objectives relate to the specific objectives set out in points (a) and (c) of Article 6(1);</p>
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<p>market developments; those objectives relate to the specific objectives set out in points (a), (b), (c) and (i) of Article 6(1) ; [Am. 260]</p> <p>(d) developing, implementing and promoting methods of production respectful of the environment, environmentally sound cultivation practices and production techniques, sustainable use of natural resources in particular protection of water, soil, air, biodiversity and other natural resources; those objectives relate to the specific objectives set out in points (e) and (f) (d), (e), (f) and (i) of Article 6(1); [Am. 261]</p> <p>(e) contribute to climate change mitigation and adaptation, as set out in point (d) of Article 6(1);</p> <p>(f) boosting products' commercial value and quality, including improving <i>products for processing</i>, product quality and developing products with a protected designation of origin, with a protected geographical indication or covered by <i>other public or private</i> a national quality schemes; those objectives</p>	<p>c) research and development of sustainable production methods, including pest resilience, innovative practices boosting economic competitiveness and bolstering market developments; those objectives relate to the specific objectives set out in points (a), (c) and (i) of Article 6(1);</p> <p>d) developing, implementing and promoting methods of production respectful of the environment, environmentally sound cultivation practices and production techniques, sustainable use of natural resources in particular protection of water, soil, air, biodiversity and other natural resources; those objectives relate to the specific objectives set out in points (e) and (f) of Article 6(1);</p> <p>e) contribute to climate change mitigation and adaptation, as set out in point (d) of Article 6(1);</p>
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<p>relate to the specific objective set out in point (b) of Article 6(1); [Am. 262]</p> <p>(g) promotion and marketing of the products of the fruit and vegetables sector, whether in a fresh or processed form; those objectives relate to the specific objectives set out in points (b), <i>(c) and (i)</i> and (c) of Article 6(1); [Am. 263]</p> <p>(h) increasing consumption of the products of the fruit and vegetables sector, whether in a fresh or processed form; those objectives relate to the specific objective set out in point (i) of Article 6;</p> <p>(i) crisis prevention and risk <i>mitigation and</i> management, <i>including phytosanitary aspects</i>, aimed at avoiding and dealing with crises on the fruit and vegetables markets; those objectives relate to the specific objectives set out in points (a), (b) and (c) of Article 6 (1);- [Am. 264]</p> <p>(ia) <i>management and reduction of by-products and waste</i>; [Am. 265]</p> <p>(ib) <i>promoting genetic diversity</i>. [Am. 266]</p>	<p>f) boosting products' commercial value, <i>diversity</i> and quality, including improving product quality and developing products with a protected designation of origin, with a protected geographical indication or covered by a national quality schemes; those objectives relate to the specific objective set out in point (b) of Article 6(1);</p> <p>g) promotion and marketing of the products of the fruit and vegetables sector, whether in a fresh or processed form; those objectives relate to the specific objectives set out in points (b) and (c) of Article 6(1);</p> <p>h) increasing consumption of the products of the fruit and vegetables sector, whether in a fresh or processed form; those objectives relate to the specific objective set out in point (i) of Article 6;</p> <p>i) crisis prevention and risk management, aimed at avoiding and dealing with crises on the fruit and vegetables markets; those objectives relate to the specific objectives set out in points (a), (b) and (c) of Article 6 (1).</p>
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<p style="text-align: center;">Article 43</p> <p>Types of intervention in the fruit and vegetables sector</p> <p>1. As regards the objectives referred to in points (a) to (h) of Article 42, Member States shall choose in their CAP Strategic Plans one or more of the following types of intervention:</p> <p>(a) investments in tangible and non-tangible assets, <i>including those in particular focused on water saving and water quality, energy generation and saving, ecological packaging and waste reduction and monitoring of waste flows; [Am. 267]</i></p> <p>(aa) <i>planning and adjusting production to demand, particularly in terms of quality and quantity, of products of the fruit and vegetables sector; [Am. 268]</i></p> <p>(ab) <i>actions to increase the commercial value of products; [Am. 269]</i></p> <p>(ac) <i>collective storage of products produced by the producer organisation or by members of the producer organisation; [Am. 270]</i></p>	<p style="text-align: center;">ENVI 99</p> <p style="text-align: center;">Article 43</p> <p style="text-align: center;">Types of intervention in the fruit and vegetables sector</p> <p>1. As regards the objectives referred to in points (a) to (h) of Article 42, Member States shall choose in their CAP Strategic Plans <i>three</i> or more of the following types of intervention:</p> <p>a) investments in tangible and non-tangible assets, in particular focused on water saving, energy saving, ecological packaging, waste reduction <i>and production monitoring;</i></p>
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<p>(b) research and experimental production, in particular focused on <i>measures such as</i> water saving <i>and quality</i>, energy <i>generation and</i> saving, ecological packaging, waste reduction, pest resilience <i>Integrated Pest Management (IPM)</i>, reduction of risks and impacts of pesticides use, <i>preservation of pollinators</i>, preventing damage caused by adverse climatic events and boosting the use of fruit and vegetable varieties adapted to changing climate conditions; [Am. 271]</p> <p>(c) organic production;</p> <p>(ca) <i>actions aimed at environmental improvement and climate change mitigation and adaptation</i>; [Am. 272]</p> <p>(d) integrated production, <i>promoting sustainable use of natural resources while reducing pesticide and other input dependency</i>; [Am. 273]</p> <p>(e) actions to conserve <i>and rebuild soil structure</i> soil and enhance soil carbon <i>including to avoid soil degradation</i>; [Am. 274]</p>	<p>b) research and experimental production, in particular focused on water saving, energy saving, ecological packaging, waste reduction, pest resilience, reduction of risks and impacts of pesticides use, preventing damage caused by adverse climatic events and boosting the use of fruit and vegetable varieties adapted to changing climate conditions;</p> <p>c) organic production;</p> <p>d) integrated production <i>promoting, developing and implementing methods of production respectful of the environment, environmentally sound cultivation practices and production techniques, sustainable use of natural resources in particular protection of water, soil and other natural resources, while reducing chemical dependency</i>;</p> <p>e) actions to conserve soil and enhance soil carbon;</p>
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<p>(f) actions to create and maintain habitats favourable for biodiversity or to maintain the landscape, including the conservation of its historical features;</p> <p>(g) actions to save energy, increase energy efficiency and to increase renewable energy use;</p> <p>(h) actions to improve pest resilience <i>to pests and to mitigate pest damage, including by promoting IPM</i>; [Am. 275]</p> <p>(ha) <i>actions to introduce production systems that boost especially biological and structural diversity</i>; [Am. 276]</p> <p>(i) actions to improve use and management of water, including water saving and drainage;</p> <p>(j) actions and measures to reduce waste production and to improve waste management;</p> <p>(k) actions to increase sustainability and efficiency of transport and of storage of products of the fruit and vegetables sector <i>and promote short supply chains</i>; [Am. 277]</p>	<p>f) actions to create and maintain habitats favourable for biodiversity or to maintain the landscape, including the conservation of its historical features;</p> <p>g) actions to save energy, increase energy efficiency and to increase renewable energy use;</p> <p>h) actions to improve <i>sustainable crop</i> resilience <i>against pests by promoting Integrated Pest Management (IPM)</i>;</p> <p>i) actions to improve use and management of water, including water saving and drainage;</p> <p>j) actions and measures to reduce waste production and to improve waste management;</p> <p>k) actions to increase sustainability and efficiency of transport and of storage of products of the fruit and vegetables sector;</p>
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<ul style="list-style-type: none"> (l) actions to mitigate climate change, to adapt to climate change and to increase renewable energy use; (m) implementation of Union and <i>other public and private national</i> quality schemes, <i>governed by the public or private sector</i>; [Am. 278] (n) promotion and communication, including actions and activities aimed at diversification and consolidation of the fruit and vegetables markets, <i>the search for new market outlets, as well as</i> and at informing about the health advantages of consumption of fruit and vegetables; [Am. 279] (o) advisory services and technical assistance, in particular <i>including those</i> concerning sustainable pest control techniques, sustainable use <i>and reduction</i> of pesticides, <i>IPM</i>, and climate change adaptation and mitigation, <i>agroecological practices, improvement of the quality of the products and the marketing conditions, as well as those related to negotiation, and</i> 	<ul style="list-style-type: none"> l) actions to mitigate climate change, to adapt to climate change and to increase renewable energy use; m) implementation of Union and national quality schemes; n) promotion and communication, including actions and activities aimed at diversification and consolidation of the fruit and vegetables markets and at informing about the health advantages of consumption of fruit and vegetables; o) advisory services and technical assistance, in particular concerning <i>the maintaining and the increase of product quality, the improvement of marketing conditions, agroecology</i>, sustainable pest control techniques, sustainable use of pesticides and climate change adaptation and mitigation; p) training and exchange of best practices in particular concerning sustainable pest control techniques, sustainable use of pesticides <i>reducing agrochemical dependency</i> and contributing to climate change adaptation and mitigation.
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<p><i>application of phytosanitary protocols for exports to third countries; [Am. 280]</i></p> <p>(p) training and exchange of best practices <i>including those in particular</i> concerning sustainable pest control techniques, <i>alternatives to pesticides</i>, sustainable use <i>and reduction</i> of pesticides and contributing to climate change adaptation and mitigation; [Am. 281]</p> <p><i>(pa) actions aimed at improving quality through innovation; [Am. 282]</i></p> <p><i>(pb) setting up traceability/certification systems. [Am. 283]</i></p> <p>2. As regards the objective referred to in point (i) of Article 42, Member States shall choose in their CAP Strategic Plans one or more of the following types of intervention:</p> <p>(a) setting up and/or refilling of mutual funds by producer organisations and by associations of producer organisations recognised under Regulation (EU) No 1308/2013;</p>	<p>2. As regards the objective referred to in point (i) of Article 42, Member States shall choose in their CAP Strategic Plans one or more of the following types of intervention:</p> <p>a) setting up and/or refilling of mutual funds by producer organisations and by associations of producer organisations recognised under Regulation (EU) No 1308/2013;</p> <p>b) investments in tangible and non-tangible assets making the management of the volumes placed on the market more efficient;</p> <p>c) replanting of orchards where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority;</p> <p>d) market withdrawal for free-distribution or other destinations;</p>
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<p>(b) investments in tangible and non-tangible assets making the management of the volumes placed on the market more efficient, <i>including for collective storage</i>; [Am. 284]</p> <p>(c) replanting of orchards where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority;</p> <p>(d) market withdrawal for free-distribution, <i>including the cost of processing withdrawn products before free distribution</i>, or other destinations; [Am. 285]</p> <p>(e) green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise;</p> <p>(f) non-harvesting of fruit and vegetables consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding</p>	<p>e) green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise;</p> <p>f) non-harvesting of fruit and vegetables consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a climatic event or disease;</p> <p>g) harvest insurance that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations and at the same time ensuring that beneficiaries take necessary risk prevention measures;</p>
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<p>destruction of products due to a climatic event or disease;</p> <p>(g) harvest insurance, <i>including index-based insurance policies that cover the occurrence of the measurable hazard</i>, that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations and at the same time ensuring that beneficiaries take necessary risk prevention measures; [Am. 286]</p> <p>(h) <i>professional exchanges and/or</i> coaching to other producer organisations and associations of producer organisations recognised under Regulation (EU) No 1308/2013 or to individual producers; [Am. 287]</p> <p>(ha) <i>product promotion and raising awareness of the health benefits of fruit and vegetable consumption in response to market crises</i>; [Am. 288]</p> <p>(i) <i>negotiation</i>, implementation and management of third country phytosanitary protocols in the territory of the</p>	<p>h) coaching to other producer organisations and associations of producer organisations recognised under Regulation (EU) No 1308/2013 or to individual producers;</p> <p>i) <i>negotiation</i>, implementation and management of third country phytosanitary protocols in the territory of the Union to facilitate access to third country markets;</p> <p>j) implementation of Union and national quality schemes;</p> <p>k) advisory services and technical assistance, in particular concerning sustainable pest control techniques, <i>implementation of integrated pest management</i> and sustainable use of pesticides.</p> <p>3. The Member States shall in their CAP Strategic Plans define the interventions corresponding to the types of intervention chosen in accordance with paragraphs 1 and 2.</p>
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<p>Union to facilitate <i>enable the</i> access to third country markets, <i>including market studies</i>; [Am. 289]</p> <p>(ia) <i>phytosanitary crisis prevention and management</i>; [Am. 290]</p> <p>(j) implementation of Union and national quality schemes;</p> <p>(k) advisory services and technical assistance, in particular <i>including those</i> concerning sustainable pest control techniques, <i>such as the IPM</i>, and sustainable use <i>and reduction</i> of pesticides. [Am. 291]</p> <p>(ka) <i>training measures and the exchange of best practices</i>. [Am. 292]</p> <p>3. The Member States shall in their CAP Strategic Plans define the interventions corresponding to the types of intervention chosen in accordance with paragraphs 1 and 2.</p>	
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<p style="text-align: center;">Article 44</p> <p style="text-align: center;">Operational programs</p> <ol style="list-style-type: none"> 1. The objectives referred to in Article 42 and the interventions in the fruit and vegetables sector set out by the Member States in their CAP Strategic Plans shall be implemented through approved operational programs of producer organisations and/or associations of producer organisations recognised under Regulation (EU) No 1308/2013, under the conditions laid down in this Article. 2. Operational programs shall have a minimum duration of three years and a maximum duration of seven years. They shall pursue the objectives referred to in points <i>(b)</i>, (d) and (e) of Article 42 and at least two other objectives referred to in that Article. [Am. 293] 3. For each objective selected, the operational programs shall describe the interventions selected from among those set out by the Member States in their CAP Strategic Plans. 4. Operational programs shall be submitted by producer organisations and/or associations of producer organisations 	<p>Revert back to COM original on point 7 (a)</p>
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	<p>recognised under Regulation (EU) No 1308/2013 to the Member States for their approval.</p>	
5.	<p>Operational programs may be implemented only by producer organisations or by associations of producer organisations recognised under Regulation (EU) No 1308/2013.</p>	
5a.	<p><i>The operational programmes of the associations of producer organisations may be partial operational programmes or total operational programmes. The total operational programmes shall comply with the same management rules and conditions as the operative programs of the producer organisations. [Am. 294]</i></p>	
6.	<p>Operational programs of associations of producer organisations shall not cover the same interventions operations as operational programs of member organisations. Member States shall consider operational programs of associations of producer organisations together with operational programs of member organisations.</p> <p><i>Associations of producer organisations may submit partial operational programmes made up of measures identified,</i></p>	

but not delivered, by member organisations in their operational programmes. [Am. 295]

To that end Member States shall ensure that:

- (a) ~~interventions~~ **operations** under operational programs of an association of producer organisations are entirely financed by contributions of those member organisations of that association and that such funding is collected from the operational funds of those member organisations; **[Am. 296]**

- (b) interventions and their corresponding financial share are identified in the operational program of each member organisation.

7. Member States shall ensure that:

- (a) **either** at least ~~20%~~ **15 %** of expenditure under operational programs covers the interventions linked to the objectives referred to in points (d) and (e) of Article 42, **or operational programmes include three**

7. Member States shall ensure that:

- (a) at least 20% of expenditure under operational programs covers the interventions linked to the objectives referred to in points (d) and (e) of Article 42;

or more actions linked to the objectives referred to in points (d) and (e) of Article 42 [Ams. 297 and 298];

- (b) at least ~~5%~~ **1** % of expenditure under operational programs covers the intervention linked to the objective referred to in point (c) of Article 42; **and** [Am. 299]
- (c) the interventions within the types of interventions referred to in points (d), (e) and (f) of Article 43(2) do not exceed one third of the total expenditure under operational programs.

7a. *Operational programmes approved before ... [the date of entry into force of this Regulation] shall be governed in accordance with the Regulations under which they were approved until their completion, unless the producer association or association of producer organisations voluntarily decides to adopt this Regulation. [Am. 300]*

Article 45

Operational funds

1. Producer organisations in the fruit and vegetables sector and/or their associations may set up an operational fund *to finance operational programs approved by the Member States*. The fund shall be financed by: *contributions from the producer organisation itself or association of producer organisations and/or its partners, together with the financial assistance provided under Article 46.*÷ [Am. 302]
 - ~~(a) — financial contributions from:~~
 - ~~(i) — members of the producer organisation and/or the producer organisation itself; or~~
 - ~~(ii) — associations of producer organisations through the members of those associations;— [Am. 301]~~
 - ~~(b) — Union financial assistance, which~~ may be granted to producer organisations or to their associations where those associations present an operational program.

<p>2. Operational funds shall be used only to finance operational programs that have been approved by the Member States.</p>	
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Article 46

Union financial assistance to the fruit and vegetables sector

1. The Union financial assistance shall be equal to the amount of the financial contributions referred to in ~~point (a) of~~ Article 45(1) actually paid and limited to 50% of the actual expenditure incurred.
2. The Union financial assistance shall be limited to:
 - (a) 4,1% of the value of the marketed production of each producer organisation;
 - (b) 4,5% of the value of marketed production of each association of producer organisations; **and [Am. 303]**

(ba) 5% of marketed production value:

 - ***for producer organisations whose marketed production and number of members in the year of the presentation of the operational programme is 25% higher than the average marketed production and the average number***

of producer members registered during their previous operational programme;

- *for the first operational programme of a producer organisation resulting from a merger;*
- *for each transnational producer organisation or transnational association of producer organisations. [Am. 304]*

~~(c) — 5% of the value of marketed production of each transnational producer organisation or transnational association of producer organisations — [Am. 305]~~

By way of derogation from the first subparagraph, the Union financial assistance *provided for in points (a), (b) and (ba)* may be increased *by 0,5 % of the value of marketed production, provided that this percentage is used solely for one or more interventions linked to the objectives referred to in points (c), (d), (e), (g), (h) and (i) of Article 42* ~~as follows:~~.

~~(a) — in the case of producer organisations, the percentage may be increased to 4,6% of the value of the marketed~~

~~production, provided that the amount in excess of 4,1% of the value of marketed production is used solely for one or more interventions linked to the objectives referred to in points (c), (d), (e), (g), (h) and (i) of Article 42;~~

~~(b) — in the case of associations of producer organisations, the percentage may be increased to 5% of the value of the marketed production, provided that the amount in excess of 4,5% of the value of the marketed production is used solely for one or more interventions linked to the objectives referred to in points (c), (d), (e), (g), (h) and (i) of Article 42 implemented by the association of producer organisations on behalf of its members;~~

~~(c) — in the case of transnational producer organisation or transnational association of producer organisations, the percentage may be increased to 5,5% of the value of the marketed production, provided that the amount in excess of 5% of the value of the marketed production is used solely for one or more interventions linked to~~

~~the objectives referred to in points (c), (d), (e), (g), (h) and (i) of Article 42 implemented by the transnational producer organisation or transnational association of producer organisations on behalf of its members.~~

[Am. 306]

3. At the request of a producer organisation, the 50% limit provided for in paragraph 1 shall be increased to 60% for an operational program or part of an operational program satisfying at least one of the following conditions:

- (a) *producer organisations and associations of* producer organisations operating in different Member States implementing interventions linked to the objectives referred to in points (b) and (e) of Article 42 transnationally; **[Am. 307]**
- (b) one or more producer organisations are engaged in interventions operated on an interbranch basis;

<p>(c) operational program covers solely specific support for the production of organic products covered by Council Regulation (EC) No 834/2007¹¹;</p> <p>(d) operational program is for the first time implemented by <i>a producer organisation or</i> an association of producer organisations <i>active in one Member State or an association of producer organisations operating in different Member States</i> recognised under Regulation (EU) No 1308/2013; [Am. 308]</p> <p>(e) producer organisations account for less than 20% of fruit and vegetables production in a Member State;</p> <p>(f) producer organisation operates in one of the outermost regions referred to in Article 349 TFEU;</p> <p><i>(fa) producer organisations operate in mountain areas and island regions; [Am. 309]</i></p>	
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¹¹ Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 (OJ L 189, 20.7.2007, p. 1).

<p>(g) operational program comprises the interventions linked to the objectives referred to in points (c), (d), (e), (h) and (i) of Article 42.</p> <p>4. The 50% limit provided for in paragraph 1 shall be increased to 100% in the following cases:</p> <p>(a) market withdrawals of fruit and vegetables which do not exceed 5% of the volume of marketed production of each producer organisation and which are disposed of by way of:</p> <p>(i) free distribution to charitable organisations and foundations approved to that effect by the Member States, for use in their activities to assist persons whose right to public assistance is recognised in national law, in particular because they lack the necessary means of subsistence;</p> <p>(ii) free distribution to penal institutions, schools and public education institutions, establishments referred to in Article 22 of Regulation (EU) No 1308/2013 and to children's holiday camps as</p>	
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well as to hospitals and old people's homes designated by the Member States, which will take all necessary steps to ensure that the quantities thus distributed are additional to the quantities normally bought in by such establishments;

- (b) actions related to coaching of other producer organisations recognised under Regulation (EU) No 1308/2013, provided that those producer organisations are from regions of Member States referred to in Article 47(2) of this Regulation or of individual producers.

Article 47

National financial assistance

1. In regions of the Member States in which the degree of organisation of producers in the fruit and vegetables sector is significantly below the Union average, *and in island and outlying regions*, Member States may grant producer organisations recognised under Regulation (EU) No 1308/2013 national financial assistance equal to a maximum of 80% of the financial contributions referred to in point (a) of Article 45(1) and up to 10% of the value of the marketed production of any such producer organisation. The national financial assistance shall be additional to the operational fund. **[Am. 310]**
2. The degree of organisation of producers in a region of a Member State shall be considered as significantly below the Union average where the average degree of organisation has been less than 20% for three consecutive years preceding the implementation of the operational program. The degree of organisation shall be calculated as the value of fruit and

vegetables production that was obtained in the region concerned and marketed by producer organisations and associations of producer organisations recognised under Regulation (EU) No 1308/2013, divided by the total value of the fruit and vegetables production that was obtained in that region.

Member States that grant national financial assistance in accordance with paragraph 1 shall inform the Commission of the regions that meet the criteria referred to in paragraph 2 and of the national financial assistance granted to producer organisations in those regions

SECTION 3

THE APICULTURE SECTOR

Article 48

Objectives in apiculture sector

The Member States shall pursue **relevant** ~~at least one of the~~ specific objectives referred to in Article 6(1) in the apiculture sector.

[Am. 311]

Article 49

Types of intervention in the apiculture sector and the Union financial assistance

1. Member States shall choose in their CAP Strategic Plans ~~for each specific objective set out in Article 6(1)~~ one or more of the following types of interventions in the apiculture sector:

[Am. 312]

- (a) technical assistance to beekeepers and beekeepers' organisations, *including promotion of good practices, information and publicity, and basic and continuing education and training*; [Am. 313]

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| <p>(b) actions to combat <i>and prevent</i> beehive invaders and diseases, in particular varroasis <i>and to increase resilience to epidemics</i>; [Am. 314]</p> <p>(ba) <i>setting up and/or developing national bee health networks</i>; [Am. 315]</p> <p>(c) actions to rationalise transhumance;</p> <p>(d) actions to support <i>national, regional or local</i> laboratories for the analysis of apiculture products, <i>bee losses or productivity drops, and substances potentially toxic to bees</i>; [Am. 316]</p> <p>(e) restocking of beehives in the Union; <i>actions to preserve or increase the existing number of bee populations</i>; [Am. 317]</p> <p>(f) cooperation with specialised bodies for the implementation <i>application</i> of research <i>and experimental</i> programs in the field of beekeeping and apiculture products; [Am. 318]</p> <p>(g) market monitoring actions;</p> | |
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(h) actions to enhance product quality.

(ha) investments in tangible and non-tangible assets;
[Am. 319]

(hb) actions to plan production, and adjust supply to demand; [Am. 320]

(hc) prevention measures to address adverse climatic events; [Am. 321]

(hd) actions for adaptation to climate change and adverse climatic events; [Am. 322]

(he) measures to promote cooperation between beekeepers and farmers, particularly with a view to reducing the impact of pesticide use; [Am. 323]

(hf) energy saving, increased energy efficiency and ecological packaging; [Am. 324]

(hg) reduction of waste production and better use and management of by-products and waste; [Am. 325]

(hh) actions to improve pollination of the honey bees and their coexistence with wild pollinators, including by

creating and maintaining favourable habitats;

[Am. 326]

(hi) actions to enhance genetic diversity; [Am. 327]

(hj) measures to support young or new beekeepers.

[Am. 328]

2. Member States shall substantiate in their CAP Strategic Plans their choice of specific objectives and types of intervention. Within the chosen types of intervention, Member States shall define the interventions.
3. Member States shall set out in their CAP Strategic Plans the funding provided by them for the types of intervention chosen in their CAP Strategic Plans.
4. The Union financial assistance to the interventions referred to in paragraph 2 shall be maximum ~~50%~~ **75 %** of the expenditure, *with the exception of the outermost regions, where the ceiling shall be 85 %*. The remaining part of the expenditure shall be borne by the Member States. **[Am. 329]**

<p>5. When drawing up their CAP Strategic Plans Member States shall seek the advice of the representatives of organisations in the beekeeping field <i>and the competent authorities</i>. [Am. 330]</p> <p>6. Member States shall notify the Commission annually of the number of beehives <i>and/or bee colonies</i> in their territory. [Am. 331]</p> <p>6a. <i>All the national programmes approved before ... [the date of entry into force of this Regulation] shall be governed in accordance with Regulation (EU) No 1308/2013 until the date scheduled for their completion.</i> [Am. 332]</p>	
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Article 50

Delegated powers

The Commission ~~shall be~~ *is* empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with requirements additional to those laid down in this Section concerning:

[Am. 333]

- (a) the obligation of Member States to notify the Commission annually of the number of beehives *and/or bee colonies* in their territory laid down in Article 49(6); **[Am. 334]**
- (b) a definition of a beehive and methods for calculating the number of beehives *and bee colonies*; **[Am. 335]**
- (c) the minimum Union contribution to the expenditure related to the implementation of the types of interventions and interventions referred to Article 49.

<p style="text-align: center;">SECTION 4</p> <p style="text-align: center;">THE WINE SECTOR</p> <p style="text-align: center;">Article 51</p> <p style="text-align: center;">Objectives in the wine sector</p> <p><i>In accordance with Articles 5 and 6</i>, Member States shall pursue one or more of the following objectives in the wine sector: [Am. 336]</p> <p>(a) improve <i>the economic sustainability and</i> competitiveness of Union wine producers including contributing to improvement of sustainable production systems and reduction of environmental impact of the Union wine sector; those objectives relate to the specific objectives set out in <i>line with</i> points (a), (b) <i>and</i> (c) to (f) and (h) of Article 6(1); [Am. 337]</p> <p>(aa) <i>contribute to climate change mitigation and adaptation and to the improvement of sustainable production systems and the reduction of the environmental impact of the Union wine sector, including by supporting winegrowers in reducing the use of inputs and implementing more environmentally-sustainable methods and cultivation practices, as well as to preserve the diversity of traditional</i></p>	<p>Article 51 - Objectives in the wine sector</p> <p>ENVI 102</p> <p style="text-align: center;">Article 51</p> <p style="text-align: center;">Objectives in the wine sector</p> <p><i>Notwithstanding Articles 5 and 6 on overall objectives</i>, Member States shall pursue <i>the following objectives (a) and (ia) and</i> one or more of the following objectives <i>(b) to (i)</i> in the wine sector:</p> <p>(a) improve competitiveness of Union wine producers including contributing to improvement of sustainable production systems and reduction of environmental impact of the Union wine sector. <i>This includes the implementation of production methods respectful of the environment, environmentally sound cultivation practices and production techniques, sustainable use of natural resources, while reducing pesticide dependency</i>; those objectives relate to the specific objectives set out in points (b) to and (h) of Article 6(1);</p>
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<p><i>Union varieties; those objectives relate to the specific objectives set out in points (d), (e) and (f) of Article 6(1); [Am. 338]</i></p> <p>(b) improve performance of Union wine enterprises and their adaptation to market demands, as well as increase their <i>long-term</i> competitiveness as regards the production and marketing of grapevine products, including energy savings, global energy efficiency and sustainable processes; those objectives relate to the specific objectives set out in points (a), to (e), (g) and (h) of Article 6(1); [Am. 339]</p> <p>(c) contribute to restoring the balance of supply and demand in the Union wine market in order to prevent market crises; that objective relates to the specific objective set out in point (a) of Article 6(1);</p> <p>(ca) <i>to improve the concentration of supply with a view to economic performance and sector structuring, in accordance with the objective set out in point (b) of Article 6(1); [Am. 340]</i></p>	<p>(b) improve performance of Union wine enterprises and their adaptation to market demands, as well as increase their <i>long-term</i> competitiveness as regards the production and marketing of grapevine products, including energy savings, global energy efficiency and sustainable processes; those objectives relate to the specific objectives set out in points (a), to (e), (g) and (h) of Article 6(1);</p> <p>(c) contribute to restoring the balance of supply and demand in the Union wine market in order to prevent market crises; that objective relates to the specific objective set out in point (a) of Article 6(1);</p>
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<p>(d) contribute to safeguarding Union wine producers' incomes where they incur losses as a consequence of natural disasters, adverse climatic events, animals, diseases or pest infestations; that objective relates to the objective set out in point (a) of Article 6(1);</p> <p>(e) increase the marketability and competitiveness of Union grapevine products, in particular by developing innovative products, processes and technologies, and by adding value at any stage of the supply chain, including an element of knowledge transfer; that objective relates to the specific objectives set out in points (a), (b), (c), (e) and (i) of Article 6(1);</p> <p>(f) use of wine making by-products <i>and residues</i> for industrial and energy <i>or agronomic</i> purposes ensuring the quality of Union wine while protecting the environment; that objective relates to the specific objectives set out in points (d) and (e) of Article 6(1); [Am. 341]</p> <p>(g) contribute to increasing consumer awareness about responsible consumption of wine and about Union quality</p>	<p>(d) contribute to safeguarding Union wine producers' incomes where they incur losses as a consequence of natural disasters, adverse climatic events, animals, diseases or pest infestations; that objective relates to the objective set out in point (a) of Article 6(1);</p> <p>(e) increase the marketability and competitiveness of Union grapevine products, in particular by developing innovative products, processes and technologies, and by adding value at any stage of the supply chain, including an element of knowledge transfer; that objective relates to the specific objectives set out in points (a), (b), (c), (e) and (i) of Article 6(1);</p> <p>(f) use of wine making by-products <i>and residues</i> for industrial and energy purposes ensuring the quality of Union wine while protecting the environment; that objective relates to the specific objectives set out in points (d) and (e) of Article 6(1);</p>
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<p>schemes for wine; that objective relates to the specific objectives set out in points (b) and (i) of Article 6(1);</p> <p>(h) improve competitiveness of Union grapevine products in third countries, <i>including the opening, diversification and consolidation of the wine markets</i>; that objective relates to the objectives set out in points (b) and (h) of Article 6(1); [Am. 342]</p> <p>(i) contribute to increasing resilience of producers against market fluctuations; that objective relates to the objectives set out in point (a) of Article 6(1);-</p> <p>(ia) <i>ensure the economic sustainability and profitability of viticulture in areas with significant natural constraints, steep areas and less developed areas in accordance with the specific objectives set out in points (a), (b) and (h) of Article 6(1).</i> [Am. 343]</p>	<p>(g) contribute to increasing consumer awareness about responsible consumption of wine; that objective relates to the specific objectives set out in points (b) and of Article 6(1);</p> <p>(h) deleted</p> <p>(i) contribute to increasing resilience of producers against market fluctuations; that objective relates to the objectives set out in point (a) of Article 6(1).</p> <p><i>(ia) contribute to climate change mitigation and adaptation; this objective relates to the specific objectives set out in point (d) of Article 6(1).</i></p>
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Article 52

Types of intervention in the wine sector

1. For each objective chosen from among those laid down in Article 51 the Member States shall choose in their CAP Strategic Plans one or more of the following types of intervention:
 - (a) restructuring and conversion of vineyards, including replanting of vineyards where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority, ***or following voluntary grubbing up for replanting for reasons of adaptation to climate change and for the enhancement of genetic diversity***, but excluding the normal renewal of vineyards consisting of replanting of the same parcel of land with the same grape variety according to the same system of vine cultivation, when vines have to come to the end of their natural life; [Am. 344]

Article 52 - Types of intervention in the wine sector

Based on ENVI 104 106 107 with modifications

Envi 104

- (a) restructuring and conversion of vineyards, including ***enhancement of the genetic diversity of vineyards, as well as structural and non-crop biological diversity to prevent monocultural landscapes, soil care including vegetative cover and pesticide-free weed control***, replanting of vineyards where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority, ***or after voluntary grubbing for planting for reasons of adaptation to climate change***, but excluding the normal renewal of vineyards consisting of replanting of the same parcel of land with the same grape variety according to the same system of vine cultivation, when vines have to come to the end of their natural life;

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| <p>(aa) <i>planting of vines on land granted under the scheme of authorisations set out in Section 1, Chapter 3 of Regulation (EU) No 1308/2013, in traditional wine-making areas at risk of disappearance, to be defined by the Member States, as a measure to protect wine-making diversity; [Am. 345]</i></p> <p>(ab) <i>research and experimental production and other measures, in particular in the fields of conservation, study and enhancement of inter-varietal and intra-varietal variability of European vine varieties and activities to promote their economic use; [Am. 346]</i></p> <p>(ac) <i>actions to reduce the use of pesticides; [Am. 347]</i></p> <p>(ad) <i>actions to reduce the risk taking for winegrowers who undertake to radically change their practices and their system of products to produce in a more sustainable way, including adding structural and biological diversity; [Am. 348]</i></p> <p>(b) <i>tangible and intangible investments in wine-growing holdings, including in steep and terrace areas, with</i></p> | |
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the exception of operations falling under the type of intervention described in point (a) of Article 52(1), and in processing facilities and winery infrastructure, as well as marketing structures and tools; such investments may aim at the protection of vineyards against climatic hazards and the adaptation of holdings to new Union legal requirements; [Am. 349]

- (c) green harvesting meaning the total destruction or removal of grape bunches while still in their immature stage, thereby reducing the yield of the relevant area to zero and excluding non-harvesting comprising of leaving commercial grapes on the plants at the end of the normal production cycle;
- (d) harvest insurance against income losses as a consequence of adverse climatic events assimilated to natural disasters, adverse climatic events, animals, plant diseases or pest infestations, *while ensuring that beneficiaries take necessary risk prevention measures.* [Am. 350]

<p>(e) tangible and intangible investments in <i>digitalisation and</i> innovation consisting of development of innovative products and <i>technological processes, connected with the products referred to in Part II of Annex VII to Regulation (EU) No 1308/2013 or with</i> by-products of wine making, processes and technologies, other investments adding value at any stage of the supply chain, including for knowledge exchange, <i>and/or contributing to adaptation to climate change</i>; [Am. 351]</p> <p>(f) distillation of by-products of wine making carried out in accordance with the restrictions laid down in Section D of Part II of Annex VIII to Regulation (EU) No 1308/2013;</p> <p><i>(fa) tangible and intangible investments in installations and procedures for methanisation and the composting of the residues of vinification</i>; [Am. 352]</p> <p>(g) information actions concerning Union wines carried out in Member States encouraging responsible</p>	<p></p> <p>(fa) delete</p> <p>ENVI 106 (g) delete</p>
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<p>consumption of wine or promoting Union quality schemes covering designations of origin and geographical indications; [Am. 353]</p> <p><i>(ga) actions aiming at improving market knowledge, such as economic and regulatory studies on existing markets, as well as actions to promote wine tourism, to enhance the reputation of European vineyards; [Am. 354]</i></p> <p><i>(h) promotion and communication carried out in third countries, consisting of one or more of the following actions and activities aimed at improving the competitiveness of the wine sector, and the opening, diversification or consolidation of the markets: [Am. 355]</i></p> <p><i>(i) public relations, promotion or advertisement actions, in particular highlighting the high standards of the Union products, especially in terms of quality, food safety or the environment;</i></p>	<p>ENVI 107</p> <p>(h) delete</p>
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| <ul style="list-style-type: none">(ii) participation at events, fairs or exhibitions of international importance;(iii) information campaigns, in particular on the Union quality schemes concerning designations of origin, geographical indications and organic production;(iv) studies of new <i>or existing</i> markets, necessary for the expansion <i>and consolidation</i> of market outlets; [Am. 356](v) studies to evaluate the results of the information and promotion measures;(vi) preparation of technical files, including laboratory tests and assessments, concerning oenological practices, phytosanitary and hygiene rules, as well as other third country requirements for import of products of the wine sector, to facilitate <i>prevent restriction of, or to enable</i> access to third country markets; [Am. 357] <p>(i) temporary and degressive assistance to cover administrative costs of setting up of mutual funds.</p> | |
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- (ia) *actions to improve use and management of water;*
[Am. 358]
- (ib) *organic production;* [Am. 359]
- (ic) *integrated production;* [Am. 360]
- (id) *precision or digitised production;* [Am. 361]
- (ie) *soil conservation and enhancement of soil carbon;*
[Am. 362]
- (if) *creation or preservation of habitats favourable for
biodiversity or for maintaining landscape, including
the conservation of its historical features;* [Am. 363]
- (ig) *improving resilience to grapevine pests and diseases;*
[Am. 364]
- (ih) *reducing waste production and improving waste
management.* [Am. 365]

The promotion measures referred to in point (h) of the first subparagraph shall apply only to wines with a protected designation of origin or a protected geographical indication

~~*The promotion measures referred to in point (h) of the first subparagraph shall apply only to wines with a protected designation of origin or a protected geographical indication or wines with an indication of the wine grape variety.*~~ [Am. 366]

or wines with an indication of the wine grape variety.

[Am. 366]

2. The Member States shall substantiate in their CAP Strategic Plans their choice of objectives and the types of intervention in the wine sector. Within the chosen types of intervention, they shall define interventions. *Member States may lay down specific provisions for the information and promotion actions by the management bodies of the protected designations of origin and protected geographical indications, on behalf of all the enterprises concerned, particularly with regard to the maximum length of the actions.* **[Am. 367]**

3. In addition to the requirements set out in Title V, Member States shall set out in their CAP Strategic Plans an implementation schedule for the selected types of intervention, interventions and a general financial table showing the resources to be deployed and the envisaged allocation of resources between the selected types of

<p>intervention and between interventions in accordance with the financial allocations laid down in Annex V.</p>	
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Article 53

Union financial assistance to the wine sector

1. The Union financial assistance for restructuring and conversion of vineyards referred to in point (a) of Article 52(1) shall not exceed 50% of the actual costs of *voluntary* restructuring and conversion of vineyards or 75% of the actual costs of *mandatory* restructuring and conversion of vineyards ~~in less developed regions~~. [Am. 368]

The assistance may only take the form of compensation to producers for loss of revenue due to the implementation of the intervention and contribution to the costs of restructuring and conversion. The compensation to producers for loss of revenue due to the implementation of the intervention may cover up to 100% of the relevant loss.

2. The Union financial assistance for investments referred to in point (b) of Article 52(1) shall not exceed the following limits:
 - (a) 50% of eligible investment costs in less developed regions, *vineyards on steep slopes and in the island*

regions other than those referred to in points (c) and (d) of this paragraph; [Am. 369]

- (b) 40 % of eligible investment costs in regions other than less developed regions;
- (c) ~~75%~~ **85** % of eligible investment costs in the outermost regions referred to in Article 349 TFEU; **[Am. 370]**
- (d) 65 % of eligible investment costs in the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013.

The Union financial assistance at the maximum rate, referred to in the first subparagraph shall only be granted to micro, small and medium-sized enterprises within the meaning of Commission Recommendation 2003/361/EC¹²; However, it may be granted to all enterprises in the outermost regions referred to in Article 349 TFEU and the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013.

<p>For enterprises not covered by Article 2(1) of Title I of the Annex to Recommendation 2003/361/EC, with fewer than 750 employees, or with turnover of less than EUR 200 million, the maximum limits referred to in the first subparagraph shall be halved.</p> <p>No Union financial assistance shall be granted to enterprises in difficulty within the meaning of Union Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty¹³.</p> <p>3. The Union financial assistance for green harvesting referred to in point (c) of Article 52(1) shall not exceed 50 % of the sum of the direct costs of the destruction or removal of grape bunches and the loss of revenue related to such destruction or removal.</p> <p>3a. <i>The Union financial assistance for the objectives referred to in points (aa), (ab), (ac), (fa), (j), (k), (l), (m), (n), (o), (p),</i></p>	
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¹³ Communication from the Commission Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty, 21.7. 2014 (2014/C 249/01).

and (q) of Article 52(1) shall not exceed 50 % of the direct or eligible costs. [Am. 371]

4. The Union financial assistance for harvest insurance referred to in point (d) of Article 52(1) shall not exceed:

- (a) 80 % of the cost of the insurance premiums paid for by producers for insurance against losses resulting from adverse climatic events which can be assimilated to natural disasters;
- (b) 50 % of the cost of insurance premiums paid by producers for insurance against:
 - (i) losses referred to in point (a) and against losses caused by adverse climatic events;
 - (ii) losses caused by animals, plant diseases or pest infestations.

Union financial assistance for harvest insurance may be granted if insurance payments concerned do not compensate producers for more than 100 % of the income loss suffered, taking into account any compensation the producers may

have obtained from other support schemes related to the insured risk. Insurance contracts shall require beneficiaries to undertake necessary risk prevention measures.

5. The Union financial assistance for innovation referred to in point (e) of Article 52(1) shall not exceed:
- (a) 50 % of eligible investment costs in less developed regions , *vineyards on steep slopes and in island regions other than those mentioned in points (c) and (d) of this paragraph*; [Am. 372]
 - (b) 40 % of eligible investment costs in regions other than less developed regions;
 - (c) ~~75%~~ 85 % of eligible investment costs in the outermost regions referred to in Article 349 TFEU; [Am. 373]
 - (d) 65 % of eligible investment costs in the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013.

~~The Union financial assistance at its maximum rate, referred to in the first subparagraph shall apply only to micro, small~~

and medium-sized enterprises within the meaning of Recommendation 2003/361/EC; however, it may, apply to all enterprises in the outermost regions referred to in Article 349 TFEU and the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013. [Am. 374]

For enterprises not covered by Article 2(1) of Title I of the Annex to Recommendation 2003/361/EC, with fewer than 750 employees, or with turnover of less than EUR 200 million, ~~the~~ *The* maximum *limits laid down* aid limit referred to in the first subparagraph shall be halved *may be reduced for investments made by enterprises other than micro-enterprises and small and medium-sized enterprises. However, it may apply to all enterprises in the outermost regions referred to in Article 349 TFEU and the smaller Aegean islands as defined in Article 1(2) of Regulation (EU) No 229/2013.* [Am. 375]

6. The Union financial assistance for information actions and promotion referred to in points (g) and (h) of Article 52(1) shall not exceed 50% of eligible expenditure. *Member States may established a differentiation according to the size of the*

ENVI 114

6. The Union financial assistance for information actions and promotion referred to in points (g) and (h) of Article 52(1) shall not exceed **20%** of eligible expenditure.

enterprises, with the aim of maximising the support for small and medium-sized enterprises. [Am. 376]

7. The Union financial assistance for distillation of by-products of wine making referred to in point (f) of Article 52(1) shall be fixed by the Commission in accordance with the specific rules laid down in Article 54(3) by means of implementing acts adopted in accordance with the examination procedure referred to in Article 139(2).

Article 54

Specific rules on Union financial assistance to the wine sector

1. The Member States concerned shall ensure that the Union financial assistance for harvest insurance does not distort competition in the insurance market.
2. The Member States concerned shall establish a system based on objective criteria to ensure that green harvesting does not lead to compensation of individual wine producers in excess of the limit laid down in Article 53(3).
3. The amount of the Union assistance for distillation of by-products of wine making shall be fixed per % volume and per hectolitre of alcohol produced. No Union financial assistance shall be paid for the volume of alcohol contained in the by-products to be distilled which exceeds 10 % in relation to the volume of alcohol contained in the wine produced.

The Member States concerned shall ensure that the Union financial assistance for distillation of by-products of wine making is paid to distillers that process by-products of

<p>winemaking delivered for distillation into raw alcohol with an alcoholic strength of at least 92 % by volume.</p> <p>The Union financial assistance shall include a lump sum amount to compensate for the costs of collection of the by-products of winemaking. That amount shall be transferred from the distiller to the producer, where the relevant costs are borne by the latter.</p> <p>The Member States concerned shall ensure that the alcohol resulting from the distillation of by-products of winemaking referred to in point (f) of Article 52(1) for which a Union financial assistance has been granted is used exclusively for industrial or energy purposes that do not distort competition.</p> <p>4. The Member States concerned shall <i>ensure</i> set in their CAP Strategic Plans <i>that at least 5 % of the</i> expenditure <i>is earmarked or at least one action is adopted to meet the objectives in favor of</i> a minimum percentage of expenditure for actions aimed at protection of the environment, adaption to climate change, improving sustainability of production systems and processes, reduction of environmental impact of the Union wine sector, energy savings and improving global</p>	<p>ENVI 115</p> <p>4. The Member States concerned shall set in their CAP Strategic Plans a minimum 20% of expenditure for actions aimed at protection of the environment, adaption to climate change, improving sustainability of production systems and processes, reduction of environmental impact of the Union wine sector, energy savings and improving global energy efficiency in the wine sector.</p>
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<p>energy efficiency in the wine sector, <i>in line with the objectives laid down in points (aa), (b) and (f) of Article 51.</i></p> <p>[Am. 377]</p> <p>4a. <i>All the programmes approved before ... [the date of entry into force of this Regulation] shall be governed in accordance with Regulation (EU) No 1308/2013 until the date scheduled for their completion. [Am. 378]</i></p>	<p>ENVI 116</p> <p><i>4a. Member States shall ensure that the total annual amount received by a single ultimate beneficiary for interventions in the wine sector does not exceed EUR 200 000 .</i></p>
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SECTION 5

THE HOPS SECTOR

Article 55

Objectives and types of intervention in the hops sector

1. The Member State referred to in Article 82(3) shall pursue one or more of the following objectives in the hops sector:
 - (a) planning of production, adjusting production to demand, particularly in terms of quality and quantity; those objectives relate to the specific objectives set out in points (a), (b) and (c) of Article 6(1);
 - (b) concentration of supply and the placing on the market of the products of the hops sector, including through direct marketing; those objectives relate to the specific objectives set out in points (a) and (c) of Article 6(1);
 - (c) optimising production costs and returns on investments in response to environmental standards and stabilising producer prices; those objectives relate to the specific objectives set out in points (a) and (c) of Article 6(1);

<p>(d) research and development of sustainable production methods, including pest resilience, innovative practices boosting economic competitiveness and bolstering market developments; those objectives relate to the specific objectives set out in points (a), (c) and (i) of Article 6(1);</p> <p>(e) promoting, developing and implementing methods of production respectful of the environment, environmentally sound cultivation practices and production techniques, sustainable use of natural resources in particular protection of water, soil and other natural resources; those objectives relate to the specific objectives set out in points (e) and (f) of Article 6(1);</p> <p>(f) contribute to climate change mitigation and adaptation, as set out in point (d) of Article 6(1).</p>	
<p>2. The Member State referred to in Article 82(3) shall define in its CAP Strategic Plan one or more of the types of intervention referred to in Article 60 to pursue the objectives</p>	

chosen as laid down in paragraph 1. Within the chosen types of intervention they shall define interventions. The Member State referred to in Article 82(3) shall substantiate in its CAP Strategic Plan the choice of objectives, types of intervention and interventions to meet those objectives, *but shall not be obliged to complete the ex-ante evaluation report or Strategic Environmental Assessment (SEA) report referred to in Article 103(1), nor shall it be obliged to complete the SWOT analysis referred to in Article 103(2).* [Am. 379]

<p style="text-align: center;">SECTION 6</p> <p style="text-align: center;">THE OLIVE OIL AND TABLE OLIVES SECTOR</p> <p style="text-align: center;">Article 56</p> <p style="text-align: center;">Objectives in the olive oil and table olives sector</p> <p>The Member States referred to in Article 82(4) shall pursue one or more of the following objectives in the olive oil and table olives sector:</p> <ul style="list-style-type: none"> (a) reinforcing the organisation and management of production of olive oil and table olives; that objective relates to the specific objectives set out in points (a) and (b) of Article 6(1); (b) improvement of medium and long term competitiveness of the olive oil and table olives sector, in particular through modernisation; that objective relate to the specific objective set out in point (c) of Article 6(1); (c) reduction of environmental impact of and contribution to climate action, <i>adaptation and mitigation of climate change</i> through olive cultivation; that objectives relate to the specific 	<p>Article 56 - Objectives in the olive oil and table olives sector</p> <p>ENVI 119</p> <p style="text-align: center;">Article 56</p> <p style="text-align: center;">Objectives in the olive oil and table olives sector</p> <p><i>Notwithstanding Articles 5 and 6 on overall objectives, the Member States referred to in Article 82(4) shall pursue the following objective (c) and may pursue one or more of the following objectives in the olive oil and table olives sector:</i></p> <ul style="list-style-type: none"> a) reinforcing the organisation and management of production of olive oil and table olives; that objective relates to the specific objectives set out in points (a) and of Article 6(1); b) improvement of medium and long term competitiveness of the olive oil and table olives sector, in particular through modernisation; that objective relate to the specific objective set out in point (c) of Article 6(1); c) reduction of environmental impact of and contribution to climate action, <i>adaptation and mitigation of climate change</i>, through olive
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<p>objectives set out in points (d) and (e) of Article 6(1); [Am. 380]</p> <p>(d) improvement of quality of olive oil and table olives; that objective relate to the specific objective set out in <i>points (b) and point (f)</i> of Article 6(1); [Am. 381]</p> <p>(e) research and development of sustainable production methods, including pest resilience, innovative practices boosting economic competitiveness and bolstering market developments; that objective relates to the specific objectives set out in points (a), (c) and (i) of Article 6(1);</p> <p>(f) crisis prevention and management, aimed at improving pest resilience, avoiding and dealing with crises in the olive oil and table olives markets, <i>including the improvement of prevention and resilience to pests</i>; that objective <i>relates</i> to the specific objective set out in point (h) points (a), (b) and (c) of Article 6(1). [Am. 382]</p>	<p>cultivation <i>including by promoting polycultural landscapes, enhancing soil care</i>; that objectives relate to the specific objectives set out in points (d) and (e) <i>and (f)</i> of Article 6(1);</p> <p>d) improvement of quality of olive oil and table olives; that objective relate to the specific objective set out in point (f) of Article 6(1);</p> <p>e) research and development of sustainable production methods, including <i>system approaches to managing pests, integrated pest management, maintenance and recovery of biodiversity, agroecosystem</i> resilience, innovative practices boosting economic competitiveness and bolstering market developments; that objective relates to the specific objectives set out in points (a), (c) and (i) of Article 6(1);</p> <p>f) crisis prevention and management, aimed at improving pest resilience, avoiding and dealing with crises in the olive oil and table olives markets; that objective relate to the specific objective set out in point (h) of Article 6(1).</p> <p><i>(fa) protection and enhancement of biodiversity and ecosystem services including soil retention.</i></p>
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Article 57

Types of intervention and their implementation in the olive oil and table olives sector

1. To pursue the objectives referred to in Article 56, the Member States referred to in Article 82(4) shall choose in their CAP Strategic Plans one or more of the types of interventions referred to in Article 60, *to be defined at the level of the Member State*. Within the chosen types of intervention, they shall define interventions. **[Am. 383]**
2. The interventions defined by the Member States referred to in Article 82(4) shall be implemented through approved operational programs of producer organisations and/or associations of producer organisations *and/or interbranch organisations* recognised under Regulation (EU) No 1308/2013. For this purpose Articles 61 and 62 of this Regulation shall apply. **[Am. 384]**
- 2a. *By way of derogation from paragraph 2, Member States referred to in Article 82(4) may entrust the implementation of operational programmes to interbranch organisations*

recognised under Article 157 of Regulation (EU) No 1308/2013, if such organisations already have a similar programme in place under Regulation (EU) No 1308/2013.
[Am. 385]

Article 58 a (new) - Leguminous crops sector

ENVI 121

SECTION 6a

THE LEGUMINOUS CROPS SECTOR

Article 58a

Objectives of the leguminous crops sector

Notwithstanding respect of Articles 5 and 6 on overall objectives, Member States shall pursue the following objectives in the leguminous crops sector:

(a) The scheme shall increase sustainable legume production and consumption across the Union, to increase self-sufficiency of food and feed according to the targets set in Annex I.

(b) Arable leguminous crops supported with this payment shall be part of a crop rotation of at least four years, or a mix of species in temporary grassland on arable land. This shall be compatible with schemes for the climate and environment (“eco-schemes”) in Article 28, under which rotations of four years and more can be rewarded. The scheme may also reward under-cropping or intercropping e.g. by subterranean clover which is not otherwise rewarded under other measures.

(c) Pasture based grazing of high species diversity pasture or mowing of high species diversity meadow for fodder on genuinely permanent pasture that contains leguminous species in the sward may also be subsidised, on the condition that re-ploughing and re-seeding (“refreshing”) does not occur.

(d) Monocultural or continuous cropping of leguminous crops shall not be supported by these payments.

(e) Decreasing dependency on concentrated feed mix containing soya, especially imported soya originating from land that has recently been deforested or converted, in line with the SDG 15,

	<p><i>the Union pledge on zero deforestation and existing private company commitments on zero deforestation.</i></p> <p><i>(f) Closing nutrient cycling loops and tightening them to local and regional river basin scales in line with Directive 2000/60/EC.</i></p> <p><i>(g) Boosting local and regional markets in food and animal feed and locally adapted low input seed varieties.</i></p> <p><i>Measures financed under this sector shall be coherent with Union climatic and environmental commitments and legislation, and not cause direct or indirect land use change, having a genuinely positive impact on global greenhouse gas emissions according to GLOBIOM.</i></p>
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Article 58 b (new) - Types of Interventions

ENVI 122

Article 58b

Types of interventions

As regards the objectives referred to in Article 58a, Member States shall choose in their CAP Strategic Plans one or more of the following types of interventions:

(a) investments in tangible and non-tangible assets; research and experimental production, as well as other actions, including actions for:

(i) soil conservation, including the genuine and proven enhancement of soil carbon without systemic reliance on pesticides;

(ii) increasing efficiency of water use and management, including water saving;

(iii) promoting the use of varieties and management practices adapted to changing climate conditions;

	<p><i>(iv) improving management practices to increase pest resilience of crops to pests and decreasing susceptibility to pests;</i></p> <p><i>(v) reduction of pesticide use and dependency;</i></p> <p><i>(vi) creating and maintaining agricultural habitats favourable to biodiversity, without use of pesticides;</i></p> <p><i>(b) advisory services and technical assistance, in particular regarding climate change adaptation and mitigation, also on selection by the farmer of the most appropriate crop rotation;</i></p> <p><i>(c) training including coaching and exchange of best practices;</i></p> <p><i>(d) organic production and techniques;</i></p> <p><i>(e) actions to increase the sustainability and efficiency of transport and of storage of products.</i></p>
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Article 58

Union financial assistance

1. The Union financial assistance to the eligible costs shall not exceed:
 - (a) 75 % of actual expenditure incurred for interventions linked to objectives referred to in points (a), (b), (c) and (e) of Article 56;
 - (b) 75 % of actual expenditure incurred for fixed assets investments and 50 % for other interventions linked to objective referred to in point (d) of Article 56;
 - (c) 50 % of actual expenditure incurred for interventions linked to objective referred to in point (f) of Article 56;
 - (d) 75 % of the actual expenditure incurred for the types of intervention referred to in points (f) and (h) of Article 60(1) where the operational program is implemented in at least three third countries or non-producing Member States by producer organisations *or associations of producer organisations* from at least two producing

Member States, 50 % of the actual expenditure where for this type of intervention this condition is not met.

[Am. 386]

(da) In the case of island regions the percentages referred to in points (a) to (d) shall be increased by 10 %.

[Am. 387]

2. The Union financial assistance shall be limited to 5% of the value of marketed production of each producer organisation or association of producer organisations.

~~3. Member States shall ensure complementary financing up to 50% of the costs not covered by the Union financial assistance.~~ **[Am. 388]**

SECTION 7

OTHER SECTORS

Article 59

Objectives in other sectors

~~The~~ *In accordance with Articles 5 and 6, the* Member States shall pursue one or more of the following objectives in the other sectors referred to in point (f) of Article 39: **[Am. 389]**

- (a) planning of production, adjusting production to demand, particularly in terms of quality, ~~and~~ quantity *and diversity*, optimisation of production costs and returns on investments and stabilising producer prices; those objectives relate to the specific objectives set out in points (a), (b), (c) and (i) of Article 6(1); **[Am. 390]**
- (b) concentration of supply and placing on the market of the products concerned, *and promoting the collective negotiation of contracts*; those objectives relate to the specific objectives set out in points (a) and (c) of Article 6(1); **[Am. 391]**

<p>(c) <i>application</i>, research and development of sustainable production methods, including pest <i>and animal disease resistance and climate</i> resilience, <i>genetic diversity, soil protection, improvement of biosecurity and reduction of antimicrobial substances, as well as</i> innovative practices and production techniques boosting <i>long-term</i> economic competitiveness and bolstering market developments; those objectives relate to the specific objectives set out in points (a), (c), <i>(d), (e), (f)</i> and (i) of Article 6(1); [Am. 392]</p> <p>(d) promoting, developing and implementing methods of production respectful of the environment, of animal welfare standards, pest resilient and environmentally sound cultivation practices, <i>animal disease resistance</i>, production techniques and production methods, environmentally sound use and management of by-products and waste, sustainable use of natural resources; <i>reduction of emissions and increased energy efficiency</i>; in particular protection of water, soil and other natural resources; those objectives relate to the specific objectives set out in points (e) and (f) of Article 6(1); [Am. 393]</p>	
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<p>(e) contribute to climate change mitigation and adaptation <i>including the prevention and management of tropical and zoonotic diseases</i>, as set out in point (d) of Article 6(1); [Am. 394]</p>	
<p>(f) boosting products' commercial value and quality, including improving product quality <i>and market segmentation</i> and developing products with a protected designation of origin, with a protected geographical indication or covered by a national quality schemes; those objectives relate to the specific objective set out in point (b) of Article 6(1);[Am. 395]</p>	
<p>(g) promotion and marketing of the products of one or more sectors referred to in point (f) of Article 40-39; those objectives relate to the specific objectives set out in points (b) and (c) of Article 6(1); [Am. 396]</p>	
<p>(h) crisis prevention and risk <i>mitigation and</i> management, aimed at avoiding and dealing with crises in the markets within one or more sectors referred to in point (f) of Article</p>	

<p>39; those objectives relate to the specific objectives set out in points (a), (b) and (c). Article 6(1);- [Am. 397]</p> <p><i>(ha) prevention of attacks on livestock by predator species; [Am. 398]</i></p> <p><i>(hb) contributing to the Union strategy for the promotion of protein crops, in particular fodder and legumes. [Am. 399]</i></p>	
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Article 60

Types of intervention

1. As regards the objectives referred to in points *(a) to (f) of Article 56 and points* (a) to (g) of Article 59 Member States shall choose in their CAP Strategic Plans one or more of the following types of intervention: **[Am. 400]**
 - (a) investments in tangible and non-tangible assets; research and experimental production, as well as other actions, including actions for:
 - (i) soil conservation, including *prevention of soil degradation and* the enhancement of soil carbon; **[Am. 401]**
 - (ii) improvement of the use of and *sound* management of water, including water saving and drainage, *contributing to a good status of water basins*; **[Am. 402]**
 - (iii) preventing damage caused by adverse climatic events and promoting the use of varieties and management practices adapted to changing climate conditions;

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| <p>(iv) energy saving and energy efficiency increase,
<i>including the use of renewable energy sources,
such as the sustainable use of agricultural
residues; [Am. 403]</i></p> <p>(iva) <i>reduction of polluting gases and greenhouse
gases; [Am. 404]</i></p> <p>(v) ecological packaging <i>and reduction of
packaging waste; [Am. 405]</i></p> <p>(vi) <i>biosecurity</i>, animal health <i>protection</i> and
welfare; [Am. 406]</p> <p>(vii) reducing waste production and improving the use
and management of by-products and waste;</p> <p>(viiia) <i>prevention and management of tropical and
zoonotic disease; [Am. 407]</i></p> <p>(viii) improving pest resilience <i>to pests through
management practices and combating animal
disease; [Am. 408]</i></p> <p>(ix) reducing risks and impacts <i>and dependency</i> of
pesticide use; [Am. 409]</p> | |
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(x) creating and maintaining habitats favourable to biodiversity, *and promoting local varieties*; [Am. 410]

(xa) *reduction in the use of antimicrobial substances*; [Am. 411]

(xb) *improving the conditions for growing, harvesting and delivering of production*; [Am. 412]

(xc) *market monitoring, knowledge and surveillance actions*; [Am. 413]

(xd) *prevention of attacks on livestock by predators species*. [Am. 414]

(b) advisory services and technical assistance, in particular regarding *biodiversity* climate change adaptation and mitigation, *combating and improving resilience to pests and animal diseases, as well as the enhancement of the quality of the product*; [Am. 415]

(c) training including coaching and exchange of best practices;

(d) organic production;

(da) *integrated production*; [Am. 416]

(e) actions to increase the sustainability and efficiency of transport and of storage of products of one or more of the sectors referred to in point (f) of Article ~~40~~**39**; **[Am. 417]**

(f) promotion, communication and marketing including actions and activities aimed in particular at raising consumer awareness about the Union quality schemes and the importance of healthy diets, and at diversification of markets;

(g) implementation of Union and national quality schemes;

(h) implementation of traceability ***along the entire production chain*** and certification systems, in particular the monitoring of the quality of products sold to final consumers, ***including the traceability of the origin of olives and the oil at the various stages of***

the production chain, as well as information of production methods; [Am. 418]

(ha) implementation of third country phytosanitary and veterinary protocols. [Am. 419]

2. As regards the objective referred to *in point (f) or Article 56 and* in point (h) of Article 59, Member States shall choose in their CAP Strategic Plans one or more of the following types of intervention: **[Am. 420]**

- (a) setting up and/or refilling of mutual funds by producer organisations recognised under Regulation (EU) No 1308/2013;
- (b) investments in tangible and non-tangible assets making the management of the volumes placed on the market more efficient *and better adjustment to supply and demand*; **[Am. 421]**
- (c) collective storage of products produced by the producer organisation or by members of the producer

organisation, *as well as treatment of products to facilitate their storage*; [Am. 422]

- (d) replanting of orchards *or olive groves* where that is necessary following mandatory grubbing up for health or phytosanitary reasons on the instruction of the Member State competent authority or to adapt to climate change; [Am. 423]

(da) support measures for animal health and welfare;
[Am. 424]

(db) restocking with livestock after compulsory slaughter for health reasons or because of losses resulting from natural disasters; [Am. 425]

(dc) improving genetic resources; [Am. 426]

(dd) extension of the compulsory sanitary break at holdings resulting from an animal disease crisis;
[Am. 427]

- (e) market withdrawal for free-distribution or other destinations;

<p>(f) green harvesting consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise;</p> <p>(g) non-harvesting consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a climatic event or disease;</p> <p>(h) harvest and production insurance that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations and at the same time ensuring that beneficiaries take necessary risk prevention measures.</p> <p>3. Member States shall chose in the CAP Strategic Plans the sectors in which they implement the types of intervention laid down in this Article. For each sector, they shall choose one or more objectives from among those laid down in</p>	
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<p>Article 59 and the types of intervention as laid down in paragraphs 1 and 2 of this Article. For each type of intervention, the Member States shall define interventions. The Member States shall substantiate their choice of sectors, objectives, types of intervention and interventions.</p>	
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Article 61

Operational programs

1. In each sector concerned, the objectives and the interventions set out by the Member States in their CAP Strategic Plans shall be implemented through approved operational programs of producer organisations and/or associations of producer organisations recognised under Regulation (EU) No 1308/2013, under the conditions laid down in this Article.
2. Operational programs in the sectors referred to in point (f) of Article 39 shall have a minimum duration of three years and a maximum duration of seven years.
3. The operational programs shall describe the interventions selected from among those set out by the Member States in their CAP Strategic Plans.
4. Operational programs shall be submitted by producer organisations and/or associations of producer organisations recognised under Regulation (EU) No 1308/2013 to the Member States for their approval.

<p>5. Operational programs may be implemented only by producer organisations or by associations of producer organisations recognised under Regulation (EU) No 1308/2013.</p> <p>6. Operational programs of associations of producer organisations shall not cover the same interventions as operational programs of member organisations. Member States shall consider operational programs of associations of producer organisations together with operational programs of member organisations.</p> <p>To that end Member States shall ensure that:</p> <p>(a) the interventions under operational programs of an association of producer organisations are entirely financed by contributions of those member organisations of that association and that such funding is collected from the operational funds of those member organisations;</p>	
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<p>(b) the interventions and their corresponding financial share are identified in the operational program of each member organisation; and</p> <p>(c) there is no duplication of funding.</p> <p>7. Member States shall ensure that the interventions linked to objective referred to in point (h) of Article 59 do not exceed one third 50 % of the total expenditure under operational programs of producer organisations or associations of producer organisations. [Am. 428]</p>	
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Article 62

Operational funds *by producers organisations* [Am. 429]

1. Producer organisations and/or their associations in the sectors referred to in point (f) of Article 39 may set up an operational fund. The fund shall be financed by:
 - (a) financial contributions from:
 - (i) members of the producer organisation and/or producer organisation itself; or
 - (ii) associations of producer organisations through the members of those associations;
 - (b) Union financial assistance, which may be granted to producer organisations or to their associations where those associations present an operational program.
2. Operational funds shall be used only to finance operational programs that have been approved by the Member States.

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Article 63

Union financial assistance

1. The Union financial assistance shall be equal to the amount of the financial contributions referred to in point (a) of Article 62(1) actually paid and limited to 50 % of the actual expenditure incurred.
- 1a. The 50% limit provided for in paragraph 1 shall be increased to 60% for producer organisations or associations of producer organisations recognised under Regulation (EU) No 1308/2013 for the first five years after the year of recognition, and for producer organisations operating exclusively in areas with natural constraints.*
[Am. 430]
2. The Union financial assistance shall be limited to 5% of the value of marketed production of each producer organisation or association of producer organisations

CHAPTER IV

TYPES OF INTERVENTIONS FOR RURAL DEVELOPMENT

SECTION 1

TYPES OF INTERVENTIONS

Article 64

Types of interventions for rural development

The types of interventions under this Chapter shall be the following:

- (a) ***agri-environmental sustainability***, ~~environmental~~, climate ***mitigation and adaption measures*** and other management commitments; [Am. 431]
- (b) natural or other area-specific constraints;
- (c) Area-specific disadvantages resulting from certain mandatory requirements;
- (d) investments;
- (e) installation of young farmers, ***new farmers and sustainable*** ~~and~~ rural business start-up ***and development***; [Am. 432]
- (ea) ***women in rural areas***; [Am. 433]

(f)	risk management tools;	
(g)	cooperation;	
(h)	knowledge exchange and information; <i>and</i> [Am. 434]	
(ha)	<i>installation of digital technologies.</i> [Am. 435]	

<p style="text-align: center;">Article 65</p> <p><i>Agri-environmental sustainability, Environmental, climate mitigation and adaption measures</i> and other management commitments [Am. 436]</p> <ol style="list-style-type: none"> 1. Member States may grant payments for <i>agri-environmental sustainable practices, environmental, climate mitigation and adaption, including the natural risks prevention</i>, and other management commitments, <i>such as forestry, protection and improvement of genetic resources, and animal health and welfare</i>, under the conditions set out in this Article and as further specified in their CAP Strategic Plans. [Am. 437] 2. Member States shall include agri-environment-climate commitments in their CAP Strategic Plans. 3. Member States may<i>shall</i> make support under this type of interventions available throughout their territories, in 	<p>Article 65 - Environment climate and other management commitments beneficial to the environment</p> <p>ENVI 126</p> <p style="text-align: center;">Article 65</p> <p style="text-align: center;">Environmental, climate and other management commitments <i>beneficial to the environment</i></p> <ol style="list-style-type: none"> 1. Member States may grant payments for environmental, climate and other management commitments <i>beneficial to the environment</i> under the conditions set out in this Article and as further specified in their CAP Strategic Plans 2. Member States shall include agri-environment-climate commitments in their CAP Strategic Plans <i>in accordance with points (d), (e) and (f) of Article 6(1). In accordance with the second subparagraph of Article 86(2), at least 40% of funds from the EAFRD are allocated for these commitments.</i> 3. Member States may make support under this type of interventions available throughout their territories, in
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<p>accordance with their national, regional or local specific needs. <i>That support shall be limited to maximum amounts laid down in Annex IXaa.</i> [Am. 438]</p> <p>4. Member States shall only grant payments to farmers, <i>groups of farmers</i> and other beneficiaries land-managers who undertake, on a voluntary basis, management commitments, <i>such as the appropriate protection of wetland and organic soil</i>, which are considered to be beneficial to achieving the <i>relevant</i> specific objectives set out in Article 6(1). <i>Priority may be given to schemes which are specifically targeted towards addressing local environmental conditions and needs and contribute, where appropriate, to the achievement of the objectives set out in the legislation listed in Annex XI.</i> [Am. 439]</p> <p>5. Under this type of interventions, Member States shall only provide payments covering commitments which:</p> <p>(a) go beyond the relevant statutory management requirements and standards of good agricultural and</p>	<p>accordance with their national, regional or local specific needs.</p> <p>4. Member States shall only grant payments to farmers <i>or groups of farmers</i>, and other beneficiaries who undertake, on a voluntary basis, management commitments which are considered to be beneficial <i>and targeted</i> to achieving the specific objectives set out in <i>points (d), (e), and (f) of Article 6(1) or which enhance animal welfare</i>.</p> <p>5. Under this type of interventions, <i>for agricultural areas</i>, Member States shall only provide payments covering commitments which <i>do not result in double financing in respect of which payments are granted under this Regulation and which</i>:</p>
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<p>environmental condition established under Section 2 of Chapter I of this Title;</p> <p>(b) go beyond the relevant minimum requirements for the use of fertiliser and plant protection products, animal welfare, prevention of antimicrobial resistance, as well as other relevant mandatory requirements established by national and Union law; [Am. 440]</p> <p>(c) go beyond the conditions established for the maintenance of the agricultural area in accordance with point (a) of Article 4(1);</p> <p>(d) are different or are complementary to from commitments in respect of which payments are granted under Article 28, while ensuring that there is no double-funding. [Am. 441]</p> <p>6. Member States shall compensate beneficiaries for costs incurred and income foregone resulting from the commitments made. Member States shall also provide a financial incentive to beneficiaries and, Where necessary, they may also cover transaction costs. In duly justified cases,</p>	<p>a) go beyond the relevant statutory management requirements and standards of good agricultural and environmental condition established under Section 2 of Chapter I of this Title;</p> <p>b) go beyond the minimum requirements for the use of fertiliser and plant protection products, animal welfare, as well as other mandatory requirements established by national and Union law;</p> <p>c) go beyond the conditions established for the maintenance of the agricultural area in accordance with point of Article 4(1);</p> <p>d) are different from, or complementary to, commitments in respect of which payments are granted under Article 28.</p> <p>6. Member States shall compensate beneficiaries for costs incurred and income foregone resulting from the commitments made. Member States may increase the compensation with an additional bonus for deliverance of public goods, as an incentive, based on</p>
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<p>Member States may grant support as a flat-rate or as a one-off payment per unit, <i>or per animal, beehive or other identified unit</i>. Payments shall be granted annually. [Am. 442]</p> <p>6a. <i>The level of payments shall vary according to the level of ambition of sustainability of each practice or set of practices, based on non-discriminatory criteria, in order to offer an effective incentive for participation. Member States may also differentiate payments in accordance with the nature of the restrictions affecting agricultural activities as a result of the commitments made, and in line with different farming systems.</i> [Am. 443]</p> <p>7. Member States may promote and support <i>voluntary</i> collective schemes, <i>and a combination of management commitments in the form of locally-led schemes</i>, and result-based payments schemes, <i>including through a territorial approach</i>, to encourage farmers <i>and groups of farmers</i> to deliver a significant enhancement of the quality of the environment at a larger scale and in a measurable way. <i>They</i></p>	<p><i>non-discriminatory criteria and the indicators set up under this Regulation, in order to offer an effective incentive for participation.</i></p> <p>Where necessary, they may also cover transaction costs. In duly justified cases, Member States may grant support as a flat-rate or as a one-off payment per unit. Payments shall be granted annually.</p> <p>7. Member States may promote and support collective schemes and result-based payments schemes to encourage farmers <i>or groups of farmers</i> to deliver a significant enhancement of the quality of the environment at a larger scale and in a measurable way.</p>
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shall put in place all the means necessary in terms of advice, training and knowledge transfer to assist farmers who change their production systems. [Am. 444]

8. Commitments shall be *usually* undertaken for a period of five to seven years. However, where necessary in order to achieve or maintain certain environmental benefits sought, *including by taking into account the long-term nature of forestry*, Member States may determine a longer period in the CAP Strategic Plan for particular types of commitments, including by means of providing for their annual extension after the termination of the initial period. In exceptional and duly justified cases, and for new commitments directly following the commitment performed in the initial period, Member States may determine a shorter period in their CAP Strategic Plans. [Am. 445]

9. Where support under this type of interventions is granted to agri-environment-climate commitments, *including* commitments to convert to or maintain organic farming practices and methods as defined in Regulation (EC) No

8. Commitments shall be undertaken for a period of five to seven years. However, where necessary in order to achieve or maintain certain environmental benefits sought, Member States may determine a longer period in the CAP Strategic Plan for particular types of commitments, including by means of providing for their annual extension after the termination of the initial period. In exceptional and duly justified cases, and for new commitments directly following the commitment performed in the initial period, Member States may determine a shorter period in their CAP Strategic Plans.

9. Where support under this type of interventions is granted to agri-environment-climate commitments, commitments to convert to or maintain organic farming practices and methods as defined in Regulation (EC) No

<p>834/2007, <i>Integrated Pest Management, protection of agroforestry systems</i>, and forest environmental and climate services, Member States shall establish a payment per hectare. [Am. 446]</p> <p>10. Member States shall ensure that persons carrying out operations under this type of interventions have access to the <i>relevant</i> knowledge and information required to implement such operations, <i>and that appropriate training is made available for those who require it, as well as access to expertise in order to assist farmers who commit to change their production systems</i>. [Am. 447]</p> <p>11. Member States shall ensure that interventions under this Article are consistent with those granted under Article 28.</p>	<p>834/2007, Member States shall establish a payment per hectare <i>or holding</i>.</p> <p><i>9a. As regards aid for organic farming under this Article, payments shall be made to genuine farmers as defined in point (d) of Article 4(1).</i></p> <p>10. Member States shall ensure that persons carrying out operations under this type of interventions have access to the knowledge and information required to implement such operations.</p> <p>11. Member States shall ensure that interventions under this Article are consistent with those granted under Article</p>
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<p>Article 66</p> <p>Natural or other area-specific constraints</p>	<p>Article 66 - Natural of other area-specific constraints</p>
<p>1. Member States may grant payments for natural or other area-specific constraints, <i>including mountain areas and island regions</i> under the conditions set out in this Article and as further specified in their CAP Strategic Plans with the view of contributing to the achievement of the <i>relevant</i> specific objectives set out in Article 6(1). [Am. 448]</p> <p>2. These payments shall be granted to genuine<i>active</i> farmers in respect of areas designated pursuant to Article 32 of Regulation (EU) No 1305/2013, <i>as well as areas affected by war in the Republic of Croatia</i>. [Am. 449]</p> <p>2a. <i>In the case of a legal person, or a group of natural or legal persons, Member States may apply the support at the level of the members of those legal persons or groups where national law provides for the individual members to assume rights and obligations comparable to those of individual farmers who have the status of a head of holding, in particular as regards their economic, social and tax status, provided that they have contributed to strengthening the</i></p>	<p>ENVI 127</p> <p><i>Article 66 deleted</i></p>

agricultural structures of the legal persons or groups concerned. [Am. 450]

3. Member States may only grant payments under this type of interventions in order to compensate beneficiaries for all or part of the additional costs and income foregone related to the natural or other area-specific constraints in the area concerned. *They may also provide a financial incentive to beneficiaries to continue farming in these areas. The amount of support may be adjusted to take into account the severity of the natural constraints affecting agricultural activity and the agricultural system. The payments may also, where relevant, take into account socio-economic and environmental factors. Member States shall ensure that the calculations are adequate, accurate and established in advance on the basis of a fair calculation method.* [Am. 451]

4. Additional costs and income foregone as referred to in paragraph 3 shall be calculated in respect of natural or other

<p>area-specific constraints, in comparison to areas which are not affected by natural or other area-specific constraints.</p> <p>5. Payments shall be granted annually per hectare of area <i>and shall be limited to the minimum and maximum amounts laid down in Annex IXaa.</i> [Am. 452]</p>	
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<p style="text-align: center;">Article 67</p> <p style="text-align: center;">Area-specific disadvantages resulting from certain mandatory requirements</p> <p>1. Member States may grant payments for area-specific disadvantages imposed by requirements resulting from the implementation of Directives 92/43/EEC and 2009/147/EC or Directive 2000/60/EC under the conditions set out in this Article and as further specified in their CAP Strategic Plans with the view of contributing to the achievement of the <i>relevant</i> specific objectives set out in Article 6(1). [Am. 453]</p> <p>2. These payments may be granted to farmers, <i>groups of farmers</i>, forest <i>owners and groups of forest owners</i>. <i>In duly justified cases, they may also be granted to</i> holders and other land managers in respect of areas with disadvantages referred to in paragraph 1. [Am. 454]</p> <p>2a. <i>In the case of a legal person, or a group of natural or legal persons, Member States may apply the support at the level of the members of those legal persons or groups where</i></p>	<p>Article 67 - Area-specific disadvantages resulting from certain mandatory requirements</p> <p>ENVI 128</p> <p style="text-align: center;">Article 67</p> <p style="text-align: center;">Area-specific disadvantages resulting from certain mandatory requirements</p> <p>1. Member States may grant payments for area-specific disadvantages imposed by requirements resulting from the implementation of Directives 92/43/EEC and 2009/147/EC or Directive 2000/60/EC under the conditions set out in this Article and as further specified in their CAP Strategic Plans with the view of contributing to the achievement of the specific objectives set out in Article 6(1)</p> <p>2. These payments may be granted to farmers, <i>groups of farmers, forest holders and groups of forest holders</i>. <i>In duly justified cases, it may also be granted to</i> other land managers in respect of areas with disadvantages referred to in paragraph</p>
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national law provides for the individual members to assume rights and obligations comparable to those of individual farmers who have the status of a head of holding, in particular as regards their economic, social and tax status, provided that they have contributed to strengthening the agricultural structures of the legal persons or groups concerned. [Am. 455]

3. When defining areas with disadvantages Member States may include the following areas:

- (a) Natura 2000 agricultural and forest areas designated pursuant to Directives 92/43/EEC and 2009/147/EC;
- (b) other delimited nature protection areas with environmental restrictions applicable to farming or forests which contribute to the implementation of Article 10 of Directive 92/43/EEC, provided that these areas do not exceed 5 % of the designated Natura 2000 areas covered by territorial scope of each CAP Strategic Plan;

3. When defining areas with disadvantages Member States may include the following areas:

- a) Natura 2000 agricultural and forest areas designated pursuant to Directives 92/43/EEC and 2009/147/EC;
- b) other delimited nature protection areas with environmental restrictions applicable to farming or forests which contribute to the implementation of Article 10 of Directive 92/43/EEC, provided that these areas do not exceed 5 % of the designated Natura 2000 areas covered by territorial scope of each CAP Strategic Plan;

<p>(c) agricultural areas included in river basin management plans pursuant to Directive 2000/60/EC.</p> <p>4. Member States may only grant payments under this type of interventions in order to compensate beneficiaries for all or part of the additional costs and income foregone related to the area-specific disadvantages in the area concerned.</p> <p>5. Additional costs and income foregone as referred to in paragraph 4 shall be calculated:</p> <p>(a) in respect of constraints arising from Directives 92/43/EEC and 2009/147/EC, in relation to disadvantages resulting from requirements that go beyond the relevant standards of good agricultural and environmental condition established under Section 2 of Chapter 1 of this Title of this Regulation as well as the conditions established for the maintenance of the</p>	<p>c) agricultural areas included in river basin management plans pursuant to Directive 2000/60/EC;</p> <p><i>(ca) High Nature Value areas falling outside of the scope of the areas referred to in points (a), (b) and (c).</i></p> <p>4. Member States may only grant payments under this type of interventions in order to compensate beneficiaries for all or part of the additional costs and income foregone related to the area-specific disadvantages in the area concerned.</p> <p>5. Additional costs and income foregone as referred to in paragraph 4 shall be calculated:</p> <p>a) in respect of constraints arising from Directives 92/43/EEC and 2009/147/EC, in relation to disadvantages resulting from requirements that go beyond the relevant standards of good agricultural and environmental condition established under Section 2 of Chapter 1 of this Title of this Regulation as well as the conditions established for the maintenance of the</p>
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<p>agricultural area in accordance with point (a) of Article 4(1) of this Regulation;</p> <p>(b) in respect of constraints arising from Directive 2000/60/EC, in relation to disadvantages resulting from requirements that go beyond the relevant statutory management requirements, with the exception of SMR 2-1 as referred to in Annex III, and standards of good agricultural and environmental condition established under Section 2 of Chapter I of this Title as well as the conditions established for the maintenance of the agricultural area in accordance with point (a) of Article 4(1) of this Regulation. [Am. 456]</p> <p>6. Payments shall be granted annually per hectare of area <i>and shall be limited to the maximum amounts laid down in Annex IXaa</i> [Am. 457].</p>	<p>agricultural area in accordance with point of Article 4(1) of this Regulation;</p> <p>b) in respect of constraints arising from Directive 2000/60/EC, in relation to disadvantages resulting from requirements that go beyond the relevant statutory management requirements, with the exception of SMR 1 as referred to in Annex III, and standards of good agricultural and environmental condition established under Section 2 of Chapter I of this Title as well as the conditions established for the maintenance of the agricultural area in accordance with point of Article 4(1) of this Regulation.</p> <p>6. Payments shall be granted annually per hectare of area</p>
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<p style="text-align: center;">Article 68 Investments</p> <p>1. Member States may grant support for investments under the conditions set out in this Article and as further specified in their CAP Strategic Plans.</p> <p>1a. <i>In order to be eligible for EAFRD support, investment operations shall be preceded by an assessment of the expected environmental impact in accordance with law specific to that kind of investment where the investment is likely to have negative effects on the environment.</i> [Am. 458]</p> <p>2. Member States may only grant support under this type of interventions for tangible and/or intangible investments, <i>including in collective form,</i> which contribute to achieving the <i>relevant</i> specific objectives set out in Article 6. Support to the forestry sector shall be based on a forest management plan <i>which includes the requirement of planting species adapted to local ecosystems,</i> or equivalent instrument <i>in the</i></p>	<p>Article 68 - Investments ENVI 129 + additions</p> <p style="text-align: center;">Article 68 Investments</p> <p>1. Member States may grant support for investments under the conditions set out in this Article and as further specified in their CAP Strategic Plans.</p> <p>2. Member States may only grant support under this type of interventions for tangible and/or intangible investments, which contribute to achieving the specific objectives set out in Article 6, <i>that demonstrably do not harm the environment.</i> Support to the forestry sector shall be based on a forest management plan or equivalent instrument</p>
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<p><i>case of holdings above a certain size to be determined by the Member State. [Am. 459]</i></p> <p>2a. <i>Member States may establish a priority for investments made by young farmers under this Article. [Am. 460]</i></p> <p>3. Member States shall establish a list of ineligible investments and categories of expenditure, including at least the following:</p> <ul style="list-style-type: none"> (a) purchase of agricultural production rights; (b) purchase of payment entitlements; (c) purchase of land with the exception of land purchase for environmental conservation or land purchased by young farmers through the use of financial instruments; (d) purchase of animals, annual plants and their planting other than for the purpose of restoring agricultural or forestry potential following natural disaster and catastrophic events; <i>except those used instead of machines for landscape conservation and for protection against large predators. [Am. 461]</i> 	<p>2a. <i>Member States shall establish a priority for investments to develop short supply chains and direct sales to consumers, particularly for investments made by young farmers and new entrants.</i></p> <p>3. Member States shall establish a list of ineligible investments and categories of expenditure, including at least the following:</p> <ul style="list-style-type: none"> a) purchase of agricultural production rights; b) purchase of payment entitlements; c) purchase of land with the exception of land purchase for environmental conservation or land purchased by young farmers through the use of financial instruments; d) purchase of animals, annual plants and their planting other than for the purpose of restoring agricultural or forestry potential following natural disaster and catastrophic events <i>or for the purpose of protecting herds against predators and animals used in place of machines in difficult terrain to protect the landscape;</i>
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(da) purchase of annual plants and their planting other than for the purpose of restoring agricultural or forestry potential following natural disaster and catastrophic events; [Am. 462]

(e) interest rate on debt, except in relation to grants given in the form of an interest rate subsidy or guarantee fee subsidy;

~~(f) investments in irrigation which are not consistent with the achievement of good status of water bodies, as laid down in Article 4(1) of Directive 2000/60/EC, including expansion of irrigation affecting water bodies whose status has been defined as less than good in the relevant river basin management plan;~~
[Am. 463]

(g) investments in large infrastructures not being part of local development strategies; *Member States may also provide for specific derogations for investments in broadband when clear criteria ensuring*

e) interest rate on debt, except in relation to grants given in the form of an interest rate subsidy or guarantee fee subsidy;

f) investments in irrigation ***which do not lead to a net reduction in the water used for irrigation in that catchment area and*** which are not consistent with the achievement of good status of water bodies, as laid down in Article 4(1) of Directive 2000/60/EC, including expansion of irrigation affecting water bodies whose status has been defined as less than good in the relevant river basin management plan, , ***taking also into account the projected impacts of climate change on water availability;***

g) investments in large infrastructures not being part of local development strategies;

complementarity with support under other Union instruments is provided; [Am. 464]

(h) investments in afforestation which are not consistent with climate and environmental objectives in line with sustainable forest management principles, as developed in the Pan-European Guidelines for Afforestation and Reforestation;

(ha) investments which are not consistent with animal health and welfare legislation or with Directive 91/676/EEC; [Am.465]

h) investments in afforestation *and forest restoration* which are not consistent with climate and environmental objectives in line with sustainable forest management principles, as developed in the Pan-European Guidelines for Afforestation and Reforestation.

(ha) investments which are not consistent with animal health and welfare legislation or with Directive 91/676/EEC; [Am.465]

h a a) investments in infrastructures which are not consistent with recommendations to support good animal health and animal welfare, and the principles laid down in Council Directive 98/58/EC concerning the protection of animals kept for farming purposes, in particular the provision of housing, food, water and care appropriate to the physiological and ethological needs of the

<p><i>(hb) investments in bioenergy production that are not consistent with the sustainability criteria of the Renewable Energy Directive. [Am. 466]</i></p> <p>Points (a), (b), (d) and (g) of the first subparagraph shall not apply where support is provided through financial instruments.</p> <p><i>By way of derogation from points (a) to (h) of the first subparagraph, Member States may provide for derogations in island regions, included outermost regions, to tackle disadvantages linked to insularity and remoteness. [Am. 467]</i></p> <p>4. Member States shall limit the support to the maximum rate of 75% of the eligible costs <i>laid down in Annex IXaa</i>. [Am. 468]</p> <p>The maximum support rate may be increased for the following investments:</p>	<p><i>animals, in accordance with established experience and best available scientific knowledge</i></p> <p><i>(hb) investments in bio-energy products which do not meet the sustainability criteria set out in Directive (EU) 2018/2001 of the European Parliament and of the Council^{1a}.</i></p> <p>Points (a), (b), and (g) of the first subparagraph shall not apply where support is provided through financial instruments.</p> <p>4. Member States shall limit the support to the maximum rate of 75% of the eligible costs.</p> <p>The maximum support rate may be increased for the following investments:</p>
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<p>(a) afforestation, <i>establishment of agroforestry systems</i> and non-productive investments, <i>including land consolidation</i>, linked to the specific environmental- and climate-related objectives set out in points (d), (e) and (f) of Article 6(1); [Am. 469]</p> <p>(b) investments in basic services in rural areas;</p> <p>(c) investments in the restoration of agricultural or forestry potential <i>damaged</i> following <i>fires and other</i> natural disasters or catastrophic events, <i>including storms, floods, pests and disease, as well as restoring of forests through demining</i>, and investments in appropriate preventive actions in forests and in the rural environment, <i>as well as investments in maintaining the health of forests</i>; [Am. 470]</p> <p>(ca) <i>investments in innovative production techniques and systems simultaneously contributing to the objectives referred to in points (a), (b), (d), (e) and (f) of Article 6(1)</i>; [Am. 471]</p>	<p>a) afforestation, <i>regeneration of agroforestry systems</i> and non-productive investments linked to the specific environmental- and climate-related objectives set out in points (d), (e) and (f) of Article 6(1);</p> <p>b) investments in basic services in rural areas</p> <p>c) investments in the restoration of agricultural or forestry potential following <i>fires and other</i> natural disasters or catastrophic events and investments in appropriate preventive actions in forests and in the rural environment.</p> <hr/> <p><i>^{1a} Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).</i></p>
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(cb) investments for protecting herds against predators;
[Am. 472]

*(cc) investments in outermost regions and areas with
natural constraints, including mountain and island
regions;* [Am. 473]

(cd) investments linked to animal welfare. [Am. 474]

<p style="text-align: center;">Article 68a Investments in irrigation</p> <p>1. <i>Without prejudice to Article 68 of this Regulation, in the case of irrigation in new and existing irrigated areas and drained areas, only investments that fulfil the conditions laid down in this Article shall be considered as eligible expenditure.</i></p> <p>2. <i>A river basin management plan, as required under the terms of Directive 2000/60/EC shall have been notified to the Commission for the entire area in which the investment is to take place, as well as in any other areas whose environment may be affected by the investment. The measures taking effect under the river basin management plan in accordance with Article 11 of that Directive and of relevance to the agricultural sector shall have been specified in the relevant programme of measures.</i></p>	<p>Article 68 a (new) - Investments in irrigation</p> <p>1. <i>Without prejudice to Article 68 of this Regulation, in the case of irrigation in new and existing irrigated areas and drained areas, only investments that fulfil the conditions laid down in this Article shall be considered as eligible expenditure.</i></p> <p>2. <i>A river basin management plan, as required under the terms of Directive 2000/60/EC shall have been notified to the Commission for the entire area in which the investment is to take place, as well as in any other areas whose environment may be affected by the investment. The measures taking effect under the river basin management plan in accordance with Article 11 of that Directive and of relevance to the agricultural sector shall have been specified in the relevant programme of measures.</i></p>
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<p>3. <i>Water metering enabling measurement of water use at the level of the supported investment shall be in place or shall be put in place as part of the investment.</i></p> <p>4. <i>An investment in an improvement to an existing irrigation installation or element of irrigation infrastructure shall be eligible only if it is assessed ex ante as offering potential water savings of a minimum of between 5 % and 25 % according to the technical parameters of the existing installation or infrastructure.</i></p> <p><i>If the investment affects bodies of ground- or surface water whose status has been identified as less than good in the relevant river basin management plan only for reasons of water quantity:</i></p> <p>(a) <i>the investment shall ensure an effective reduction in water use, at the level of the investment, amounting to at least 50 % of the potential water saving made possible by the investment;</i></p>	<p>3. <i>Water metering enabling measurement of water use at the level of the supported investment shall be in place or shall be put in place as part of the investment.</i></p> <p>4. <i>An investment in irrigation shall not be eligible if it does not lead to a net reduction in the water used for irrigation in that catchment area or if it is not consistent with the achievement of good status of water bodies, as laid down in Article 4(1) of Directive 2000/60/EC, including expansion of irrigation affecting water bodies whose status has been defined as less than good in the relevant river basin management plan, taking also into account the projected impacts of climate change on water availability;</i></p>
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(b) in the case of an investment on a single agricultural holding, it shall also result in a reduction to the holding's total water use amounting to at least 50 % of the potential water saving made possible at the level of the investment. The total water use of the holding shall include water sold by the holding.

None of the conditions in paragraph 4 shall apply to an investment in an existing installation which affects only energy efficiency or to an investment in the creation of a reservoir or to an investment in the use of recycled water which does not affect a body of ground or surface water.

5. An investment resulting in a net increase of the irrigated area affecting a given body of ground or surface water shall be eligible only if:

(a) the status of the water body has not been identified as less than good in the relevant river basin management plan only for reasons of water quantity; and

(b) an ex-ante environmental analysis shows that there will be no significant negative environmental impact from the investment; such an environmental impact analysis shall be either carried out by or approved by the competent authority and may also refer to groups of holdings.

Areas which are not irrigated but in which an irrigation installation was active in the past, to be established and justified in the programme, may be considered as irrigated areas for the purpose of determining the net increase of the irrigated area.

6. By way of derogation from point (a) of paragraph 5, investments resulting in a net increase in the irrigated area may still be eligible if:

(a) the investment is combined with an investment in an existing irrigation installation or element of irrigation infrastructure assessed ex-ante as offering potential water savings of a minimum of between 5 % and 25

<p><i>% according to the technical parameters of the existing installation or infrastructure; and</i></p> <p><i>(b) the investment ensures an effective reduction in water use, at the level of the investment as a whole, amounting to at least 50% of the potential water saving made possible by the investment in the existing irrigation installation or element of infrastructure.</i></p> <p><i>7. Member States shall limit the support to the maximum rate of 75 % of the eligible costs. The maximum support rate may be increased for investments in outermost regions and areas with natural constraints, including mountain and island regions. [Am. 475]</i></p>	<p><i>5. Member States shall limit the support to the maximum rate of 75 % of the eligible costs. The maximum support rate may be increased for investments in outermost regions and areas with natural constraints, including mountain and island regions.</i></p>
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<p style="text-align: center;">Article 68b <i>Installation of digital technologies</i></p> <p>1. Without prejudice to Article 68 of this Regulation, Member States may grant support for the installation of digital technologies in rural areas under the conditions set out in this Article and as further specified in their CAP Strategic Plans with a view to contributing to the cross-cutting objective set out in Article 5 and to the specific objectives set out in Article 6.</p> <p>2. Member States may grant support under this type of interventions to help the installation of digital technologies to support, inter alia, precision farming, Smart Villages rural enterprise as well as the development of ICT infrastructures at farm level.</p> <p>3. Member States shall limit the support for the installation of digital technologies to the maximum rate of the eligible costs laid down in Annex IXaa. [Am. 476]</p>	<p>Article 68 b (new) - Digitalisation</p> <p style="text-align: center;">Article 68b <i>Installation of digital technologies</i></p> <p>1. Without prejudice to Article 68 of this Regulation, Member States may grant support for the installation of digital technologies in rural areas under the conditions set out in this Article and as further specified in their CAP Strategic Plans with a view to contributing to the cross-cutting objective set out in Article 5 and to the specific objectives set out in Article 6.</p> <p>2. Member States may grant support under this type of interventions to help the installation of digital technologies to support, inter alia, precision farming, Smart Villages rural enterprise as well as the development of ICT infrastructures at farm level, with a priority given to local SMEs, and keeping in mind the need to avoid increased debts and dependency of the farmers towards digital technologies providers.</p>
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	<p><i>2a. Member states may only grant supports to investments in digital technologies producing aggregated data if such data is made available to the public</i></p> <p><i>3. Member States shall limit the support for the installation of digital technologies to the maximum rate of the eligible costs laid down in Annex IXaa. [Am. 476]</i></p>
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	<p>Article 68 c (new) - Empower women in rural areas</p> <p><i>Article 68c</i></p> <p><i>Empower women in rural areas</i></p> <p><i>1. Member States shall grant support to empower women in rural areas under the conditions set out in this Article and as further specified in their CAP Strategic Plans with the view of contributing to the achievement of the specific objectives set out in Article 6.</i></p> <p><i>2. Member States may cover costs of:</i></p> <p><i>(a) measures to combat unpaid work done by women and ensure their social security coverage;</i></p> <p><i>(b) measures to create job opportunities for women in rural areas;</i></p> <p><i>(c) training activities;</i></p> <p><i>(d) advisory services;</i></p> <p><i>(e) measures to increase the participation of women in local action groups and the development of local partnerships under the Leader programme;</i></p> <p><i>(f) exchange of good practices;</i></p>
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<p style="text-align: center;">Article 69</p> <p>Installation of young farmers, <i>new farmers, sustainable</i> and rural business start-up <i>and development</i> [Am. 477]</p> <p>1. Member States may grant support for the installation of young farmers <i>or their incorporation into existing farm businesses, new farmers</i>, and rural business start-up <i>and development, including for diversification of agricultural activities</i>, under the conditions set out in this Article and as further specified in their CAP Strategic Plans with the view of contributing to the achievement of the specific objectives set out in <i>Article 6. Support under this Article shall be conditional on the presentation of a business plan.</i> [Am. 478]</p> <p>2. Member States may only grant support under this type of interventions <i>Article</i> to help: [Am. 479]</p> <p>(a) the installation of young farmers who fulfil the conditions included in the definition set out in point (e) of Article 4(1);</p>	<p>Article 69 - Installation of young farmers, rural business start-up and sustainable business development</p> <p>ENVI 130 - title change</p> <p style="text-align: center;">Installation of young farmers, rural business start-up <i>and sustainable business development</i></p>
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<p>(aa) <i>the installation of new farmers</i>; [Am. 480]</p> <p>(b) the start-up <i>and development</i> of rural business linked to agriculture and forestry, <i>bio economy, circular economy and agri-tourism</i>, or farm-household income diversification; [Am. 481]</p> <p>(c) the business start-up of non-agricultural activities in rural areas being part of local development strategies, <i>by farmers diversifying their activities, as well as micro-enterprises and natural persons in rural areas</i>. [Am. 482]</p> <p>2a. <i>Member States may lay down specific provisions for to ensure that young farmers and new farmers who join groups of farmers, producer organisations or cooperative structures do not lose the setting up aid. Such provisions shall comply with the principle of proportionality and identify the participation of the young farmers and new farmers within the structure.</i> [Am. 483]</p>	<p>ENVI 131</p> <p><i>2a. Member States shall make sure that interventions referred to in this Article are distributed in a way that contributes to achieving gender equality in rural areas.</i></p>
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<p>3. Member States shall set conditions for the submission and the content of a business plan.</p> <p>4. Member States shall grant support in the form of lump sums, <i>which may be differentiated in accordance with objective criteria</i>. Support shall be limited to the maximum amount of EUR 100 000 <i>laid down in Annex IXaa</i> and may be combined with financial instruments. [Am. 484]</p> <p><i>4a. Support pursuant to this Article may be granted in several tranches.</i> [Am. 485]</p>	
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Article 70

Risk management tools

1. Member States **may** grant support for risk management tools, ***taking into account their needs and SWOT analyses***, under the conditions set out in this Article and as further specified in their CAP Strategic Plans. ***Member States shall ensure that this provision is not detrimental to private or public national risk management tools.*** [Am. 486]
2. Member States shall grant support under this type of interventions ***may be granted*** ~~in order to~~ promote risk management tools, which help ~~genuine~~ ***active*** farmers manage production and income risks related to their agricultural activity which are outside their control and which contribute to achieving the ***relevant*** specific objectives set out in Article 6. ***These tools may consist of multi-risk management systems.***

In addition, risk mitigation strategies shall be encouraged to increase farm resilience against natural and climate

Article 70 - Risk management tools

1. Member States **may** grant support for risk management tools, ***taking into account their needs and SWOT analyses***, under the conditions set out in this Article and as further specified in their CAP Strategic Plans. ***Member States shall ensure that this provision is not detrimental to private or public national risk management tools.*** [Am. 486]
2. Support under this type of interventions ***may be granted*** in order to promote risk ***mitigation and*** management tools, which help ***active*** farmers ***avoid, reduce and*** manage production and income risks related to their agricultural activity which are ***not foreseen and*** outside their control and which contribute to achieving the specific objectives set out in Article 6.

<p><i>change-related risks and reduce exposure to income instability.</i> [Am. 487]</p> <p>3. Member States may grant in particular the following support:</p> <p>(a) financial contributions to premiums for insurance schemes, <i>by covering losses caused by adverse climatic events, natural disasters or catastrophic events, by outbreaks of animal or plant disease, by an environmental incident, by contamination of organic crops, or by a measure adopted pursuant to Directive 2000/29/EC to eradicate or contain a plant disease or pest;</i> [Am. 488]</p> <p>(b) financial contributions to mutual funds, including the administrative cost of setting up, <i>with a view to payment of financial compensation to farmers for losses caused by adverse climatic events, natural disasters or catastrophic events, by outbreaks of animal or plant disease, by an environmental incident, by contamination of organic crops, or by a measure adopted pursuant to Directive 2000/29/EC to</i></p>	<p>3.</p> <p>(a) delete</p> <p>(b) financial contributions to mutual funds, including the administrative cost of setting up, <i>with a view to payment of financial compensation to farmers for losses caused by adverse climatic events, natural disasters or catastrophic events, by an environmental incident, by contamination of organic crops, or by a measure adopted pursuant to Directive 2000/29/EC to eradicate or contain a plant disease or pest;</i> [Am. 489]</p> <p><i>(b a) financial contributions for risk mitigation such as the protection of landscape features and soils that help reducing risks like drought, floods and fire.</i></p> <p>4. Member States shall establish the following eligibility conditions:</p> <p>(a) the types and coverage of eligible insurance schemes and mutual funds</p>
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<p><i>eradicate or contain a plant disease or pest;</i> [Am. 489]</p> <p>(ba) <i>financial contributions to an income stabilisation tool taking the form of a mutual fund and providing:</i></p> <p>(i) <i>compensation for farmers of all sectors in the event of a sharp fall in their income;</i></p> <p>(ii) <i>compensation for farmers of a specific sector in the event of a sharp fall in their income.</i> [Am. 490]</p> <p>3a. <i>Member States shall limit the financial contributions to mutual funds referred to in points (b) and (c) of paragraph 3 to the following elements:</i></p> <p>(a) <i>the administrative costs of setting up the mutual fund, spread over a maximum period of three years in a regressive manner;</i></p> <p>(b) <i>the amounts paid by the mutual fund as financial compensation to farmers. In addition, the financial contribution may relate to interest on commercial</i></p>	<p>(b) the methodology for the calculation of losses and triggering factors for compensation, <i>including by using biological, climate or economic indexes applied at the level of the holding, or at local, regional or national level;</i> [Am. 493]</p> <p>(c) the rules for the constitution and management of the mutual funds.</p> <p>4 a. <i>Support shall not be granted to farmers that have failed to avoid risks through good management as required by GAEC.</i></p> <p>5. Member States shall ensure that support is granted only for covering losses of at least 30% of the average annual production or income of the 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.</p> <p>6. Member States shall limit the support to the maximum rate of 60% the eligible costs</p> <p>7. Member States shall ensure that <i>risk mitigation strategies are implemented to increase farm resilience against natural</i></p>
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<p><i>loans taken out by the mutual fund for the purpose of paying the financial compensation to farmers in case of crisis;</i></p> <p>(c) <i>supplementing the annual payments into the fund;</i></p> <p>(d) <i>the initial capital stock of the mutual fund.</i>[Am. 491]</p> <p>4. Member States shall establish the following eligibility conditions:</p> <p>(a) the types and coverage of eligible insurance schemes and mutual funds <i>and income stabilisation tools</i>; [Am. 492]</p> <p>(b) the methodology for the calculation of losses and triggering factors for compensation, <i>including by using biological, climate or economic indexes applied at the level of the holding, or at local, regional or national level</i>; [Am. 493]</p> <p>(c) the rules for the constitution and management of the mutual funds.</p>	<p><i>and climate change-related risks and reduce exposure to income instability, in addition they shall ensure that</i></p> <p>overcompensation as a result of the combination of the interventions under this Article with other public or private risk management schemes is avoided.</p>
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<p>5. Member States shall ensure that support is granted only for covering losses of at least 20% of the average annual production or income of the 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.</p> <p>6. Member States shall limit the support to the maximum rate of 70% of the eligible costs <i>laid down in Annex IXaa.</i> [Am. 494]</p> <p>7. Member States shall ensure that overcompensation as a result of the combination of the interventions under this Article with other public or private risk management schemes is avoided.</p> <p>7a. <i>Any Member States that introduce national risk management schemes or already have such schemes before ... [the date of entry into force of this Regulation] may use the instruments set out in this Article to cover any risk types not covered by those schemes.</i> [Am. 495]</p>	
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Article 71

Cooperation

1. Member States may grant support for cooperation under the conditions set out in this Article and as further specified in their CAP Strategic Plans to prepare and to implement Operational Group projects of the European Innovation Partnership for agricultural productivity and sustainability as referred to in Article 114 and LEADER, referred to as community-led local development in Article 25 of Regulation (EU) .../... [CPR], and to promote quality schemes, producer organisations or producer groups or other forms of cooperation *including those whose products are covered by Regulation (EU) No 1151/2012*. [Am. 496]
2. Member States may only grant support under this type of interventions to promote forms of cooperation *and sustain existing ones* which involves at least two entities, *of which at least one is involved in agricultural production*, and which contributes to achieving the specific objectives set out in Article 6. [Am. 497]

<p>2a. <i>By way of derogation from paragraph 2, Member States may grant support from the EAFRD to Local Action Groups which implement a local development strategy contributing to achieving the specific objectives set out in Article 6. [Am. 498]</i></p> <p>3. Member States may cover under this type of interventions the costs related to all <i>necessary</i> aspects of the cooperation, <i>including certification costs relating to participation in an Union quality scheme. [Am. 499]</i></p> <p>4. Member States may grant the support as an overall amount covering the cost of cooperation and the cost of the projects and operations implemented or they may cover only the cost of the cooperation and use funds from other types of intervention, national or Union support instruments for project implementation.</p> <p><i>The Member States may grant support intended to encourage quality schemes, producer organisations or producer groups or other forms of cooperation, in the form of a lump sum. [Am. 500]</i></p>	
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<p>5. Where support is paid as an overall amount, Member States shall ensure that Union rules and requirements pertaining to similar actions covered under other types of interventions are respected. This paragraph does not apply to LEADER, referred to as community-led local development in Article 25 of Regulation (EU) .../... [CPR].</p> <p>6. Member States shall not support through this type of interventions cooperation solely involving research bodies.</p> <p>7. In the case of cooperation in the context of farm succession, Member States may grant support only to farmers having reached the retirement age as set under national legislation.</p> <p>8. Member States shall limit support to a maximum of seven years except for collective environment and climate actions in duly justified cases to achieve the specific objectives related to the environment environmental and to climate-related objectives set out in points (d), (e) and (f) of Article 6(1). [Am. 501]</p> <p>8a. Local Action Groups may request the payment of an advance from the competent paying agency if such</p>	<p>ENVI 133</p> <p>7. In the case of cooperation in the context of farm succession, <i>and with the further aim to encourage generational renewal at farm level</i>, Member States may grant support only to farmers having reached the retirement age as set under national legislation.</p> <p>8. Member States shall limit support to a maximum of seven years except for collective environment and climate actions in duly justified cases to achieve the specific environmental- and climate-related objectives set out in points (d), (e) and (f) of Article 6(1). <i>Member States shall not support interventions with negative effects for the environment.</i></p>
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<p><i>possibility is provided for in the strategic plan. The amount of the advances shall not exceed 50 % of the public support for the running and animation costs. [Am. 502]</i></p> <p>8b. <i>Support for quality schemes for agricultural products and foodstuffs, including actions for information and promotion, and the aid for setting up producer groups and organisations shall be limited to the maximum amount laid down in Annex IXb. [Am. 503]</i></p>	<p><i>8a. The LEADER initiative, referred to as community-led local development as set out in paragraph 1, shall provide for the active and primary involvement of farms and/or forestry holdings.</i></p>
<p><i>Article 71a</i></p> <p><i>Thematic sub-programmes for quality schemes for agricultural products and foodstuffs</i></p> <p><i>Member States may establish a thematic sub-programme for the quality schemes for agricultural products and foodstuffs provided for in Regulation (EU) No 1151/2012 that achieves the specific objectives set out in Article 6(1). [Am. 504]</i></p>	

Article 72

Knowledge exchange and information

1. Member States may grant support for ~~agricultural, forestry and rural business~~ knowledge exchange and information ***on an individual or collective basis*** under the conditions set out in this Article and as further specified in their CAP Strategic Plans ***or agricultural, forestry, including agroforestry, environmental and climate protection, rural business, Smart Villages and CAP interventions***. [Am. 505]
2. Under this type of interventions Member States ***and the Union*** may cover costs of any relevant action to promote innovation, access to training and advice, ***the creation of plans and studies***, and exchange and dissemination of knowledge and information which contribute to achieving the specific objectives set out in Article 6. [Am. 506]
3. Member States ~~shall limit~~ ***may provide*** the support ***for up to the to a maximum rate laid down in Annex IXaa of 75% of the eligible costs***. [Am. 507]

By way of derogation from the first subparagraph, in the case of setting-up of farm advisory services, Member States may

grant support *up to* ~~in the form of a fixed maximum amount~~
~~of laid down in Annex IXaa~~ EUR 200 000. [Am. 508]

~~4. By way of derogation from paragraph 3, in outermost regions~~
~~and other duly justified cases Member States may apply a~~
~~higher rate or a higher amount than that set in in that~~
~~paragraph to achieve the specific objectives set out in Article~~
~~6. [Am. 509]~~

5. In the case of support to the setting-up of farm advisory
services, Member States shall ensure that the support is
limited in time.

6. Member States shall ensure that actions supported under this
type of interventions be based on and be consistent with the
description of the AKIS provided in the CAP Strategic Plan
in accordance with point (i) of Article 102(a).

6a. *Support under this Article shall not include courses of
instruction or training which form part of statutory normal
education programmes or systems at secondary or higher
levels. [Am. 510]*

<p>6b. <i>Bodies providing knowledge transfer and information services shall have the appropriate capacities in the form of staff qualifications and training to carry out that task.</i> [Am. 511]</p>	
<p style="text-align: center;"><i>Article 72a</i> <i>Measures in favour of rural women</i></p> <p>1. <i>Member States shall adopt specific actions focused on promoting a greater inclusion of women in the rural economy, through interventions in line with the current regulation with the aim of contributing to the objectives referred to in Article 6(1).</i></p> <p>2. <i>Member States may, in their CAP Strategic Plans, grant support to promote the involvement of women, inter alia, in knowledge transfer and information actions, advisory services, investments in physical assets, farm and rural business start-up and development, installation of digital technologies and co-operation.</i> [Am. 512]</p>	

<p style="text-align: center;">Article 72</p> <p style="text-align: center;"><i>Development of Smart Villages Strategy</i></p> <p>1. <i>In order to promote digitalisation and innovation, facilitate business development, social inclusion and employment in rural areas, Member States shall develop and implement the Smart Villages Strategy in their CAP Strategic Plans, taking into account the types of interventions set out in points (a), (b), (d), (e), (g) and (h) of Article 64 and elements that ensure modernisation and strategies as set in Article 102.</i></p> <p>2. <i>Additional to the types of interventions set in previous point, Member States should take particular care of measures, addressing the following issues in rural areas:</i></p> <ul style="list-style-type: none"> <i>(a) digitalisation of rural economy;</i> <i>(b) precision agriculture;</i> <i>(c) development of digital platforms;</i> <i>(d) rural mobility;</i> <i>(e) social innovation;</i> 	<p>Article 72 b - Smart villages</p> <p>delete</p>

<p><i>(f) development of smart energy systems, grids and storage at local level, as well as supporting the development of energy cooperatives;</i></p> <p>3. <i>Member States shall take particular note of coordination between EAFRD and other European Structural and Investment Funds, as set in point (iii) of Article 98(d).</i></p> <p>4. <i>Member States may include their Smart Villages Strategy into the integrated strategies of Community-led local development as set in Article 25(c) of the Regulation (EU) .../... [CPR]. [Am. 513]</i></p>	
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SECTION 2

Elements applying to several types of interventions

Article 73

Selection of operations

1. The Managing Authority of the CAP Strategic Plan, *or, where applicable, regional management authorities*, or other designated intermediate bodies shall define selection criteria for interventions relating to the following types of interventions: investments, installation of young farmers and *new farmers*, rural business start-up, cooperation, knowledge exchange and information, *specific measures in favour of rural women and installation of digital technologies*, after consultation of the Monitoring Committee referred to in Article 111. Selection criteria shall aim to ensure equal treatment of applicants, better use of financial resources and targeting of the support in accordance with the purpose of the interventions. **[Am. 514]**

Member States may decide to not apply selection criteria for investment ~~interventions clearly targeting environmental~~

<p>purposes or realised in connection with restoration activities <i>following catastrophic events.</i> [Am. 515]</p> <p>2. The responsibility of the Managing Authority set out in the paragraph 1 shall be without prejudice to the tasks of the Local Action Groups set out in Article 27 of Regulation (EU) .../... [CPR].</p> <p>3. Paragraph 1 shall not apply where support is provided in the form of financial instruments.</p> <p>4. Selection criteria may not be defined for operations that have received a Seal of Excellence certification under Horizon 2020 or Horizon Europe or have been selected under Life +, provided that such operations are consistent with the CAP Strategic Plan. [Am. 516]</p> <p>5. Operations shall not be selected for support where they have been physically completed or fully implemented before the application for funding under the CAP Strategic Plan is submitted to the Managing Authority, irrespective of whether all related payments have been made.</p>	<p>ENVI 135</p> <p><i>1a (new). In selecting operations, managing authorities shall ensure the climate, environment and biodiversity proofing of planned interventions.</i></p>
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Article 74

General rules for financial instruments

1. Where support under the types of interventions of this Chapter is granted in the form of financial instruments as laid down in Article 52 of Regulation (EU) .../... [CPR], the definitions of 'financial instrument', 'financial product', 'final recipient', 'holding fund', 'specific fund', 'leverage effect', , 'multiplier ratio', 'management costs' and 'management fees' as laid down in Article 2 of Regulation (EU) .../... [CPR] and the provisions of Section 2 of Chapter II of Title V of that Regulation shall apply.

In addition, the provisions laid down in paragraphs 2 to 5 shall apply.
2. Where support under the types of interventions of this Chapter is granted in the form of financial instruments as laid down in Article 52 of Regulation (EU) .../... [CPR], Member States shall respect the requirements set out in the following paragraphs.

<p>3. In accordance with Article 52(2) of Regulation (EU) .../... [CPR] and by way of derogation from Article 62(2) of this Regulation, working capital, standalone or as part of an operation, may be eligible expenditure.</p> <p>For activities falling within the scope of Article 42 TFEU, working capital may be eligible expenditure with a gross grant equivalent of up to EUR 200 000 over any period of three fiscal years, without prejudice to any support rates laid down in this Regulation.</p> <p>4. Where an operation receives a combination of support in the form of financial instruments and grants, the maximum applicable support rate shall apply to the combined support provided to the operation and the combined eligible expenditure declared by the Member State shall not exceed 100 % of the eligible cost of the operation.</p> <p>5. Eligible expenditure of a financial instrument shall be the total amount of CAP Strategic Plan contributions paid, or, in the case of guarantees, set aside as agreed in guarantee</p>	
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contracts, by the financial instrument within the eligibility period, where that amount corresponds to:

- (a) payments to, or for the benefit of, final recipients, in the case of loans, equity and quasi-equity investments;
- (b) resources set aside as agreed in guarantee contracts, whether outstanding or already come to maturity, in order to honour possible guarantee calls for losses, calculated based on a multiplier ratio covering a multiple amount of underlying disbursed new loans or equity investments in final recipients;
- (c) payments to, or for the benefit of, final recipients where financial instruments are combined with any other Union contribution in a single financial instrument operation in accordance with Article 52(5) of Regulation (EU) .../... [CPR];
- (d) payments of management fees and reimbursements of management costs incurred by the bodies implementing the financial instrument.

Where farmers are affected by severe climate conditions and/or market crisis, payments under point (a) of this paragraph maybe guaranteed against working capital.
[Am. 517]

For the purposes of point (b) of this paragraph, the multiplier ratio shall be established in a prudent ex-ante risk assessment and agreed in the relevant funding agreement. The multiplier ratio may be reviewed, if justified by subsequent changes in market conditions. Such a review shall not have retroactive effect.

For the purposes of point (d) of this paragraph, management fees shall be performance based. Where bodies implementing a holding fund and/or specific funds, in accordance with Article 53(3) of Regulation (EU) .../... [CPR], are selected through a direct award of contract, the amount of management cost and fees paid to these bodies that can be declared as eligible expenditure shall be subject to a threshold of [up to 5%] of the total amount of CAP Strategic Plan contributions disbursed to final recipients in loans,

equity or quasi-equity investments or set aside as agreed in guarantee contracts.

This threshold shall not apply where the selection of bodies implementing financial instruments is made through a competitive tender in accordance with the applicable law and the competitive tender establishes the need for higher level of management costs and fees.

Where arrangement fees, or any part thereof, are charged to final recipients, they shall not be declared as eligible expenditure.

5a. Where funds under this Article are not used or returned from the Financial Instrument, they should be retained for use in the Rural Development part of the CAP Strategic Plan. [Am. 518]

Article 75

~~Use of the EAFRD delivered through or combined with InvestEU~~

- ~~1. In accordance with Article 10 of Regulation (EU) [CPR] and the requirements set out in this Article, Member States may allocate, in the CAP Strategic Plan, the amount to be delivered through InvestEU. The amount to be delivered through InvestEU shall not exceed 5% of the total EAFRD allocation, except in duly justified cases. The CAP Strategic Plan shall contain the justification of the use of the InvestEU budgetary guarantees.~~

~~In addition to the allocations referred to in the first subparagraph Member States may allocate part of the technical assistance as set out in Article 112 to be contributed to InvestEU for the corresponding InvestEU Assistance for activities set out in the contribution agreement referred to in Article [9] of [InvestEU Regulation].~~

- ~~2. For the requests for an amendment of a CAP Strategic Plan referred to in Article 107, only resources of future years may be identified.~~

~~Resources of 2026 and 2027 shall not be used for allocations under paragraph 1.~~

~~3. The amount referred to in the first subparagraph of paragraph 1 shall be used for the provisioning of the part of the EU guarantee under the Member State compartment.~~

~~4. Where a contribution agreement, as set out in Article [9] of the [InvestEU Regulation], has not been concluded by 31 December 2021 for an amount referred to in paragraph 1, the Member State shall submit a request for amendment of the CAP Strategic Plan in accordance with Article 107, to use the corresponding amount.~~

~~The contribution agreement for an amount referred to in paragraph 1 allocated in the request of the amendment of a CAP Strategic Plan shall be concluded simultaneously with the adoption of the decision amending the CAP plan.~~

~~5. Where a guarantee agreement, as set out in Article [9] of the [InvestEU Regulation], has not been concluded within [9] months from the approval of the contribution agreement, the respective amounts paid into the common provisioning fund~~

as a provisioning shall be transferred back to the CAP Strategic Plan and the Member State shall submit a corresponding request for amendment of the CAP Strategic Plan.

6. — Where a guarantee agreement, as set out in Article [9] of the [InvestEU Regulation], has not been fully implemented within [four years] from the signature of the guarantee agreement, the Member State may request that amounts committed in the guarantee agreement but not covering underlying loans or other risk bearing instruments shall be treated in accordance with paragraph 5.

7. — Resources generated by or attributable to the amounts contributed to InvestEU and delivered through budgetary guarantees shall be made available to the Member State and shall be used for repayable forms of support in accordance with the CAP Strategic Plan — [Am. 519]

Article 76

Adequacy and accuracy of payment calculation

Where support is granted on the basis of additional costs and income foregone in accordance with Articles 65, 66 and 67, Member States shall ensure that the relevant calculations are adequate and accurate and established in advance on the basis of a fair, equitable and verifiable calculation method. To this end, a body that is functionally independent from the authorities responsible for the implementation of the CAP Strategic Plan and possesses the appropriate expertise shall perform the calculations or confirm the adequacy and accuracy of the calculations.

Article 77

Simplified Cost Options

1. Without prejudice to Articles 65, 66, 67 and 69, the support granted under this Chapter may take any of the following forms:
 - (a) reimbursement of eligible costs actually incurred by a beneficiary;
 - (b) unit costs;
 - (c) lump sums;
 - (d) flat-rate financing.

2. The amounts for the forms of grants referred to under point (b), (c) and (d) of paragraph 1, shall be established in one of the following ways:
 - (a) a fair, equitable and verifiable calculation method based on:
 - (i) statistical data, other objective information or an expert judgement; or

<p>(ii) verified historical data of individual beneficiaries; or</p> <p>(iii) the application of usual cost accounting practices of individual beneficiaries;</p> <p>(b) draft budgets;</p> <p>(c) in accordance with the rules for application of corresponding unit costs, lump sums and flat rates applicable in Union policies for a similar type of operation;</p> <p>(d) in accordance with the rules for application of corresponding unit costs, lump sums and flat rates applied under schemes for grants funded entirely by the Member State for a similar type of operation.</p>	
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Article 78

Delegated powers for additional requirements for types of interventions for rural development

The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing *Annex IXa on the minimum and maximum ceilings for payments under this Regulation* with requirements additional to those laid down in this Chapter concerning the conditions for granting support for the following types of interventions for rural development:

- (a) — management commitments as referred to in Article 65;
- (b) — investments as referred to in Article 68;
- (c) — cooperation as referred to in Article 71. — [Am. 520]

TITLE IV
FINANCIAL PROVISIONS

Article 79

Financial Allocation of the EAGF and EAFRD expenditure

[Am. 521]

1. *The financial envelope for the EAGF for the period 2021-2027 shall be EUR 286 143 million in 2018 prices (EUR 322 511 million in current prices).*

Within this financial envelope and notwithstanding the provisions of Chapter I of Title II of Regulation (EU) .../... [HzR], the EAGF shall finance the types of interventions related to: [Am. 522]
 - (a) direct payments laid down in Article 14;
 - (b) sectoral interventions laid down in Chapter III of Title III.
2. *The financial envelope for the European Agricultural Fund for Rural Development for the period 2021-2027*

Article 79 - Financial allocation of the EAGF and EAFRD expenditure (external convergence)

shall be EUR 96 712 million in 2018 prices (EUR 109 000 million in current prices).

The EAFRD shall finance the types of interventions referred to in Chapter IV of Title III, *technical assistance at the initiative of the Member States referred to in Article 112 and technical assistance at the initiative of the Commission referred to in Article 83(2)*. [Am. 523]

2.a (new) The financial allocations shall be distributed among Member States so as to achieve full external convergence of direct payments by the end of the programming period.

Article 80

Eligibility of expenditure

1. Expenditure shall be eligible for contribution from the EAGF and the EAFRD ~~from 1 January of the year following the year of the approval of the CAP Strategic Plan by the Commission.~~ **[Am. 524]**
2. Expenditure that becomes eligible as a result of an amendment to a CAP Strategic Plan shall be eligible for a contribution from the EAFRD *and EAGF* from the date of submission to the Commission of the request for amendment. **[Am. 525]**

By way of derogation from Article 73(5) and the first subparagraph, in cases of emergency measures due to natural disasters, catastrophic events, *including fire, drought and flooding*, or adverse climatic events, *epidemics* or a significant and sudden change in the socio-economic conditions of the Member State or region, the CAP Strategic Plan may provide that eligibility of EAFRD financed

<p>expenditure relating to amendments of the plan may start from the date on which the event occurred. [Am. 526]</p> <p>3. Expenditure shall be eligible for a contribution from the EAFRD if it has been incurred by a beneficiary and paid by 31 December {2029} [2030]. In addition, expenditure shall only be eligible for a contribution from the EAFRD if the relevant aid is actually paid by the paying agency by 31 December {2029} [2030]. [Am. 527]</p>	
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Article 81

Financial allocations for types of interventions in the form of direct payments

1. Without prejudice to Article 15 of Regulation (EU) .../... [HzR], the total amount for types of interventions in the form of direct payments which may be granted in a Member State pursuant to Chapter II of Title III of this Regulation in respect of a calendar year shall not exceed the financial allocation of that Member State as set out in Annex IV.

Without prejudice to Article 15 of Regulation (EU) .../... [HzR], the maximum amount which may be granted in a Member State, in a calendar year, pursuant to Subsection 2, Section 2, Chapter II of Title III of this Regulation and before the application of Article 15 of this Regulation, shall not exceed the financial allocation of that Member State set out in Annex VI.

For the purpose of Article 86(5), the financial allocation of a Member State referred to in the first subparagraph after deduction of the amounts set out in Annex VI and before any transfers according to Article 15 is set out in Annex VII.

<p>2. The Commission is empowered to adopt delegated acts in accordance with Article 138 amending the Member States' allocations set out in Annex IV and VII to take account of the developments relating to the total maximum amount of direct payments that may be granted, including the transfers referred to in Articles 15 and 90, transfers of financial allocations referred to in Article 82(5) and any deductions needed to finance types of interventions in other sectors referred to in Article 82(6).</p> <p>By way of derogation from the first subparagraph the adaptation of Annex VII shall not take into account any transfers in accordance with Article 15.</p> <p>3. The amount of the indicative financial allocations per intervention referred to in Article 88 for the types of interventions in the form of direct payments laid down in Article 14 to be granted in a Member State in respect of a calendar year may exceed the allocation of that Member State set out in Annex IV by the estimated amount of</p>	
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reduction of payments taken up in the CAP Strategic Plan as referred to in the second subparagraph of Article 100(2)(d).

Article 82

Financial allocations for certain sectoral types of interventions

1. The Union financial assistance for types of intervention in the wine sector is allocated to Member States as set out in Annex V.
2. The Union financial assistance for types of intervention in the apiculture sector is allocated to Member States as set out in Annex VIII.
3. The Union financial assistance for types of intervention in the hops sector allocated to Germany shall be EUR ~~2 188 000 X~~ per year. **[Am. 528]**
4. The Union financial assistance for types of intervention in the olive oil and table olives sector is allocated as follows:
 - (a) EUR ~~10 666 000 X~~ per year for Greece; **[Am. 529]**
 - (b) EUR ~~554 000 X~~ per year for France; and **[Am. 530]**
 - (c) EUR ~~34 590 000 X~~ per year for Italy. **[Am. 531]**

<p>5. The Member States concerned may decide in their CAP Strategic Plans to transfer the total financial allocations referred to in paragraphs 3 and 4 to their allocations for direct payments. This decision may not be reviewed.</p> <p>The Member States' financial allocations transferred to allocations for direct payments shall no longer be available for the types of interventions referred to paragraphs 3 and 4.</p> <p>6. Member States may decide in their CAP Strategic Plans to use up to 3% of the Member States' allocations for direct payments set out in Annex IV, after deduction of the amounts available for cotton set out in Annex VI, for types of intervention in other sectors referred to in Section 7 of Chapter III of Title III.</p> <p>7. <i>Two years after the date of application of their Strategic Plans</i>, Member States may, in 2023, review their decisions referred to in paragraph 6 as part of a request for amendment of their CAP Strategic Plans, referred to in Article 107.</p> <p>[Am. 532]</p>	
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<p>8. The amounts set out in the approved CAP Strategic Plan resulting from the application of paragraphs 6 and 7 shall be binding in the Member State concerned.</p>	
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Article 83

Financial allocations for types of interventions for rural development

1. The total amount of Union support for types of interventions for rural development under this Regulation for the period from 1 January 2021 to 31 December 2027 shall be EUR~~78 844~~**109 000** million in current prices in accordance with the multiannual financial framework for the years 2021 to 2027¹⁴. **[Am. 533]**
2. 0,25 % of the resources referred to in paragraph 1 shall be devoted to finance the activities of technical assistance on the initiative of the Commission referred to in Article 7 of the Regulation (EU) .../... [HzR], including the European network for the Common Agricultural Policy referred to in Article 113(2) of this Regulation and the European Innovation Partnership for agricultural productivity and sustainability referred to in Article 114 of this Regulation. Those activities may concern previous and subsequent CAP Strategic Plan periods.

<p>3. The annual breakdown by Member State of the amounts referred to in paragraph 1, after deduction of the amount referred to in paragraph 2, is set out in Annex IX.</p> <p>4. The Commission is empowered to adopt delegated acts in accordance with Article 138 amending Annex IX to review the annual breakdown by Member State to take account of the relevant developments, including the transfers referred to in Articles 15 and 90, to make technical adjustments without changing the overall allocations, or to take account of any other change provided for by a legislative act after the adoption of this Regulation.</p>	
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¹⁴ Proposal for a Council Regulation laying down the multiannual financial framework for the years 2021-2027 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2018)0322 final.

Article 84

EAFRD contribution

The Commission implementing act approving a CAP Strategic Plan pursuant to Article 106(6) shall set the maximum contribution from the EAFRD to the plan. The EAFRD contribution shall be calculated on the basis of the amount of eligible public expenditure.

Article 85

EAFRD contribution rates

1. The CAP Strategic Plans shall establish a single EAFRD contribution *to support* rate applicable to all interventions *in regions corresponding to level 2 of the common classification of territorial units for statistics ('NUTS level 2 regions')* established by Regulation (EC) No 1059/2003.
[Am. 534]
- 1a. *Resources from the EAFRD shall be allocated among the following three categories of NUTS level 2 regions:*
 - (a) *less developed regions, whose GDP per capita is less than 75% of the average GDP of the EU-27 ('less developed regions');*
 - (b) *transition regions, whose GDP per capita is between 75% and 100% of the average GDP of the EU-27 ('transition regions');*
 - (c) *more developed regions, whose GDP per capita is above 100% of the average GDP of the EU-27 ('more developed regions').*

The classification of regions under one of the three categories of regions shall be determined on the basis of how the GDP per capita of each region, measured in purchasing power standards ('PPS') and calculated on the basis of Union figures for the period 2014-2016, relates to the average GDP of the EU-27 for the same reference period. [Am. 535]

2. The maximum EAFRD contribution rate shall be:
- (a) ~~70%~~ **85 %** of the eligible public expenditure in the outermost regions and in the smaller Aegean islands within the meaning of Regulation (EU) No 229/2013; **[Am. 536]**
 - (b) ~~70%~~**85 %** of the eligible public expenditure in the less developed regions; **[Am. 537]**
(ba) 65 % for regions in transition; [Am. 538]
 - (c) ~~65%~~**75 %** of the eligible expenditure for payments under Article 66; **[Am. 539]**

(d) ~~43%~~**53** % of the eligible public expenditure in the other regions. **[Am. 540]**

The minimum EAFRD contribution rate shall be 20 %.

3. By way of derogation from paragraph 2, the maximum EAFRD contribution rate shall be:

(a) ~~80%~~**90** % for management commitments referred to in Article 65 of this Regulation, for payments under Article 67 of this Regulation, for non-productive investments referred to in Article 68 of this Regulation, *which are linked to afforestation and the specific environmental and climate objectives referred to in points (d), (e) and (f) of Article 6(1) for operations covered in point (a) of Article 69(2)*, for support for the European Innovation Partnership under Article 71 of this Regulation and for the LEADER, referred to as community-led local development in Article 25 of Regulation (EU) .../... [CPR], *operations under Article 72, for operations that are supported through*

financial instruments, for the measures under Article 72a and for depopulated areas. [Am. 541]

- (b) 100% for operations receiving funding from funds transferred to the EAFRD in accordance with ~~Articles 45 and Article~~ 90 of this Regulation, *when those operations address specific environmental and climate related objectives referred to in points (d), (e) and (f) of Article 6(1).* [Am. 542]

Article 86

Minimum and maximum financial allocations

1. At least 5 % of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX shall be reserved for LEADER, referred to as community-led local development in Article 25 of Regulation (EU) .../... [CPR].
2. At least 30 % of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX shall be reserved for interventions *of all types* addressing the specific environmental- and climate-related objectives set out in points (d), (e), ~~and (f)~~ *and (i)* of Article 6(1) of this Regulation, ~~excluding interventions based on~~ Article 66.

A maximum of 40 % of payments granted in accordance with Article 66 may be taken into account for the purposes of calculating the total EAFRD contribution referred to in the first subparagraph. [Am. 543]

The first subparagraph does not apply to the outermost regions.

Article 86 - Minimum and maximum financial allocations

Article 86

Minimum and maximum financial allocations

1. At least **10%** of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX shall be reserved for LEADER community-led local development in Article 25 of Regulation (EU) [CPR].
2. At least **50%** of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX shall be reserved for interventions addressing the specific environmental- and climate-related objectives set out in points (d), (e), ~~and (f)~~ of Article 6(1) of this Regulation, excluding interventions based on Article 66.

The first paragraph does not apply to the outermost regions.

2a. At least 3 % of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX shall be reserved for farm

<p>2a. <i>At least 30 % of the total EAFRD contribution to the CAP strategic plan as set out in Annex IX shall be reserved for interventions under Articles 68, 70, 71 and 72 for specific objectives aimed at fostering the development of an intelligent, resilient and diversified agricultural sector as defined in points (a), (b) and (c) of Article 6(1) of this Regulation. [Am. 544]</i></p> <p>3. A maximum 4 % of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX may be used to finance the actions of technical assistance at the initiative of the Member States referred to in Article 112.</p> <p>The EAFRD contribution may be increased to 6 % for CAP Strategic plans where the total amount of Union support for rural development is up to EUR 90 million.</p> <p>Technical assistance shall be reimbursed as a flat-rate financing following Article 125(1)(e) of Regulation (EU/Euratom .../[new Financial Regulation] in the framework of interim payments pursuant to Article 30 of Regulation (EU) .../[HZR]. This flat-rate shall represent</p>	<p><i>advisory services referred to in Article 13 and knowledge exchange and information interventions under Article 72.</i></p> <p>3. A maximum 6% of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX may be used to finance the actions of technical assistance at the initiative of the Member States referred to in Article 112.</p> <p>The EAFRD contribution may be increased to 8% for CAP Strategic plans where the total amount of Union support for rural development is up to EUR 90 million.</p> <p>Technical assistance shall be reimbursed as a flat-rate financing following Article 125(1)(e) of Regulation (EU/Euratom .../[new Financial Regulation] in the framework of interim payments pursuant to Article 30 of Regulation (EU) [HZR]. This flat-rate shall represent the percentage set in the CAP Strategic Plan for technical assistance of the total expenditure declared.</p> <p>3b. <i>A maximum 10% of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX may be used to finance</i></p>
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<p>the percentage set in the CAP Strategic Plan for technical assistance of the total expenditure declared.</p> <p>4. For each Member State the minimum amount set out in Annex X for the complementary income support for shall be reserved for contributing to the specific objective 'attract young farmers as laid down in Article 27 and facilitate business development' set out in point (g) of Article 6(1). On the basis of the analysis of the situation in terms of strengths, weaknesses, opportunities and threats ('the SWOT analysis') and the identification of the needs that are to be addressed, the amount shall be used for the following types of interventions:</p> <p>(a) the Complementary Income Support for Young Farmer as laid down in Article 27;</p> <p>(b) the installation of young farmers referred to in Article 69. [Am. 545]</p> <p>4a. <i>Member States shall reserve at least 60% of the amounts laid down in Annex VII for basic income support for</i></p>	<p><i>tangible investments referred to in Article 68. Investments referred to in Article 68 (4) shall not count towards the 10% maximum. A maximum 5% of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX may be used to finance investments in installation of digital technologies as referred to in Article 68b. Investments contributing to achieving the objectives set out in points (d), (e) and (f) of Article 6(1) of this Regulation shall not count towards the 5% maximum</i></p> <p><i>3c. A maximum of 10% of the total EAFRD contribution to the CAP Strategic Plan as set out in Annex IX may be used to finance risk management tools as referred to in Article 70.</i></p> <p><i>4 a. At least 50% of the total EAGF contribution to the CAP Strategic Plan shall be reserved for schemes for the climate and the environment as described in Article 28.</i></p> <p><i>4b. At least 30 % of the amounts set out in Annex VII shall be reserved to support the redistributive payment referred to in Article 26.</i></p>
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<p><i>sustainability and the redistributive payment as referred to in subsections 2 and 3 of Section 2 of Chapter II of Title III. [Am. 546]</i></p> <p>4b. <i>Of the amounts set out in paragraph 4a of this Article, at least 5 % of the amounts set out in Annex VII shall be reserved to support the redistributive payment referred to in Article 26. [Am. 547]</i></p> <p>4c. <i>Member States shall reserve at least 20 % of the amounts laid down in Annex VII for interventions referred to in Article 28. [Am. 548]</i></p>	<p>4c. <i>At least 5% of the of the amounts set out in Annex VII shall be reserved for the Complementary Income Support for Young farmers and New Entrants as laid down in Article 27</i></p> <p>4d <i>At least 5% of the total EAGF contribution to the CAP Strategic Plan as set out in Annex VII shall be reserved for interventions addressing the specific food safety and animal welfare-related objective set out in point (i) of Article 6(1), in particular the schemes for animal welfare as described in Article 28.</i></p> <p>4 e. <i>Expenditure on basic income support for sustainability as referred to in Subsection 1 of Section 2 of Chapter II of Title III. shall decrease to 0 % by 2027, to allow for funds to be redirected towards more targeted measures.</i></p> <p>5. The indicative financial allocations for the coupled income support interventions referred to in Subsection 1 of Section 2 of Chapter II of Title III, shall be limited to a maximum of 10% 8% of the amounts set out in Annex VII.</p>
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<p>5. The indicative financial allocations for the coupled income support interventions referred to in Subsection 1 of Section 2 of Chapter II of Title III, shall be limited to a maximum of 10% of the amounts set out in Annex VII. <i>Member States may transfer a part of it to increase the maximum allocation set up in Article 82(6) if that allocation is insufficient to finance the interventions covered under Section 7 of Chapter III of Title III. [Am. 549]</i></p> <p>By way of derogation from the first subparagraph, Member States that in accordance with Article 53(4) of Regulation (EU) No 1307/2013 used for the purpose of voluntary coupled support more than 13% of their annual national ceiling set out in Annex II to that Regulation, may decide to use for the purpose of coupled income support more than 10% of the amount set out in Annex VII. The resulting percentage shall not exceed the percentage approved by the Commission for voluntary coupled support in respect of claim year 2018.</p>	<p>By way of derogation from the first subparagraph, Member States that in accordance with Article 53(4) of Regulation (EU) No 1307/2013 used for the purpose of voluntary coupled support more than 13% of their annual national ceiling set out in Annex II to that Regulation, may decide to use for the purpose of coupled income support more than 10% of the amount set out in Annex VII. The resulting percentage shall not exceed the percentage approved by the Commission for voluntary coupled support in respect of claim year 2018.</p>
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<p>The percentage referred to in the first subparagraph, may be increased by a maximum of 2%, provided that the amount corresponding to the percentage exceeding the 10% is allocated to the support for protein crops under Subsection 1 of Section 2 of Chapter II of Title III.</p> <p>The amount included in the approved CAP Strategic Plan resulting from the application of the first and second subparagraphs shall be binding.</p> <p>6. Without prejudice to Article 15 of Regulation (EU) .../... [HzR], the maximum amount which may be granted in a Member State before the application of Article 15 of this Regulation pursuant to Subsection 1 of Section 2 of Chapter II of Title III of this Regulation in respect of a calendar year shall not exceed the amounts fixed in the CAP Strategic Plan in accordance with paragraph 65. [Am. 550]</p> <p>7. Member States may decide in their CAP Strategic Plan to use a certain share of the EAFRD allocation to leverage support and upscale integrated Strategic Nature Projects as defined under Regulation (EU) .../... [LIFE] <i>when farmers communities are involved</i> and to finance actions in respect</p>	<p>The percentage referred to in the first subparagraph, may be increased by a maximum of 2%, provided that the amount corresponding to the percentage exceeding the 8% is allocated to the support for oleaginous and protein crops under Subsection 1 of Section 2 of Chapter II of Title III.</p> <p>The amount included in the approved CAP Strategic Plan resulting from the application of the first and second subparagraphs shall be binding.</p> <p>6. Without prejudice to Article 15 of Regulation (EU) [HzR], the maximum amount which may be granted in a Member State before the application of Article 15 of this Regulation pursuant to Subsection 1 of Section 2 of Chapter II of Title III of this Regulation in respect of a calendar year shall not exceed the amounts fixed in the CAP Strategic Plan in accordance with paragraph 65.</p> <p>7. Member States may decide in their CAP Strategic Plan to use a certain share of the EAFRD allocation to leverage support and upscale integrated Strategic Nature Projects as defined under the [LIFE Regulation] <i>when farmers communities are involved</i> and to finance actions in respect of transnational learning mobility of people</p>
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<p>of transnational learning mobility of people in the field agricultural and rural development with a focus on young farmers, in accordance with Regulation (EU) .../... [Erasmus], <i>and on rural women</i>. [Am. 551]</p>	<p>in the field agricultural and rural development with a focus on young farmers, in accordance with the [Erasmus Regulation], <i>and rural women</i>.</p>
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Article 87

Tracking climate expenditure

1. On the basis of the information provided by Member States, the Commission shall evaluate the contribution of the policy to the climate change objectives using a simple and common methodology.
2. The contribution to the expenditure target shall be estimated through the application of specific weightings differentiated on the basis whether the support makes a significant or a moderate contribution towards climate change objectives. These weighting shall be as follows:
 - (a) 40 % for the expenditure under the Basic Income Support for Sustainability and the Complementary Income Support referred to in Title III, Chapter II, section II, subsections 2 and 3;
 - (b) 100 % for expenditure under the schemes for the climate and the environment referred to in Title III, Chapter II, section II, subsection 4;

Article 87 - Tracking climate expenditure

Article 87

Tracking climate expenditure

1. On the basis of the information provided by Member States the Commission shall evaluate the contribution of the policy to the climate change objectives using simple, ***appropriate, accurate*** and common methodologies, ***taking into account the EU Taxonomy for Sustainable Finance. The Commission shall regularly report on the progress towards mainstreaming climate action, including the amount of expenditure. The findings shall be presented annually in the review meetings as set out in Article 122.***
2. The contribution to the expenditure target shall be estimated through the application of specific weightings differentiated on the basis whether the support makes a significant or a moderate contribution towards climate change objectives, ***taking into account the EU Taxonomy Regulation and be complemented by the Union climate marker system.*** These weightings shall be as follows:

<p>(c) 100 % for expenditure for the interventions referred to in the first subparagraph of Article 86(2), <i>with the exception of the expenditure referred to in point (d); [Am. 552]</i></p> <p>(d) 40 % for expenditure for natural or other area-specific constraints referred to in Article 66.</p>	<p>(a) 40% for the expenditure under the Basic Income Support for Sustainability and the Complementary Income Support referred to in Title III, Chapter II, section II, subsections 2 and 3</p> <p>(b) 100% for expenditure under the schemes for the climate and the environment referred to in Title III, Chapter II, section II, subsection 4,;</p> <p>(c) 100% for expenditure for interventions <i>under the EAFRD which have as their principal objective the specific environmental- and climate-related objectives set out in points (d), (e), and (f) of Article 6(1)</i> referred to in the first subparagraph of Article 86(2), <i>with the exception of expenditure for natural or other area-specific constraints referred to in Article 66.</i></p> <p>(d) 40% for expenditure for natural or other area specific constraints referred to in Article 66.</p>
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	<p><i>2.a (new) The Commission shall, three years after the start of the period referred to in Article 1, paragraph 2, launch an independent study to assess if the weighting set out in this Article accurately account for the respective interventions' contributions to achieving the climate change objectives. If the weightings are found to be inaccurate, the Commission shall revise the tracking methodology and adapt the weightings accordingly, as part of the midterm review.</i></p> <p><i>2. b (new) The Commission is empowered to adopt delegated acts in accordance with Article 138, supplementing this Regulation with methodologies to track the mainstreaming of and evaluate the estimated expenditure dedicated to climate or environmental objectives, including biodiversity.</i></p>
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Article 87a

Tracking of competitiveness boosting expenditure

- 1. On the basis of the information provided by Member States, the Commission shall evaluate the contribution of the policy to the boosting of competitiveness objectives using a simple and common methodology.*
- 2. The contribution to the expenditure target shall be estimated through the application of specific weightings differentiated on the basis of whether the support makes a significant or a moderate contribution towards boosting competitiveness as linked to the cross-cutting objective referred to in Article 5 and the economic objectives in points (a), (b) and (c) of Article 6(1). Those weightings shall be based on a set of indicators measuring those objectives and shall be developed by the Commission by means of delegated acts in accordance with Article 138.*

[Am. 553]

Article 88

Indicative financial allocations

1. Member States shall set out, in their CAP Strategic Plan, an indicative financial allocation for each intervention. For each intervention, the multiplication of the planned unit amount, without the application of the percentage of variation referred to in Article 89, and the planned outputs, shall equal this indicative financial allocation.
2. Where different unit amounts are planned within an intervention, the sum of the multiplications of the planned unit amounts, without the application of the percentage of variation referred to in Article 89 and the corresponding planned outputs shall equal the indicative financial allocation referred to in paragraph 1.

Article 89

Variation of the unit amount

1. Without prejudice to the application of Article 15, Member States shall set a maximum amount of support per unit or a percentage of variation for each intervention of the following types of interventions:
 - (a) decoupled direct payments and coupled income support referred to in Chapter II of Title III;
 - (b) payments for management commitments referred to in Article 65;
 - (c) payments for natural constraints or other area-specific disadvantages referred to in Articles 66 and 67.

Percentage of variation is the percentage by which the realised average or uniform *indicative* unit amount may exceed the planned average or uniform *indicative* unit amount referred to in the CAP Strategic Plan. [Am. 554]

For each intervention in the form of direct payments, the realised average or uniform *indicative* unit amount shall

<p>never be lower than the planned <i>indicative</i> unit amount, unless the realised output exceeds the planned output as established in the CAP Strategic Plan. [Am. 555]</p> <p>Where different <i>indicative</i> unit amounts have been defined within an intervention, this subparagraph shall apply to each uniform or average <i>indicative</i> unit amount of that intervention. [Am. 556]</p> <p>2. For the purposes of this Article, the realised average or uniform unit amount is calculated by dividing the annual expenditure paid by the corresponding realised output for each intervention.</p> <p>2a. <i>Member States may reallocate amounts within types of interventions.</i> [Am. 557]</p>	
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Article 90

Flexibility between direct payments allocations and EAFRD allocations

1. As part of their CAP Strategic Plan proposal referred to in Article 106(1), Member States may decide to transfer:
 - (a) up to 15 % of the Member State's allocation for direct payments set out in Annex IV after deduction of the allocations for cotton set in Annex VI for calendar years ~~2021~~**2022** to 2026 to the Member State's allocation for EAFRD in financial years ~~2022—2027~~**2023 – 2027**, *provided that Member States use the corresponding increase for agri-environmental interventions whose beneficiaries are farmers*; or **[Am. 558]**
 - (b) up to ~~15%~~ **5 %** of the Member State's allocation for EAFRD in financial years ~~2022~~ **2023** – 2027 to the Member State's allocation for direct payments set out in Annex IV for calendar years ~~2021~~**2022** to 2026, *provided that the corresponding increase is allocated to operations covered by Article 28.* **[Am. 559]**

ENVI 140

~~(b)~~ *deleted*

~~The percentage of~~ *By way of derogation from point (b) of the first subparagraph, Croatia, Poland, Hungary and Slovakia may transfer up to 15 % of their EAFRD from Member State's allocation to for direct payments to its allocation for EAFRD referred to in the first subparagraph may be increased by set out in Annex IV, provided that 5% is dedicated to operations covered by Article 28.*

~~(a) — up to 15 percentage points provided that Member States use the corresponding increase for EAFRD financed interventions addressing the specific environmental and climate related objectives referred to in points (d), (e) and (f) of Article 6(1);~~

~~(b) — up to 2 percentage points provided that the Member States use the corresponding increase in accordance with point (b) of Article 86(5).~~ **[Am. 560]**

2. The decisions referred to in the paragraph 1 shall set out the percentage referred to in paragraph 1, which may vary by calendar year.

The percentage of transfer from Member State's allocation for direct payments to its allocation for EAFRD referred to in the first subparagraph may **additionally** be increased by:

(a) up to 15 percentage points provided that Member States use the corresponding increase for EAFRD financed interventions addressing the specific environmental- and climate-related objectives referred to in points (d), (e) and (f) of Article 6(1);

(b) up to 2 percentage points provided that the Member States use the corresponding increase in accordance with point (b) of Article 86(4).

<p>3. Member States may, in 20232024, review their decisionreferred to in paragraph 1 as part of a request for amendment of their CAP Strategic Plans, referred to in Article 107. [Am. 561]</p>	
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TITLE V
CAP STRATEGIC PLAN

CHAPTER I
GENERAL REQUIREMENTS

Article 91
CAP Strategic Plans

Member States *and, where appropriate, in collaboration with regions*, shall establish CAP Strategic Plans in accordance with this Regulation to implement the Union support financed by the EAGF and the EAFRD for the achievement of the specific objectives set out to in Article 6(1). [Am. 562]

Based on the SWOT analysis referred to in Article 103(2) and an assessment of needs referred to in Article 96, Member State *and, where appropriate, in collaboration with regions*, shall establish in the CAP Strategic Plans an intervention strategy as referred to in Article 97 in which quantitative targets and milestones shall be set to achieve the specific objectives set out to in Article 6. The targets shall be defined using a common set of result indicators set out in Annex I. [Am. 563]

ENVI 141

<p>To reach these targets Member States shall set out interventions based on the types of interventions laid down in Title III.</p> <p>Each CAP Strategic Plan shall cover the period from 1 January 20212022 to 31 December 2027. [Am. 564]</p> <p><i>The approval of the CAP Strategic Plans and its implementation by Member States shall not cause any delays in the aid application period for beneficiaries nor in the timely payment to beneficiaries of the aid. [Am. 565]</i></p>	<p>Based on the SWOT analysis referred to in Article 103(2) and an assessment of needs referred to in Article 96, Member State shall establish in the CAP Strategic Plans an intervention strategy as referred to in Article 97 in which quantitative targets and milestones shall be set to achieve the specific objectives set out to in Article 6. The targets shall be defined using a common set of result <i>and impact [envi 141]</i> indicators set out in Annex I.</p>
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<p style="text-align: center;">Article 92</p> <p>Increased ambition with regard to <i>objectives related to agri-environment</i> environmental and climate-related objectives [Am. 566]</p> <p>1. Member States shall aim to make, through their CAP Strategic Plans and in particular through the elements of the intervention strategy referred to in point (a) of Article 97(2), a greater overall <i>share of the budget allocated</i> contribution to the achievement of the specific environmental <i>objectives related to agri-environment</i> and climate-related objectives set out in points (d), (e) and (f) of Article 6(1) in comparison to the overall <i>share of the budget allocated</i> contribution made to the achievement of the objective laid down in point (b) of the first subparagraph of Article 110(2) of Regulation (EU) No 1306/2013 through support under the EAGF and the EAFRD in the period 2014 to 2020. [Am. 567]</p> <p>2. Member States shall explain in their CAP Strategic Plans, on the basis of available information, how they intend to achieve the greater overall contribution set out to in</p>	<p><i>ENVI 142 merged with agri 566, 567, 568, & additions</i></p> <p style="text-align: center;">Article 92</p> <p>Increased ambition with regard to objectives related to agri-environment environmental [agri 566], climate and animal welfare [envi 142] -related objectives</p> <p>1. Member States shall <i>allocate</i> make, through their CAP Strategic Plans and in particular through the elements of the intervention strategy referred to in point (a) of Article 97(2), a greater overall <i>share of the budget</i> contribution [a567] to the achievement of <i>each of [e]</i> the specific environmental <i>objectives related to agri-environment</i> [a567], climate and animal welfare related objectives set out in points (d), (e), (f) and (i) ^[e] of Article 6(1) in comparison to the overall <i>share of the budget allocated</i> contribution made [a567] to the achievement of the objective laid down in point (b) of the first subparagraph of Article 110(2) of Regulation (EU) No 1306/2013 through support under the EAGF and the EAFRD in the period 2014 to 2020.</p> <p><i>The greater overall contribution shall support the achievement of the</i></p>
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paragraph 1. That explanation shall be based on relevant information such as the elements referred to in points (a) to (f) of Article 95(1) and in ~~point~~ *points (a) and* (b) of Article 95(2). [Am. 568]

targets set out in the Farm to Fork and Biodiversity Strategies

1a. The increased ambition with regard to environmental and climate-related objectives will also be quantified by comparing the latest available values of the impact indicators set out in Annex I, and the target values for these indicators that Member States aim to achieve by 2027. Special consideration will be given to achieving the following targets at European Union level:

- (a) Reduction of 30% of the greenhouse gas emissions linked to the agricultural sector and its related land-use compared to 2005, as per I.10 of Annex I*
- (b) Reduction of 50% of nutrient losses, as per I.15 of Annex I, compared to the latest year for which data is available,*
- (c) Achieving 10% of UAA covered by high-biodiversity landscape features, as per I.20 of Annex I*
- (d) Reduction of 50% of the use of antibiotics in agriculture, as per I.26 of Annex I, compared to the latest year for which data is available*
- (e) Reduction of 50% of use ~~risks~~ and impacts of pesticides as per I.27 of Annex I, compared to the latest year for which data is available*

	<p>(f) <i>Achieving 25% of UAA under organic farming [as per CAP context indicator C.32]. In particular [added], payments towards organic conversion and maintenance in CAP Strategic Plans under Articles 28 and 65 shall exceed the total payments made before 2021 under Rural Development to organic farmers, calculated as a yearly average using constant prices [e].</i></p> <p>2. Member States shall justify explain [added] in their CAP Strategic Plans, on the basis of <i>the most recent and reliable</i> [e] available information, how they intend to achieve the greater overall contribution set out in paragraph 1 <i>and 1a and how they intend to achieve the targets set out in the F2F and BDV Strategies</i>. That justification [added] shall be based on relevant information such as the elements referred to in points (a) to (f) of Article 95(1) and in point <i>points (a) and</i> (b) of Article 95(2). [a568]</p>
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Article 93

CAP Strategic Plan architecture

Each Member State *and, where appropriate, in collaboration with regions*, shall establish a single CAP Strategic Plan for its entire territory. [Am. 569]

Where elements of the CAP Strategic Plan are established *and/or implemented* at regional level *via the Regional Intervention Programmes*, the Member State shall ensure the coherence and the consistency with the elements of the CAP Strategic Plan established at national level. [Am. 570]

<p style="text-align: center;">Article 94</p> <p style="text-align: center;">Procedural requirements</p> <ol style="list-style-type: none"> 1. Member States shall draw up the CAP Strategic Plans based on transparent procedures, in accordance with their institutional and legal framework. 2. The body of the Member State responsible for drawing up the CAP Strategic Plan shall ensure that the competent public authorities for the environment and climate are effectively fully involved in the preparation of the environmental and climate aspects of the plan. [Am. 571] 3. Each Member State shall organise a partnership with the competent regional and local authorities as well as others partners. The partnership shall include at least the following partners: [Am. 572] <ol style="list-style-type: none"> (a) relevant public authorities; (b) economic and social partners, in particular representatives of the agricultural sector, and including Local Action Groups in the context of LEADER programmes; [Am. 573] 	<p><i>envi 143, agri 577 & additions</i></p> <ol style="list-style-type: none"> 1. Member States shall draw up the CAP Strategic Plans based on transparent procedures, in accordance with their institutional and legal framework. <i>1a. Member States shall make CAP Strategic Plans and related annexes public, both at the draft stage and after their approval. [e]</i> 2. The body of the Member State responsible for drawing up the CAP Strategic Plan shall ensure that the competent authorities for the environment and climate are effectively and inclusively involved in the preparation of the environmental and climate aspects of the plan. 3. Each Member State shall organise a partnership with the competent regional and local authorities and all interested parties [added]. The partnership shall include at least the following partners:
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<p>(c) relevant bodies representing civil society <i>related to all objectives laid down in Article 5 and Article 6(1)</i> and where relevant bodies responsible for promoting social inclusion, fundamental rights, gender equality and non-discrimination. [Am. 574]</p> <p>Member States shall <i>fully</i> involve those partners in the preparation of the CAP Strategic Plans. [Am. 575]</p> <p>4. Member States and the Commission shall cooperate to ensure effective coordination in the implementation of CAP Strategic Plans, taking account of the principles of proportionality and shared management <i>and proper functioning of the internal market</i>. [Am. 576]</p> <p>4a. <i>The Commission is empowered to adopt a delegated act in accordance with Article 138 to set out a code of conduct to support Member States in the organisation of the partnership referred to in paragraph 3. The code of conduct shall set out the framework within which Member States, in accordance with their national law and regional</i></p>	<p>(a) relevant public authorities;</p> <p>(b) economic, <i>environmental</i> and social partners; [e]</p> <p>(c) Relevant bodies representing civil society, including non-governmental organisations promoting environmental protection, [added] and where relevant bodies responsible for promoting <i>public health</i>, [e] social inclusion, fundamental rights, gender equality and non-discrimination.</p> <p><i>All partners listed under (b) shall have equal representation, and a balanced representation between (b) and (c) shall be ensured.</i></p> <p>Member States shall involve those partners in the preparation of the CAP Strategic Plans, <i>including through participation in monitoring committees in accordance with Article 111, [e]</i> and shall ensure that the public is given early and effective opportunities to participate in preparing the draft and the amendments of the CAP Strategic Plan, in compliance with the Aarhus Convention [added].</p> <p>4. Member States and the Commission shall cooperate to ensure effective coordination in the implementation of CAP Strategic Plans, taking account of the principles of proportionality and shared management.</p>
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competences, are to pursue the implementation of the partnership principle. [Am. 577]

4a. The Commission is empowered to adopt a delegated act in accordance with Article 138 to set out a code of conduct to support Member States in the organisation of the partnership referred to in paragraph 3. The code of conduct shall set out the framework within which Member States, in accordance with their national law and regional competences, are to pursue the implementation of the partnership principle.

[a577]

<p style="text-align: center;">CHAPTER II</p> <p style="text-align: center;">CONTENT OF THE CAP STRATEGIC PLAN</p> <p style="text-align: center;">Article 95</p> <p style="text-align: center;">Content for the CAP Strategic Plans</p> <p>1. Each CAP Strategic Plan shall contain the following sections:</p> <ul style="list-style-type: none"> (a) an assessment of needs; (b) an intervention strategy; (c) a description of elements common to several interventions; (d) a description of the direct payments, sectoral and rural development interventions specified in the strategy; (e) target and financial plans, <i>including, where appropriate, those on the regional intervention programmes</i>; [Am. 578] (f) a description of the governance and coordination system; 	<p><i>femm & additions</i></p> <p>1. Each CAP Strategic Plan shall contain the following sections:</p> <ul style="list-style-type: none"> (a) an assessment of needs; <p><i>(aa) national values for the key agricultural targets foreseen under the European Green Deal, corresponding to the impact and context indicators I.10, I.15, I 18, I 19, I.20, I.26, I.27, and C.32 [added]</i></p> <p>[...]</p> <p><i>(fa) a description of the elements that ensure consistency with Commission recommendations issued to the Member State under Action 3 of the Farm to Fork Strategy, concerning the 9 specific CAP objectives; [added]</i></p>
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<p>(g) a description of the elements that ensure modernisation of the CAP;</p> <p>(h) a description of the elements related to simplification and reduced administrative burden for final beneficiaries.</p> <p>2. Each CAP Strategic Plan shall contain the following annexes:</p> <p>(a) Annex I on the ex-ante evaluation and the strategic environmental assessment (SEA);</p> <p>(b) Annex II on the SWOT analysis;</p> <p>(c) Annex III on the consultation of the partners <i>a summary of comments submitted by the competent regional and local authorities and the partners as referred to in Article 94(3); [Am. 579]</i></p> <p>(d) Annex IV on the crop-specific payment for cotton, <i>where applicable; [Am. 580]</i></p> <p>(e) Annex V on <i>state aid for the Strategic Plan not exempted from Articles 107, 108 and 109 TFEU, in</i></p>	<p>2. ...</p> <p>(a a) <i>Annex Ia on the gender impact assessment; [femm]</i></p>
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<p><i>accordance with Article 131(4), and the additional national financing provided for all development interventions within the scope of the CAP Strategic Plan;</i> [Am. 581]</p> <p><i>(ea) Annex VI on the schemes for the climate, environment and animal welfare as referred to in Article 28;</i> [Am. 582]</p> <p><i>(eb) Annex VII on the Regional Intervention Programmes; and</i> [Am. 583]</p> <p><i>(ec) Annex VIII on the elements of the Strategic Plans that contribute to increase competitiveness.</i> [Am. 584]</p> <p>3. Detailed rules for the content of the sections and the annexes of the CAP Strategic Plans referred to in paragraphs 1 and 2 are laid down in Articles 96 to 103.</p>	<p>2. ...</p> <p>(e d) Annex VIa on the schemes for animal welfare as referred to in Article 28a; [added]</p>
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Article 96

Assessment of needs

The assessment of needs referred to in point (a) of Article 95(1) shall include the following:

- (a) summary of the SWOT analysis as referred to in Article 103(2);
- (b) identification of needs for each specific objective set out in Article 6, *including animal welfare*, based on the evidence from the SWOT analysis. All the needs shall be described, regardless whether they will be addressed through the CAP Strategic Plan or not; **[Am. 585]**
- (c) for the specific objective of supporting viable farm income and resilience set out in point (a) of Article 6(1), an assessment of needs in relation to risk management;
- (d) where applicable, an analysis of the specific needs *isolated or* of vulnerable geographical areas, such as the outermost regions, *mountainous regions and island regions*; **[Am. 586]**

<p>(e) prioritisation and ranking of needs, including a sound justification of <i>in accordance with</i> the choices made and if relevant, <i>a justification of the reasons</i> why certain identified needs are not addressed or partially addressed in the CAP Strategic Plan; [Am. 587]</p> <p>(ea) <i>a summary of the areas where baseline information is missing or is insufficient for the purposes of providing a full description of the current situation as regards the specific objectives laid down in Article 6 and for the purposes of monitoring those objectives.</i> [Am. 588]</p> <p>For the specific environmental and climate objectives referred to in points (d), (e), and (f) of Article 6(1), the assessment shall take into account the national environmental and climate plans emanating from the legislative instruments referred to in Annex XI.</p> <p>Member States shall use the most recent and most reliable data for this assessment <i>and shall utilise data disaggregated by gender, where relevant.</i> [Am. 589]</p>	
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<p style="text-align: center;">Article 97</p> <p style="text-align: center;">Intervention strategy</p> <p>1. The intervention strategy referred to in point (b) of Article 95(1) shall set out, for each specific objective set out in Article 6(1) and addressed in the CAP Strategic Plan:</p> <p>(a) targets for each relevant common and, where relevant, CAP Strategic Plan specific result indicators and related milestones. The value of these targets shall be justified in view of the assessment of needs referred to in Article 96. As regards the specific objectives set out in points (d), (e), and (f) of Article 6(1), targets shall be derived from the elements of explanation given in points (a) and (b) of paragraph 2 of this Article;</p> <p>(b) interventions, based on the types of intervention set out in Title III, except the crop-specific payment for cotton laid down in Subsection 2 of Section 3 of Chapter II of that Title shall be designed to address the specific situation in the area concerned, following a sound intervention logic, supported by the ex-ante evaluation referred to in Article 125, the SWOT analysis referred</p>	<p><i>envi 148, agri 591 & additions</i></p> <p>(a) targets for each relevant common and, where relevant, CAP Strategic Plan specific result <i>and impact</i> <i>[e]</i> indicators and related milestones. The value of these targets shall be justified in view of the assessment of needs referred to in Article 96 <i>and in view of the EU-level targets set out in the Farm to Fork and Biodiversity Strategies.</i> <i>[added]</i> As regards the specific objectives set out in points (d), (e), and (f) of Article 6(1), targets shall be derived from the elements of explanation given in points (a) and (b) of paragraph 2 of this Article;</p> <p>[...]</p>
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<p>to in Article 103(2) and the assessment of needs referred to in Article 96;</p> <p>(c) elements showing how the interventions allow reaching the targets and how they are mutually coherent and compatible;</p> <p>(d) elements demonstrating that the allocation of financial resources to the interventions of the CAP Strategic Plan is justified and adequate to achieve the targets set, and is consistent with the financial plan as referred to in Article 100.</p> <p>2. The intervention strategy shall also provide the following elements, showing the consistency of the strategy and the complementarity of interventions across the specific objectives set out in Article 6(1):</p> <p>(a) an overview of the environmental and climate architecture of the CAP Strategic Plan which describes the complementarity and baseline conditions between the conditionality and the different interventions addressing the specific environmental- and climate-</p>	<p>[...]</p> <p>2. The intervention strategy shall also provide the following elements, showing the consistency of the strategy, and the complementarity of interventions across the specific objectives set out in Article 6(1), <i>and the coherence of the strategy with EU environmental and climate legislation and with the European Green Deal, in particular regarding the targets set out in the Farm to Fork and Biodiversity Strategies: [added]</i></p> <p>(a) an overview of the environmental and climate architecture of the CAP Strategic Plan which describes the complementarity and baseline conditions between the conditionality and the different</p>
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<p>related objectives set out to in points (d), (e), and (f) of Article 6(1), as well as the way to achieve the greater overall contribution set out to in Article 92;</p> <p><i>(aa) an explanation of the social and economic architecture of the CAP Strategic Plan, describing the complementarity and basic conditions between the different interventions aimed at the specific objectives related to agricultural economic development and rural areas defined respectively in points (a), (b), (c), (g), (h) and (i) of Article 6(1); [Am. 590]</i></p> <p>(b) an explanation of how the environment and climate architecture of the CAP Strategic Plan is meant to contribute to already established long-term national targets set out in or deriving from the legislative instruments referred to in Annex XI;</p> <p><i>(ba) where relevant, an overview of how the CAP Strategic Plan is addressing the needs of High Natural Value farming systems, including aspects relating to their socio-economic viability. [Am. 591]</i></p>	<p>interventions addressing the specific environmental- and climate-related objectives set out to in points (d), (e), and (f) of Article 6(1), as well as the way to achieve the greater overall contribution set out to in Article 92;</p> <p>(b) an explanation of how the environment and climate architecture of the CAP Strategic Plan is meant to contribute to already established long-term national targets set out in or deriving from the legislative instruments referred to in Annex XI <i>and to European Union targets set out in the Farm to Fork and Biodiversity Strategies; [added]</i></p> <p><i>(ba) where relevant, an overview of how the CAP Strategic Plan is addressing the needs of High Natureal Value farming systems, including aspects relating to their socio-economic viability. [a 591]</i></p>
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<p>(c) in relation to the specific objective 'attract young farmers and facilitate their business development' set out line with in point (g) of Article 6(1), an overview of the CAP Strategic Plan relevant interventions and specific conditions such as those specified in Articles 22(4), 27, 69 and 71(7) shall be presented. Member States shall in particular refer to Article 86(5) when presenting the financial plan in relation to the types of interventions referred to in Articles 27 and 69. The overview shall also explain the interplay with national instruments with a view of improving the consistency between Union and national actions in this area; [Am. 592]</p> <p>(d) an overview of the sector-related interventions, including coupled income support as referred to in Subsection 1 of Section 3 of Chapter II of Title III and the sectoral interventions referred to in Chapter III of Title III, providing a justification for targeting the sectors concerned, the list of interventions per sector, their complementarity, as well as the possible specific</p>	<p><i>(bb) an overview of the measures aimed to enhance animal welfare; [e]</i></p> <p>[...]</p>
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<p>additional targets related to the interventions based on the sectoral types of interventions referred to in Chapter III of Title III;</p> <p>(e) an explanation as to which interventions will contribute to ensure a coherent and integrated approach to risk management;</p> <p>(f) a description of the interplay between national and regional interventions, including the distribution of financial allocations per intervention and per fund; <i>and</i> [Am. 593]</p> <p><i>(fa) an explanation of how the CAP Strategic Plan is meant to contribute to the objective of improving animal health and welfare and reducing antimicrobial resistance. Member States shall in particular refer to the types of interventions covered by Articles 28 and 65. [Am. 594]</i></p>	<p><i>(ea) an explanation of how the CAP Strategic Plan ensures gender mainstreaming and contributes to the objective to achieve gender equality; [e]</i></p>
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Article 98

Elements common to several interventions *in Strategic Plans*

[Am. 595]

The description of elements common to several interventions referred to in point (c) of Article 95(1) shall include:

- (a) the definitions provided by Member States in compliance with Article 4(1), as well as the minimum requirements for interventions in the form of decoupled direct payments pursuant to Article 16;
- (b) a description of the system of conditionality, which comprises the following:
 - (i) for each GAEC standard as referred to in Annex III a description of the way the Union standard is implemented, including the following elements: summary of the on-farm practice, territorial scope, type of farmers concerned, and justification of the contribution to the main objective of the practice;

<p>(ii) a description of the overall contribution to the specific environmental- and climate-related objectives set out in points (d), (e) and (f) of Article 6(1);</p> <p>(c) a description of the use of 'technical assistance' as referred to in Articles 83(2), 86(3) and 112 and of the CAP networks as referred to in Article 113; and [Am. 596]</p> <p>(d) other implementation information, in particular:</p> <ul style="list-style-type: none"> (i) a short description of the establishment of the value of payment entitlements and of the functioning of the reserve, where applicable; (ii) the use of the estimated product of reduction of direct payments as referred to in Article 15; (iii) an overview of the coordination, demarcation and complementarities between the EAFRD and other Union funds active in rural areas; 	
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Article 99

Interventions

The description of each intervention specified in the strategy referred to in point (d) of Article 95(1) shall include:

- (a) the type of interventions it belongs to;
- (b) the territorial scope;
- (c) the specific design or requirements of that intervention that ensure an effective contribution to the *relevant* specific objective(s) set out in Article 6(1). For environmental and climate interventions, articulation with the conditionality requirements shall show that the practices do not overlap;
[Am. 597]
- (d) the eligibility conditions, *in accordance with this Regulation*; **[Am. 598]**
- (e) for each intervention which is based on the types of interventions listed in Annex II to this Regulation, how it respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture as specified in Article 10 of this Regulation and in Annex II to this Regulation, and for each

<p>intervention which is not based on the types of interventions listed in Annex II to this Regulation, whether and, if so, how it respects relevant provisions of Article 6.5 or Annex 2 to the WTO Agreement on Agriculture;</p> <p>(f) the annual planned outputs for the intervention, and where relevant, a breakdown per uniform or average unit amount of support;</p> <p>(g) the annual planned unit amount of support, its justification and a justified maximum upper variation of that unit amount as referred to in Article 89. Where applicable, the following information shall also be provided:</p> <ul style="list-style-type: none"> (i) the form and rate of support; (ii) the calculation of the unit amount of support and their certification as referred to in Article 76; (iii) the different uniform unit amounts of support within that intervention, notably for groups of territories defined in Article 18(2); 	
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<p>(iv) where Member States decide to differentiate the amount of the basic income support per hectare in accordance with Article 18(2) for each group of territories;</p> <p>(h) the resulting annual financial allocation for the intervention, as referred to in Article 88. Where applicable, a breakdown on amounts planned for grants and amounts planned for financial instruments shall be provided; <i>and</i> [Am. 599]</p> <p>(i) an indication as to whether the intervention falls outside the scope of Article 42 TFEU and is subject to State aid assessment <i>in accordance with the indication given by the Commission in the State Aid Guidelines.</i> [Am. 600]</p>	
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Article 100

Target and financial plans

1. The target plan referred to in point (e) of Article 95(1) shall consist of a recapitulative table showing the targets as referred to in point (a) of Article 97(1), indicating the break-down in annual *or, where appropriate, multiannual* milestones *and, where necessary, partially broken down by regions*. [Am. 601]
2. The financial plan referred to in point (e) of Article 95(1) shall comprise tables consistent with points (f) and (h) of Article 99, including:
 - (a) the Member State's allocations for direct payments types of interventions as referred to in Article 81(1), for sectoral types of interventions for wine referred to in Article 82(1), for apiculture referred to in Article 82(2) and for types of interventions for rural development as referred to in Article 83(3);
 - (b) the transfers of amounts between types of interventions in the form of direct payments and types of

interventions for rural development in accordance with Article 90 and any deductions of the Member States allocations for types of interventions in the form of direct payments to make amounts available for types of interventions in other sectors referred to in Section VII of Chapter III of Title III in accordance with Article 82(7);

- (c) the Member State's allocations for the sectoral types of interventions for olive oil referred to in Article 82(4) and for hops referred to in Article 82(3), and if these types of interventions are not implemented, the decision to include the corresponding allocations in the Member State's allocation for direct payments in accordance with Article 82(5);
- (d) a breakdown of the Member States allocations for types of interventions in the form of direct payments after transfers as specified in points (b) and (c) based on indicative financial allocations per type of interventions and per intervention, specifying the

planned outputs, the average or uniform unit amount and the maximum variation referred to in Article 89.

Where applicable, the breakdown shall include the amount of the reserve of payment entitlements.

The total estimated product of reduction of payments shall be specified.

Taking into account the use of the product of reduction of payments as referred to in Articles 15 and 81(3), these indicative financial allocations, the related planned outputs and the corresponding average unit amounts or uniform unit amounts shall be established before reduction of payments;

- (e) a breakdown of the allocations for sectoral types of interventions referred to in ~~Section VII~~ of Chapter III of Title III per intervention and with an indication of the planned outputs and the average unit amount;
[Am. 602]
- (f) a breakdown of the Member States allocations for rural development after transfers to and from direct

payments as specified in point (b), per type of interventions and per intervention, including totals for the period, indicating also the applicable EAFRD contribution rate, broken down per intervention and per type of region where applicable. In case of transfer of funds from direct payments, the intervention(s) or part of intervention financed by the transfer shall be specified. This table shall also specify the planned outputs per intervention and the average or uniform unit amounts, as well as, where applicable, a breakdown of the amounts planned for grants and amounts planned for financial instruments. The amounts for technical assistance shall also be specified;
and [Am. 603]

- (g) indications of the interventions contributing to the minimum spending requirements laid down in Article 86.

<p>The elements referred to in this paragraph shall be established per year, <i>where necessary, and may include, where appropriate, regional tables.</i> [Am. 604]</p>	
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Article 100a

Regional Intervention Programmes

Each Regional Intervention Programme for rural development shall contain, as a minimum, the following sections:

- (a) a summary of the SWOT analysis;***
- (b) a summary of the needs assessment;***
- (c) an intervention strategy;***
- (d) an operating description of the interventions managed and implemented at regional level, consistent with the national Strategic Plan as laid down in Article 99. More specifically, each intervention specified in the strategy under point (c) of this Article shall include the following elements:***
 - (i) description of the intervention;***
 - (ii) eligibility conditions;***
 - (iii) aid rate;***
 - (iv) calculation of the unit amount of aid;***

<p>(v) <i>the financial plan;</i></p> <p>(vi) <i>result indicators;</i></p> <p>(vii) <i>targets;</i></p> <p>(viii) <i>explanation concerning attainment of the targets;</i></p> <p>(e) <i>the multiannual financial plan; and</i></p> <p>(f) a description of the governance and coordination system.</p> <p><i>[Am. 605]</i></p>	
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Article 101

Governance and coordination systems

The description of the governance and coordination systems referred to in point (f) of Article 95(1) shall comprise:

- (a) the identification of all governance bodies referred to in Chapter II of Title II of the Regulation (EU) .../... [HzR];
- (b) the identification and role of delegated and intermediate bodies not referred to in the Regulation (EU) .../... [HzR];
- (c) information on the control systems and penalties referred to in Title IV of the Regulation (EU) .../... [HzR], including:
 - (i) the integrated administration and control system referred to in Chapter II of Title IV of the Regulation (EU) .../... [HzR];
 - (ii) the control and penalty system for conditionality referred to in Chapter IV of Title IV of the Regulation (EU) .../... [HzR];
 - (iii) the competent control bodies responsible for the checks;

(d) a description of the monitoring and reporting structure.	
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Article 102

Modernisation

The description of the elements that ensure modernisation of the CAP referred to in point (g) of Article 95(1) shall highlight the elements of the CAP Strategic Plan that support the modernisation of the agricultural sector and the CAP, *to meet new challenges including transitioning to more sustainable models*, and shall contain in particular: **[Am. 606]**

- (a) an overview of how the CAP Strategic Plan will contribute to the cross-cutting general objective related to fostering and sharing of knowledge, innovation and digitalisation *in agriculture and rural areas*, ~~and~~ encouraging *and promoting* their uptake set out in the second subparagraph of Article 5, notably through: **[Am. 607]**
- (i) a description of the organisational set-up of the AKIS designed as the combined organisation and knowledge flows between persons, organisations and institutions who use and produce knowledge for agriculture and interrelated fields;

envi 153

<p>(ii) a description of how advisory services as referred to in Article 13, research and CAP networks will work together within the framework of the AKIS, and how advice and innovation support services are provided;</p> <p>(b) a description of the strategy for the development of digital technologies in agriculture and rural areas, <i>Smart Villages</i> and for the <i>conditions of</i> use of these technologies, <i>conditions which shall include information to farmers on their rights in relation to protection and use of their personal data</i>, to improve the effectiveness and efficiency of the CAP Strategic Plan interventions. [Am. 608]</p>	<p>ENVI 153</p> <p><i>(iia) coherence with the achievement of the sustainable development goals and international agreements on climate.</i></p>
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Article 103

Annexes

1. Annex I to the CAP Strategic Plan referred to in point (a) of Article 95(2) shall include a summary of the main results of the ex-ante evaluation referred to in Article 125 and the Strategic Environmental Assessment (SEA) as referred to in Directive 2001/42/EC of the European Parliament and of the Council¹⁵ and how they have been addressed or a justification of why they have not been taken into account, and a link to the complete ex-ante evaluation report and SEA report.
2. Annex II to the CAP Strategic Plan referred to in point (b) of Article 95(2) shall include a SWOT analysis of the current situation of the area covered by the CAP Strategic Plan.

The SWOT analysis shall be based on the current situation of the area covered by the CAP strategic plan and shall comprise, for each specific objective set out in Article 6(1), a comprehensive overall description of the current situation of the area covered by the CAP Strategic Plan, based on

<p>common context indicators and other quantitative and qualitative up-to-date information such as studies, past evaluation reports, sectoral analysis and lessons learned from previous experiences.</p> <p>In addition, that description shall notably highlight in relation to each general and specific objective set out in Articles 5 and 6(1):</p> <ul style="list-style-type: none"> (a) strengths identified in the CAP Strategic Plan area; (b) weaknesses identified in the CAP Strategic Plan area; (c) opportunities identified in the CAP Strategic Plan area; (d) threats identified in the CAP Strategic Plan area; (e) where relevant, an analysis of territorial aspects, highlighting those territories specifically targeted by interventions, <i>including High Nature Value agricultural areas</i>; [Am. 609] 	
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¹⁵ Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programs on the environment (OJ L 197, 21.7.2001, p. 30).

(f) where relevant, an analysis of sectoral aspects, notably for those sectors subject to specific interventions and/or sectoral programs.

For the specific objectives set out in points (d), (e) and (f) of Article 6(1), the SWOT analysis shall refer to the national plans emanating from the legislative instruments referred to in Annex XI.

For the specific objective to attract young farmers set out in point (g) of Article 6(1), the SWOT shall include a short analysis of access to land, land mobility and land restructuring, access of finance and credits, and access to knowledge and advice, *and capacity to cope with risk*.

[Am. 610]

For the general cross-cutting objective related to fostering and sharing of knowledge, innovation and digitalisation and encouraging their uptake set out in the second subparagraph of Article 5, the SWOT analysis shall also provide relevant information about the functioning of the AKIS and related structures.

<p>3. Annex III to the CAP Strategic Plan referred to in point (c) of Article 95(2) shall include the outcomes of the consultation of the partners and a brief description of how the consultation was carried out.</p> <p>4. Annex IV to the CAP Strategic Plan referred to in point (d) of Article 95(2) shall provide a brief description of the crop-specific payment for cotton and its complementarity with the other CAP Strategic Plan interventions.</p> <p>5. Annex V to the CAP Strategic Plan referred to in point (e) Article 95(2) shall contain the following:</p> <p>(a) a short description of additional national financing which is provided within the scope of the CAP Strategic Plan, including the amounts per measureintervention and indication of compliance with the requirements under this Regulation; [Am. 611]</p> <p>(b) an explanation of the complementarity with the CAP Strategic Plan interventions; and</p>	
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<p>(c) an indication as to whether the additional national financing falls outside the scope of Article 42 TFEU and is subject to State aid assessment.</p> <p>5a. <i>Annex VI to the CAP Strategic Plan shall contain a description of the schemes for the climate, environment and animal welfare as referred to in Article 28. [Am. 612]</i></p> <p>5b. <i>Annex VII to the CAP Strategic Plan shall contain a description of the Regional Intervention Programmes. [Am. 613]</i></p> <p>5c. <i>Annex VIII to the CAP Strategic Plan shall contain a description on the elements of the Strategic Plans that contribute to increasing the competitiveness. [Am. 614]</i></p>	
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<p style="text-align: center;">Article 104</p> <p style="text-align: center;">Delegated powers for the content of the CAP Strategic Plan</p> <p>The Commission is empowered to adopt delegated acts in accordance with Article 138 amending this Chapter as regards the content of the CAP Strategic Plan and its annexes. [Am. 615]</p>	
<p style="text-align: center;">Article 105</p> <p style="text-align: center;">Implementing powers for the content form of the CAP Strategic Plan [Am. 616]</p> <p>The Commission may adopt implementing acts <i>establishing a standardised form and the</i> laying down rules for the presentation of the elements described in Articles 96 to 103 in CAP Strategic Plans. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2). [Am. 617]</p>	

<p style="text-align: center;">CHAPTER III</p> <p style="text-align: center;">APPROVAL AND AMENDMENT OF THE CAP STRATEGIC PLAN</p> <p style="text-align: center;">Article 106</p> <p style="text-align: center;">Approval of the CAP Strategic Plan</p> <p>1. Each Member State shall submit to the Commission a proposal for a CAP Strategic Plan, containing the information referred to in Article 95 on no later than 1 January 2020 <i>N+1 after ... [the date of entry into force of this Regulation]. [Am. 618]</i></p> <p>2. The Commission shall assess the proposed CAP Strategic Plans on the basis of the completeness of the plans, the consistency and coherence with the general principles of Union law, with this Regulation and the provisions adopted pursuant to it and with the Horizontal Regulation, their effective contribution to the specific objectives set out in Article 6(1), the impact on the proper functioning of the internal market and distortion of competition, the level of administrative burden on beneficiaries and administration. The assessment shall address, in particular, the adequacy of</p>	<p><i>envi 155, agri 618, agri 619, agri 620 & additions</i></p> <p style="text-align: center;">Article 106</p> <p style="text-align: center;">Approval of the CAP Strategic Plan</p> <p>[...]</p> <p>2. The Commission shall assess the proposed CAP Strategic Plans on <i>clear and objective criteria, including [e] the basis of the</i> completeness of the plans, the consistency and coherence with the general principles of Union law, with this Regulation and the provisions adopted pursuant to it and with the Horizontal Regulation, their <i>potential achievement of and</i> effective contribution to the specific objectives set out in Article 6(1), <i>their contribution to the targets at European Union level set out in Article 6a, [added] coherence and compliance with legislation set out in Annex XI, [e]</i> the impact on the proper functioning of the internal market and distortion of competition, the level of</p>
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the strategy of the CAP Strategic Plan, ***including the quality of the information used***, the corresponding specific objectives, targets, interventions and the allocation of budgetary resources to meet the specific CAP Strategic Plan objectives through the proposed set of interventions on the basis of the SWOT analysis and the ex-ante evaluation.
[Am. 619]

3. Depending on the results of the assessment referred to in paragraph 2, the Commission may address observations to the Member States within three months of the date of submission of the CAP Strategic Plan.

The Member State shall provide to the Commission all necessary additional information and, where appropriate, revise the proposed plan.

administrative burden on beneficiaries and administration. The assessment shall address, in particular, the adequacy of the strategy of the CAP Strategic Plan, ***including the quality of the information used*** [a 619], the corresponding specific objectives, targets, interventions and the allocation of budgetary resources to meet ***the European Green Deal targets for agriculture and*** [added] the specific CAP Strategic Plan objectives through the proposed set of interventions on the basis of the SWOT analysis and the ex-ante evaluation.

2a. The Commission shall pay particular attention to assessing ex-ante the effectiveness and impact of the eco-schemes proposed under art.28, as well as the coupled payments in art.29-32, in achieving the specific CAP objectives in Art.6(1). [added]

3. Depending on the results of the assessment referred to in paragraph 2, the Commission may address observations to the Member States within ~~three~~ **four** [added] months of the date of submission of the CAP Strategic Plan.

The Member State shall provide to the Commission all necessary additional information and, where appropriate, revise the proposed plan. ***Each Member State shall take due account of any***

<p>4. The Commission shall approve the proposed CAP Strategic Plan provided that the necessary information has been submitted and the Commission is satisfied that the Plan is compatible with the general principles of Union law, the requirements set out in this Regulation, the provisions adopted pursuant to it and in Regulation (EU) .../... [HzR].</p> <p>5. The approval of each CAP Strategic Plan shall take place no later than eight months following its submission by the Member State concerned.</p> <p>The approval shall not cover the information referred to in point (c) of Article 101 and in Annexes I to IV to the CAP Strategic Plan referred to in points (a) to (d) of Article 95(2).</p> <p>[Am. 620]</p> <p>In duly justified cases, the Member State may ask the Commission to approve a CAP Strategic Plan which does not contain all elements. In that case the Member State concerned shall indicate the parts of the CAP Strategic Plan</p>	<p><i>observations from the Commission in its CAP Strategic plan. If the Member State concerned does not address an observation, that Member State shall provide and make public its reasons.</i></p> <p><i>[added]</i></p> <p>[...]</p> <p>5. The approval of each CAP Strategic Plan shall take place no later than eight months following its submission by the Member State concerned, <i>once all formal requirements and quality standards are met.</i> <i>[added]</i></p> <p>The approval shall not cover the information referred to in point (c) of Article 101 and in Annexes I to IV to the CAP Strategic Plan referred to in points (a) to (d) of Article 95(2). <i>[a 620]</i></p> <p>In duly justified cases, the Member State may ask the Commission to approve a CAP Strategic Plan which does not contain all elements. In that case the Member State concerned shall indicate the parts of the CAP Strategic Plan that are missing and provide indicative targets and financial plans as</p>
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<p>that are missing and provide indicative targets and financial plans as referred to in Article 100 for the whole CAP Strategic Plan in order to show the overall consistency and coherence of the plan. The missing elements of the CAP Strategic Plan shall be submitted to the Commission as an amendment of the plan in accordance with Article 107.</p> <p>6. Each CAP Strategic Plan shall be approved by the Commission by means of an implementing decision without applying the Committee procedure referred to in Article 139.</p> <p>7. The CAP Strategic Plans shall only have legal effects after their approval by the Commission.</p> <p>7a. <i>The Commission shall submit to the European Parliament and to the Council a summary report of the national CAP Strategic Plans within six months after their approval, accompanied by clearly described evaluations in order to provide information on the decisions taken by the Member States to tackle the specific objectives set out in Article 6(1).</i> [Am. 621]</p>	<p>referred to in Article 100 for the whole CAP Strategic Plan in order to show the overall consistency and coherence of the plan. The missing elements of the CAP Strategic Plan shall be submitted to the Commission as an amendment of the plan in accordance with Article 107. [e]</p> <p><i>When these requirements and standards are not fully met, the Commission may withhold approval of those specific parts of a CAP strategic plan. This partial approval shall be accompanied by a request to the Member State concerned to provide additional information and revise the deficient or incomplete parts of the plan within a maximum of 6 months.</i> [added]</p> <p>[...]</p> <p>7a. <i>The Commission shall submit to the European Parliament and to the Council a summary report of the national CAP Strategic Plans within six months after their approval, accompanied by clearly described evaluations in order to provide information on the decisions taken by the Member States to tackle the specific objectives set out in Article 6(1).</i> [a 621]</p>
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<p>7b. <i>The Commission shall translate the CAP Strategic Plans into English and publish them in a way that ensures publicity and transparency at Union level. [Am. 622]</i></p> <p>7c. <i>The approval of the CAP Strategic Plans and their implementation by Member States shall not cause any delays in the aid application period for beneficiaries nor in the timely payment of the aid, particularly in the first year of implementation. [Am. 623]</i></p>	<p>7b. <i>The Commission shall translate the CAP Strategic Plans into English and publish them in a way that ensures publicity and transparency at Union level. [a 622]</i></p>
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Article 107

Amendment of the CAP Strategic Plan

1. Member States may submit to the Commission requests to amend their CAP Strategic Plans, *including, where applicable, the regional intervention programmes*.
[Am. 624]
2. Requests for amendment of CAP Strategic Plans shall *include an explanation setting* ~~be duly justified and shall in particular set out~~ the expected impact of the changes to the plan on achieving the specific objectives referred to in Article 6(1). They shall be accompanied by the amended plan including the updated annexes as appropriate.
[Am. 625]
3. The Commission shall assess the consistency of the amendment with this Regulation and the provisions adopted pursuant to it as well as with the Regulation (EU) .../... [HzR] and its effective contribution to the specific objectives.

<p>4. The Commission shall approve the requested amendment to a CAP Strategic Plan provided that the necessary information has been submitted and the Commission is satisfied that the amended plan is compatible with the general principles of Union law, the requirements set out in this Regulation, the provisions adopted pursuant to it and in Regulation (EU) .../... [HzR].</p> <p>5. The Commission may make observations within 30 working days from the submission of the request for amendment of the CAP Strategic Plan. The Member State shall provide to the Commission all necessary additional information.</p> <p>6. The approval of a request for amendment of a CAP Strategic Plan shall take place no later than three months after its submission by the Member State provided that any observations made by the Commission have been adequately taken into account.</p> <p>7. A request for amendment of the CAP Strategic Plan may be submitted no more than once per calendar year subject to possible exceptions to be determined <i>in this Regulation and</i></p>	
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<p>by the Commission in accordance with Article 109. [Am. 626]</p> <p>8. Each amendment of the CAP Strategic Plan shall be approved by the Commission by means of an implementing decision without applying the Committee procedure referred to in Article 139. <i>The European Parliament and the Council shall be duly informed.</i> [Am. 627]</p> <p>9. Without prejudice to Article 80, amendments to CAP Strategic Plans shall only have legal effects after their approval by the Commission <i>and shall be published.</i> [Am. 628]</p> <p>10. Corrections of a purely clerical or editorial nature or of obvious errors that do not affect the implementation of the policy and the intervention shall not be considered as a request for amendment. Member States shall inform the Commission of such corrections.</p>	
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Article 108

Calculation of time limits for Commission actions

For the purposes of this Chapter, where a time limit is set for an action by the Commission, that time limit shall start when all information complying with the requirements laid down in this Regulation and the provisions adopted pursuant to it has been submitted.

~~This time limit shall not include the period which starts on the date following the date on which the Commission sends its observations or a request for revised documents to the Member State and ends on the date on which the Member State responds to the Commission.~~

[Am. 629]

Article 109

Delegated powers

The Commission is empowered to adopt delegated acts in accordance with Article 138 amending this Chapter as regards:

- (a) procedures and time limits for the approval of CAP Strategic Plans;
- (b) the procedures and time limits for submission and approval of requests for amendments to CAP Strategic Plans;
- (c) the frequency with which *amendments to* the CAP Strategic Plans are to be submitted during the programming period *of application of the CAP Strategic Plans*, including the determination of exceptional cases for which the maximum number of amendments referred to in Article 107(7) does not count. [Am. 630]

TITLE VI
COORDINATION AND GOVERNANCE

Article 110

Managing Authority

1. Member States shall designate a Managing Authority for their CAP Strategic Plans.

Member States shall ensure that the relevant management and control system has been set up in such a way that it ensures a clear allocation and separation of functions between the Managing Authority and other bodies. Member States shall be responsible for ensuring that the system functions effectively throughout the CAP Strategic Plan period.
- 1a. Without prejudice to the provisions of the first subparagraph of paragraph 1, Member States may also establish regional authorities for the implementation and management of interventions financed by the EAFRD within the framework of their national Strategic Plans where such interventions have a regional scope. In that event, the national Managing Authority shall appoint a*

national coordination body for the EAFRD that will ensure the uniform application of Union rules, ensuring consistency with the elements of the Strategic Plan laid down at national level, in accordance with the second subparagraph of Article 93. [Am. 631]

2. The Managing Authority shall be responsible for managing and implementing the CAP Strategic Plan in an efficient, effective and correct way. In particular, it shall ensure that:
- (a) there is an appropriate secure electronic system to record, maintain, manage and report statistical information on the plan and its implementation required for the purposes of monitoring and evaluation and, in particular, information required to monitor progress towards the defined objectives and targets;
 - (b) beneficiaries and other bodies involved in the implementation of interventions:
 - (i) are informed of their obligations resulting from the aid granted, and maintain either a separate

<p>accounting system or an adequate accounting code for all transactions relating to an operation;</p> <p>(ii) are aware of the requirements concerning the provision of data to the Managing Authority and the recording of outputs and results;</p> <p>(c) the beneficiaries concerned are provided, where appropriate by the use of electronic means, with the list of the statutory management requirements and the minimum standards of good agricultural and environmental condition established pursuant to Section 2 of Chapter I of Title III to be applied at farm level, as well as clear and precise information thereon;</p> <p>(d) the ex-ante evaluation referred to in Article 125 conforms to the evaluation and monitoring system and that it is accepted and submitted to the Commission;</p> <p>(e) the evaluation plan referred to in Article 126 is in place, that the ex post evaluation referred to in that Article is conducted within the time limits laid down in this Regulation, ensuring that such evaluations</p>	
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conform to the monitoring and evaluation system and that they are submitted to the Monitoring Committee referred to in Article 111 and the Commission;

- (f) the Monitoring Committee is provided with the information and documents needed to monitor the implementation of the CAP Strategic Plan in the light of its specific objectives and priorities;
- (g) the **monitoring annual** performance report is drawn up, including aggregate monitoring tables, and, after consultation of the Monitoring Committee, is submitted to the Commission; **[Am. 632]**
- (h) relevant follow-up actions on Commission's observations on the ~~annual~~ performance reports are taken; **[Am. 633]**
- (i) the paying agency receives all necessary information, in particular on the procedures operated and any controls carried out in relation to interventions selected for funding, before payments are authorised;

<p>(j) beneficiaries under interventions financed by the EAFRD, other than area- and animal-related interventions, acknowledge the financial support received, including the appropriate use of the Union emblem in accordance with the rules laid down by the Commission in accordance with paragraph 5;</p> <p>(k) publicity is made for the CAP Strategic Plan, including through the national CAP network, by informing potential beneficiaries, professional organisations, the economic and social partners, bodies involved in promoting equality between men and women, and the non-governmental organisations concerned, including environmental organisations, of the possibilities offered by the CAP Strategic Plan and the rules for gaining access to the CAP Strategic Plan funding as well as by informing beneficiaries and the general public of the Union support for agriculture and rural development through the CAP Strategic Plan.</p>	
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<p>3. The Member State or the Managing Authority may designate one or more intermediate bodies including local authorities, regional development bodies or non-governmental organisations, to carry out the management and implementation of CAP Strategic Plan interventions.</p> <p>4. When a part of its tasks is delegated to another body, the Managing Authority shall retain full responsibility for the efficiency and correctness of the management and implementation of those tasks. The Managing Authority shall ensure that appropriate provisions are in place to allow the other body to obtain all necessary data and information for the execution of those tasks.</p> <p>5. The Commission shall be is empowered to adopt delegated acts in accordance with Article 138, supplementing this Regulation with detailed rules on the application of the information, publicity and visibility requirements referred to in points (j) and (k) of paragraph 2. [Am. 634]</p> <p>Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2).</p> <p>[Am. 635]</p>	
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Article 110a

Mediation Body

Without prejudice to national rules on administrative and judicial review, Member States shall designate a functionally independent Mediation Body in charge of re-examining the decisions taken by the competent authorities. Those bodies, at the request of beneficiaries, shall endeavour to reach solutions agreed upon by the parties concerned. They shall provide the required expertise and representation of authorities and stakeholders. [Am. 636]

Article 111

Monitoring Committee

1. The Member State shall set up a ***national*** committee to monitor implementation of the CAP Strategic Plan ('Monitoring Committee') ***and where applicable regional Monitoring Committees***. ~~before the submission of the CAP Strategic Plan.~~ [Am. 637]

Each Monitoring Committee shall adopt its rules of procedure. ***The national Monitoring Committee shall adopt its own rules in cooperation with the regional Monitoring Committees.*** [Am. 638]

The Monitoring Committee shall meet at least once a year and shall review all issues that affect the CAP Strategic Plan progress towards achieving its targets ***under their own competence.*** [Am. 639]

The Member State shall publish the rules of procedures ***and the opinions*** of the Monitoring Committee ~~and all the data and information shared with the Monitoring Committee~~

~~online.~~*Committees and transmit them to the Commission.*

[Am. 640]

2. The Member State *and, where applicable, the regions* shall decide the composition of the Monitoring *Committees having due regard to the prevention of conflicts of interest*, Committee and shall ensure a balanced representation of the relevant public authorities and intermediate bodies and of representatives of the partners referred to in Article 94(3) *that are relevant for the implementation of all objectives of Article 6(1).* [Am. 641]

Each member of the Monitoring Committee shall have a vote.

The Member State shall publish the list of the members of the Monitoring Committee online *and Member States shall notify it to the Commission.* [Am. 642]

Representatives of the Commission shall participate in the work of the Monitoring Committee in an advisory capacity.

<p>3. The Monitoring Committee<i>Committees</i> shall examine in particular: [Am. 643]</p> <ul style="list-style-type: none"> (a) progress in CAP Strategic Plan implementation and in achieving the milestones and targets; (b) any issues that affect the performance of the CAP Strategic Plan and the actions taken to address those issues <i>including the quality and the quantity of data and indicators available for monitoring</i>; [Am. 644] (c) the elements of the ex-ante assessment listed in Article 52(3) of Regulation (EU) .../... [CPR] and the strategy document referred to in Article 53(1) of Regulation (EU) .../... [CPR]; (d) progress made in carrying out evaluations, syntheses of evaluations and any follow-up given to findings; <i>(da) relevant information supplied by the CAP national network</i>; [Am. 645] (e) the implementation of communication and visibility actions; 	
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<p>(f) administrative capacity building for public authorities and beneficiaries, where relevant;-</p> <p><i>(fa) the performance reports; [Am. 646]</i></p> <p><i>(fb) progress towards simplification and reduction of administrative burden for final beneficiaries. [Am. 647]</i></p> <p>4. The Monitoring Committee shall give its opinion on:</p> <p>(a) —draft CAP Strategic Plan;[Am. 648]</p> <p>(b) the methodology and criteria used for the selection of operations;</p> <p>(c) the annual performance reports; [Am. 649]</p> <p>(d) the evaluation plan and any amendment thereof;</p> <p>(e) any proposal by the managing authority for the amendment of the CAP Strategic Plan.</p> <p>4a. <i>The Monitoring Committees may ask the national CAP network for information and analysis relating to specific interventions. [Am. 650]</i></p>	
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Article 112

Technical assistance at the initiative of the Member States

1. At the initiative of a Member State, the EAFRD may support actions which are necessary for the effective administration and implementation of support in relation to the CAP Strategic Plan, including the establishing and operating of the national CAP networks referred to in Article 113(1). The actions referred to in this paragraph may concern previous and subsequent CAP Strategic Plan periods.
2. Actions of the Lead Fund authority in accordance with paragraphs (4), (5) and (6) of Article 25 of Regulation (EU) .../... [CPR] may also be supported.
3. Technical assistance at the initiative of the Member States shall not finance certification bodies in the meaning of Article 11 Regulation (EU) .../... [HzR].

Article 113

European and national Common Agricultural Policy Networks

1. Each Member State shall establish a national Common Agricultural Policy Network (national CAP network) for the networking of organisations, *representatives of the agricultural sectors* and administrations, advisors, researchers ~~and~~ other innovation *actors and other* actors in the field of agriculture and rural development at national level at the latest 12 months after the approval by the Commission of the CAP Strategic Plan. *The national CAP network shall build on the existing networking structures in the Member States.* [Am. 651]
2. A European network for the Common Agricultural Policy (European CAP network) shall be put in place for the networking of national networks, organisations, and administrations in the field of agriculture and rural development at Union level.
3. Networking through the CAP networks shall have the following objectives:

<ul style="list-style-type: none"> (a) increase the involvement of all stakeholders in the design and implementation of CAP Strategic Plans; (b) accompany the Member States' administrations in the implementation of CAP Strategic Plans and the transition to a performance based delivery model; (c) facilitate peer to peer learning and interaction among all agricultural and rural stakeholders; (d) foster innovation and support the inclusion of all stakeholders in the knowledge-exchange and knowledge-building process; (e) support the monitoring and evaluation capacities of all stakeholders; (f) contribute to the dissemination of CAP Strategic Plans results. 	
<p>4. The tasks of the CAP Networks for the achievement of the objectives set out in paragraph 3 shall be the following:</p> <ul style="list-style-type: none"> (a) collection, analysis and dissemination of information on actions supported under CAP Strategic Plans; 	

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| <ul style="list-style-type: none">(b) contribution to capacity building for Member States administrations and of other actors involved in the implementation of CAP Strategic Plans, including as regards monitoring and evaluation processes;(c) collection and dissemination of good practice;(d) collection of information, including statistics and administrative information, and analysis on developments in agriculture and rural areas relevant to the specific objectives set out in Article 6(1);(e) creation of platforms, fora and events to facilitate exchanges of experience between stakeholders and peer to peer learning, including where relevant exchanges with networks in third countries;(f) collection of information and facilitation of networking of funded structures and projects, such as local action groups referred to in Article 27 of Regulation (EU) .../... [CPR], Operational Groups of the European Innovation Partnership for agricultural productivity and | |
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<p>sustainability as referred to in Article 114(4) and equivalent structures and projects;</p> <p>(g) support for cooperation projects between LAGs or similar local development structures, including transnational cooperation;</p> <p>(h) creation of links to other Union funded strategies or networks;</p> <p>(i) contribution to the further development of the CAP and preparation of any subsequent CAP Strategic Plan period;</p> <p>(j) in the case of national CAP networks, participating in and contributing to the activities of the European CAP network; [Am. 652]</p> <p><i>(ja) in the case of the European CAP Networks, participating in and contributing to the activities of the national networks; [Am. 653]</i></p> <p><i>(jb) providing the information requested by the Monitoring Committees referred to in Article 111. [Am. 654]</i></p>	
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Article 114

European Innovation Partnership for Agricultural Productivity and Sustainability

1. The Commission shall establish a European Innovation Partnership for agricultural productivity and sustainability (EIP).
2. The aim of the EIP shall be to stimulate *sustainable* innovation and improve the exchange of knowledge.
[Am. 655]
3. The EIP shall contribute to achieving the specific objectives set out to in Article 6(1).
4. The EIP shall support the AKIS referred to in Article 13(2) by connecting policies and instruments to speed up innovation. It shall in particular:
 - (a) create added value by better linking research and farming practice and encouraging the wider use of available innovation measures;
 - (b) connect innovation actors and projects;

(c) promote the faster and wider transposition of innovative solutions into practice, *including farmer-to-farmer exchange*; and [Am. 656]

(d) inform the scientific community about the research needs of farming practice *and farmers*. [Am. 657]

EIP Operational Groups shall ~~form part of~~ *be formed to deliver* the EIP, *and may be formed, inter alia, by producer and interbranch organisations, and may be formed by members from different Member States*. They shall draw up a plan for innovative projects to be developed, tested, adapted or implemented shall be based on the interactive innovation model which has as key principles: [Am. 658]

(a) developing innovative solutions focusing on farmers' or foresters' needs while also tackling the interactions across the supply chain where useful *and also taking into account the interests of consumers*; [Am. 659]

(b) bringing together partners with complementary knowledge such as farmers, advisors, researchers, enterprises or non-governmental organisations in a

targeted combination as best suited to achieve the project objectives; and

(c) co-deciding and co-creating all along the project.

The envisaged innovation may be based on new but also on traditional *and agro-ecological* practices in a new geographical or environmental context. [Am. 660]

Operational Groups shall disseminate their plans and the results of their projects, in particular through the CAP networks, *and shall be able to have members from more than one Member State*. [Am. 661]

TITLE VII
MONITORING, REPORTING AND EVALUATION

CHAPTER I
PERFORMANCE FRAMEWORK

Article 115

Establishment of the performance framework

1. Member States shall establish a performance framework which shall allow reporting, monitoring and evaluation of the performance of the CAP Strategic Plan during its implementation.
2. The performance framework shall include the following elements:
 - (a) a set of common context, output, result and impact indicators ~~as, including those~~ referred to in Article 7 which will be used as the basis for monitoring, evaluation and the ~~annual~~ performance reporting;
[Am. 662]

<p>(b) targets and annual, <i>or where relevant, multiannual</i> milestones established in relation to the relevant specific objective using result indicators; [Am. 663]</p> <p>(c) data collection, storage and transmission;</p> <p>(d) regular reporting on performance, monitoring and evaluation activities;</p> <p>(e) mechanisms for rewarding for good performance and for addressing low performance;</p> <p>(f) the ex-ante, interim, and ex post evaluations and all other evaluation activities linked to the CAP Strategic Plan;</p> <p>3. The performance framework shall cover <i>the content of the CAP Strategic Plans including, where appropriate, the regional intervention programmes</i>.</p> <p>(a) the content of CAP Strategic Plans;</p> <p>(b) the market measures and other interventions provided for in Regulation (EU) No 1308/2013. [Am. 664]</p>	
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Article 116

Objectives of the performance framework

The performance framework shall aim to:

- (a) assess the impact, effectiveness, efficiency, relevance, coherence and Union added value of the CAP *as well as simplification for beneficiaries*; [Am. 665]
- (b) set milestones and targets for the specific objectives set out in Article 6;
- (c) monitor progress made towards achieving the targets of the CAP Strategic Plans;
- (d) assess the impact, effectiveness, efficiency, relevance and coherence of the interventions of the CAP Strategic Plans;
- (e) support a common learning process related to monitoring and evaluation, *taking into account areas where baseline data is missing or insufficient and for which more relevant and accurate indicators can be developed*. [Am. 666]

Article 117

Electronic information system

Member States shall establish an electronic information system *or use an existing one* in which they shall record and maintain key information on the implementation of the CAP Strategic Plan that is needed for monitoring and evaluation, in particular on each intervention selected for funding, as well as on completed interventions, including information on each beneficiary and operation. [Am. 667]

Article 118

Provision of information

Member States shall ensure that beneficiaries of support under the CAP Strategic Plan interventions and local action groups shall undertake to provide to the Managing Authority, *or regional Managing Authorities* or other bodies delegated to perform functions on its behalf, all the information necessary for the purpose of monitoring and evaluation of the CAP Strategic Plan. [Am. 668]

Member States shall ensure that comprehensive, ~~complete~~, timely and reliable data sources, *including databases*, are established to enable effective follow-up of policy progress towards objectives using output, result and impact indicators. [Am. 669]

Article 119

Monitoring procedures

The Managing Authority ~~and~~ *as well as* the Monitoring Committee shall monitor the implementation of the CAP Strategic Plan and progress made towards achieving the targets of the CAP Strategic Plan on the basis of the output and result indicators, *in collaboration, where applicable, with regional Managing Authorities and regional Monitoring Committees.* [Am. 670]

Article 120

~~*Delegated*~~ ~~Implementing~~ powers for the performance framework
[Am. 671]

The Commission shall adopt ~~implementing~~ *delegated* acts on
supplementing this Regulation by determining the content of the
performance framework. Such acts shall include the list of context
indicators, other indicators needed for the appropriate monitoring and
evaluation of the policy, the methods for the calculation of indicators
and the necessary provisions to guarantee accuracy and reliability of
the data collected by Member States. Those ~~implementing~~ *delegated*
acts shall be adopted in accordance with ~~the examination procedure~~
~~referred to in Article 138~~139(2). [Am. 672]

CHAPTER II
ANNUAL PERFORMANCE REPORTS

Article 121

~~Annual~~ Performance reports [**Am. 673**]

1. ~~By 15 February 2023 and 15 February of each subsequent year until and including 2030, the Member States shall submit to the Commission an annual performance *reports* report on the implementation of the CAP Strategic Plan in accordance with Article 8 of Regulation (EU) .../... [HzR/ the previous financial year. The report submitted in 2023 shall cover the financial years 2021 and 2022. For direct payments as referred to in Chapter II of Title III, the report shall cover only financial year 2022. [Am. 674]~~
2. The last ~~annual~~ performance report, to be submitted by ~~15 February 2030~~, shall comprise a summary of the evaluations carried out during the implementation period. [**Am. 675**]
3. In order to be admissible, the annual performance report shall contain all the information required in paragraphs 4, 5 and 6. The Commission shall inform the Member State

<p>within 15 working days of the date of receipt of the annual performance report if it is not admissible, failing which it shall be deemed admissible. [Am. 676]</p> <p>4. Annual performance reports shall set out key qualitative and quantitative information <i>regarding</i> the implementation of the CAP Strategic Plan by reference to financial data, output and result indicators and in accordance with the second paragraph of Article 118. They shall also include information about realised outputs, realised expenditure, realised results and distance to respective targets. [Am. 677]</p> <p>For the types of interventions which are not subject to Article 89 of this Regulation, and where the realised output and the realised expenditure ratio deviates by 50% from the annual planned output and expenditure ratio, the Member State shall submit a justification for this deviation. [Am. 678]</p> <p>5. The data transmitted shall relate to achieved values for indicators for partial and fully implemented interventions. They shall also set out a synthesis of the state of implementation of the CAP Strategic Plan realised during the</p>	<p>ENVI 169</p> <p>Annual performance reports shall set out key qualitative and quantitative information the implementation of the CAP Strategic Plan by reference to financial data, output, result <i>and impact</i> indicators and in accordance with the second paragraph of Article 118. They shall also include information about realised outputs <i>and impacts</i>, realised expenditure, realised results and distance to respective targets.</p>
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~~previous financial year~~, any issues which affect the performance of the CAP Strategic Plan, in particular as regards deviations from milestones, giving reasons and, where relevant, describing the measures taken. **[Am. 679]**

6. For financial instruments, in addition to the data to be provided under paragraph 4 information shall be provided on:
- (a) the eligible expenditure by type of financial product;
 - (b) the amount of management costs and fees declared as eligible expenditure;
 - (c) the amount, by type of financial product, of private and public resources mobilised in addition to the EAFRD;
 - (d) interest and other gains generated by support from the EAFRD contribution to financial instruments as referred to in Article 54 of Regulation (EU) .../... [CPR] and resources returned attributable to support from the EAFRD as referred to in Article 56 of that Regulation.

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| <p>7. The Commission shall carry out an annual performance review and an annual performance clearance referred to in Article [52] of the Regulation (EU) [HzR] based on the information provided in the annual Performance reports.
[Am. 680]</p> <p>8. In the annual <i>The Commission shall carry out a performance review based on the information provided in the performance reports and</i>, the Commission may make observations on the annual performance reports within <i>a maximum of</i> one month from their <i>complete</i> submission. Where the Commission does not provide observations within that deadline, the reports shall be deemed to be accepted.
[Am. 681]</p> <p>Article 108 on calculation of time limits for Commission actions shall apply mutatis mutandis.</p> <p>9. Where the reported value of one or more result indicators reveals a gap of more than 25% from the respective milestone for the reporting year concerned, <i>Member States shall submit justification for that gap. Where necessary</i>, the Commission may ask the Member State to submit an action</p> | |
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	<p>plan <i>to be established in consultation with the Commission</i> in accordance with Article 39(1) of Regulation (EU) .../... [HzR], describing the intended remedial actions and the expected timeframe <i>for its execution</i>. [Am. 682]</p>	
10.	<p>The annual <i>A summary of the content of the</i> performance reports <i>shall be produced</i>, as well as a summary for citizens of their content, shall be made available to the public. [Am. 683]</p>	
11.	<p>The Commission shall adopt implementing acts laying down rules for the presentation of the content of the annual performance report. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2). [Am. 684]</p>	

Article 122

~~Annual~~ Review meetings [Am. 685]

1. Member States shall organise each year ~~an annual~~ a review meeting with the Commission, to be chaired jointly or by the Commission, which will take place not earlier than two months after the submission of the ~~annual~~ performance report. [Am. 686]
2. The ~~annual~~ review meeting shall aim at examining the performance of each plan, including progress made towards achieving established targets, any issues affecting performance and past or future actions to be taken to address them. *Those meetings shall be used to examine the impact, where feasible.* [Am. 687]

CHAPTER III

INCENTIVE SYSTEM FOR GOOD ENVIRONMENTAL AND CLIMATE PERFORMANCE

~~Article 123~~

~~Performance bonus~~

- ~~1. — A performance bonus may be attributed to Member States in the year 2026 to reward satisfactory performance in relation to the environmental and climate targets provided that the Member State concerned has met the condition set out in Article 124(1).~~
- ~~2. — The performance bonus shall be equal to 5% of the amount per Member State for financial year 2027 as set out in Annex IX.~~

~~Resources transferred between the EAGF and the EAFRD under Articles 15 and 90 are excluded for the purpose of calculating the performance bonus. [Am. 688]~~

Article 124

Attribution of the performance bonus

1. ~~Based on the performance review of the year 2026, the performance bonus withheld from a Member State's allocation following the second paragraph of Article 123 shall be attributed to this Member State if the result indicators applied to the specific environmental and climate-related objectives set out in points (d), (e) and (f) of Article 6(1) in its CAP Strategic Plan have achieved at least 90% of their target value for the year 2025.~~
2. ~~The Commission shall within two months of the receipt of the annual performance report in the year 2026 adopt an implementing act without applying the Committee procedure referred to in Article 139 to decide for each Member State whether the respective CAP Strategic Plans have achieved the target values referred to in paragraph 1 of this Article.~~
3. ~~Where the target values referred to in paragraph 1 are achieved, the amount of the performance bonus shall be granted by the Commission to the Member States concerned~~

~~and considered to be definitely allocated to financial year 2027 on the basis of the decision referred to in paragraph 2.~~

~~4. Where the target values referred to in paragraph 1 are not achieved, the commitments for financial year 2027 relating to the amount of the performance bonus of the Member States concerned shall not be granted by the Commission.~~

~~5. When attributing the performance bonus, the Commission may take into consideration cases of force majeure and serious socio-economic crises impeding the achievement of the relevant milestones.~~

~~6. The Commission shall adopt implementing acts laying down the detailed arrangements to ensure a consistent approach for determining the attribution of the performance bonus to Member States. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2). [Am. 689]~~

CHAPTER IV
CAP STRATEGIC PLAN EVALUATION

Article 125

Ex-ante evaluations

1. Member States, *and where applicable, with the regions*, shall carry out ex-ante evaluations to improve the quality of the design of their CAP Strategic Plans. **[Am. 690]**
2. The ex-ante evaluation shall be carried out under the responsibility of the authority responsible for the preparation of the CAP Strategic Plan.
3. The ex-ante evaluation shall appraise:
 - (a) the contribution of the CAP Strategic Plan to the CAP specific objectives, taking into account national and regional needs and potential for development as well as lessons drawn from implementation of the CAP in previous programming periods;
 - (b) the internal coherence of the proposed CAP Strategic Plan and its relationship with other relevant instruments;

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| <ul style="list-style-type: none">(c) the consistency of the allocation of budgetary resources with the specific objectives of the CAP Strategic Plan;(d) how the expected outputs will contribute to results;(e) whether the quantified target values for results are realistic, having regard to the support envisaged from the EAGF and EAFRD;(f) the adequacy of human resources and administrative capacity for management of the CAP Strategic Plan;(g) the suitability of the procedures for monitoring the CAP Strategic Plan and for collecting the data necessary, <i>including gender-disaggregated data where appropriate</i>, to carry out evaluations; [Am. 691](h) the suitability of the milestones selected for the performance framework;(i) measures planned to reduce the administrative burden on beneficiaries;(j) the rationale for the use of financial instruments financed by the EAFRD. | |
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<p>4. The ex-ante evaluation shall incorporate the requirements for strategic environmental assessment set out in Directive 2001/42/EC taking into account climate change mitigation needs.</p>	
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Article 125 a - Gender impact assessments

1. Member States shall carry out gender impact assessments to ensure that the interventions proposed in the CAP Strategic Plans contribute to the promotion of gender equality.

2. The gender impact assessment shall be carried out under the responsibility of the authority responsible for the preparation of the CAP Strategic Plan.

3. The gender impact assessment shall appraise:

(a) the contribution of the CAP Strategic Plan to promote gender equality, taking into account national and regional needs and potential for development as well as lessons drawn from implementation of the CAP in previous programming periods;

	<p><i>(b) the internal coherence of the proposed CAP Strategic Plan and its relationship with other relevant instruments in pursuing gender equality;</i></p> <p><i>(c) the consistency of the allocation of budgetary resources in pursuing gender equality;</i></p> <p><i>(d) how the expected outputs will contribute to gender equality;</i></p> <p><i>(e) whether the quantified target values for results are realistic, having regard to the support envisaged from the EAGF and EAFRD;</i></p> <p><i>(f) the adequacy of human resources and administrative capacity for management of the CAP Strategic Plan interventions linked to the specific objectives on gender equality;</i></p> <p><i>(g) the suitability of the procedures for monitoring the CAP Strategic Plan and</i></p>
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	<p><i>for collecting the data necessary to carry out gender responsive evaluations;</i></p> <p><i>(h) the suitability of the milestones selected for the performance framework;</i></p>
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Article 126

Evaluation of CAP Strategic Plans during the implementation period
and ex post

1. Member States, *and where applicable, with the regions*, shall carry out evaluations of the CAP Strategic Plans shall be carried out by the to improve the quality of the design and implementation of the plans, as well as to assess their effectiveness, efficiency, relevance, coherence, Union added value and impact in relation to their contribution to the CAP general and specific objectives set out in Articles 5 and 6(1).
[Am. 692]
2. Member States, *and where applicable, the regions*, shall entrust evaluations to functionally independent experts.
[Am. 693]
3. Member States, *and where applicable, the regions*, shall ensure that procedures are in place to produce and collect the data necessary for evaluations. **[Am. 694]**
4. Member States, *and where applicable, the regions*, shall be responsible for evaluating the adequacy of the CAP Strategic

<p>Plan interventions for the purpose of achieving the specific objectives set out in Article 6(1). [Am. 695]</p> <p>5. Member States, <i>and where applicable, the regions</i>, shall draw up an evaluation plan providing indications on intended evaluation activities during the implementation period. [Am. 696]</p> <p>6. Member States, <i>and where applicable, the regions</i>, shall submit the evaluation plan to the Monitoring Committee no later than one year after the adoption of the CAP Strategic Plan. [Am. 697]</p> <p>7. The Managing Authority shall be responsible for completing a comprehensive evaluation of the CAP Strategic Plan by 31/12/2031.</p> <p>8. Member States shall make all evaluations available to the public.</p>	
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<p style="text-align: center;">CHAPTER V</p> <p style="text-align: center;">PERFORMANCE ASSESSMENT BY THE COMMISSION</p> <p style="text-align: center;">Article 127</p> <p style="text-align: center;">Performance assessment and evaluation</p> <ol style="list-style-type: none"> 1. The Commission shall establish a multiannual evaluation plan of the CAP to be carried out under its responsibility. 2. The Commission shall carry out an interim evaluation to examine the effectiveness, efficiency, relevance, coherence and Union added value of the EAGF and the EAFRD by the end of the third year following the start of implementation of the CAP Strategic Plans taking into account the indicators set out in Annex I. The Commission may make use of all relevant information already available in accordance with Article [128] of the [New Financial Regulation]. 	<p><i>envi 175, envi 176 & additions</i></p> <p style="text-align: center;">Article 127</p> <p style="text-align: center;">Performance assessment and evaluation</p> <p>[...]</p> <p><i>1a. As soon as all the national CAP strategic plans are approved, the European Commission will commission an independent assessment of their aggregated expected impact. If this analysis reveals an insufficient joint effort in relation to the ambition of the European Green Deal, the European Commission will take appropriate action, which may involve requesting Member States to modify CAP strategic plans or tabling amendments to this regulation. [added]</i></p> <p>2. The Commission shall carry out <i>and make public</i> <i>[e 175]</i> an interim evaluation to examine the effectiveness, efficiency, relevance, coherence and Union added value of the EAGF and the EAFRD by the end of the third year following the start of implementation of the CAP Strategic Plans taking into account the indicators set out in Annex I. The Commission may make use of all relevant information already available in accordance with Article</p>
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<p>3. The Commission shall carry out an ex post evaluation to examine the effectiveness, efficiency, relevance, coherence and Union added value of the EAGF and the EAFRD.</p> <p>4. Based on evidence provided in evaluations on the CAP, including evaluations on CAP Strategic Plans, as well as other relevant information sources, the Commission shall present an initial report on the implementation of this Article, including first results on the performance of the CAP, to the European Parliament and the Council, after the completion of the interim evaluation. A second report including an</p>	<p>[128] of the [New Financial Regulation]. <i>If the interim evaluation reveals an insufficient joint effort in relation to the ambition of the European Green Deal and Union environmental and climate legislation, the European Commission will issue recommendations to the Member States to ensure the achievement of the objectives of the European Green Deal and the legislation listed in Annex XI. In their annual performance report, Member States shall set out how the recommendations have been taken into account or the reasoning for not addressing recommendations or a part thereof. [added]</i></p> <p>3. <i>By the end of the period covered by this Regulation, the Commission shall carry out and make publicly available an ex post evaluation to examine the effectiveness, efficiency, relevance, coherence and Union added value of the EAGF and the EAFRD. This shall be complemented by an external and independent ex post evaluation report that covers the effectiveness, efficiency, implementation, complementarity, results and impacts of the EAGF and the EAFRD. [e 176]</i></p>
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assessment of the performance of the CAP shall be presented by 31 December 2031.

4a. *In its evaluation reports, the Commission shall take into account the indicators appearing in Annex I to this Regulation, as well as factors external to the CAP which have had an impact on the performance achieved.*
[Am. 698]

Article 128

Reporting based on a core set of indicators

In compliance with its reporting requirement pursuant to Article [38(3)(e)(i)] of Regulation (EU) .../... [New Financial Regulation], the Commission shall present to the European Parliament and the Council the performance information referred to in that Article measured by the core set of indicators set out in Annex XII.

<p style="text-align: center;">Article 129</p> <p style="text-align: center;">General provisions</p> <p>1. Member States shall provide the Commission with all the necessary information enabling it to perform the monitoring and evaluation of the CAP.</p> <p>2. Data needed for the context and impact indicators shall primarily come from established data sources, such as the Farm Accountancy Data Network and Eurostat. Where data for these indicators are not available or not complete, the Commission gaps shall be addressed resolve gaps in the context of the European Statistical Program established under Regulation (EC) No 223/2009 of the European Parliament and of the Council¹⁶, the legal framework governing the Farm Accountancy Data Network or through formal agreements with other data providers such as the Joint Research Centre and the European Environment Agency. [Am. 699]</p> <p>3. Existing up-to-date administrative registers such as the IACS, LPIS, animal and vineyard registers shall be</p>	<p><i>envi 177, envi 178 & additions</i></p> <p>1. Member States shall provide the Commission with all the necessary information or data enabling it to perform the monitoring and evaluation of the CAP. <i>Granting of CAP funds shall be conditional upon the provision by the Member States of this information and data.</i> <i>[e 177]</i></p> <p>2. Data needed for the context and impact indicators shall primarily come from established data sources, such as the Farm Accountancy Data Network and Eurostat. Where data for these indicators are not available or not complete, the gaps shall be addressed jointly by the European Commission and the Member State <i>[added]</i> in the context of the European Statistical Program established under Regulation (EC) No 223/2009 of the European Parliament and of the Council⁴⁰, the legal framework governing the Farm Accountancy Data Network or through formal agreements with other data providers such as the Joint Research Centre and the European Environment Agency.</p> <p><i>2a. Member States shall improve the quality and frequency of data collection for the key agricultural targets foreseen under the European Green Deal, corresponding to the impact and context indicators I.10, I.15, I.18, I.19, I.20, I.26, I.27, and C.32. These data</i></p>
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<p>maintained. The IACS and LPIS shall be further developed to better meet the statistical needs of the CAP. Data from administrative registers shall be used as much as possible for statistical purposes, in cooperation with statistical authorities in Member States and with Eurostat. [Am. 700]</p> <p>4. The Commission may adopt implementing acts, laying down rules on the information to be sent by the Member States, taking into account the need to avoid any undue administrative burden, as well as rules on the data needs and synergies between potential data sources. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2). [Am. 701]</p>	<p><i>shall be made public and provided to the European Commission in a timely manner, to assess the effectiveness of the CAP and enable monitoring progress towards the EU-level objectives. [added]</i></p> <p>3. Existing <i>up-to-date</i> [a 700] administrative registers such as the IACS, LPIS, animal and vineyard registers shall be maintained and reinforced. The IACS and LPIS shall be further developed to better meet the statistical needs of the CAP. By 1 January 2023, at the latest, all Member States shall have in their LPIS an updated layer with full territorial coverage for high-biodiversity landscape elements and features. [added] Data from administrative registers shall be used as much as possible for statistical purposes <i>and to monitor compliance</i> [e 178] in cooperation with statistical authorities in Member States and with Eurostat.</p> <p>[...]</p>
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¹⁶ Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programs of the European Communities (OJ L 87, 31.3.2009, p. 164).

<p>TITLE VIII</p> <p>COMPETITION PROVISIONS</p> <p>Article 130</p> <p>Rules applying to undertakings</p> <p>Where support under Title III of this Regulation is granted to forms of <i>agreements, decisions and concerted practices</i> cooperation between undertakings, it may be granted only to such forms of <i>agreements, decisions and concerted practices</i> cooperation which comply with the competition rules as they apply by virtue of Articles 206 to 209 of the Regulation (EU) No 1308/2013. [Am. 702]</p>	
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Article 131

State aid

1. Save as otherwise provided for in this Title, Articles 107, 108 and 109 TFEU shall apply to support under this Regulation.
2. Articles 107, 108 and 109 TFEU shall not apply to payments made by Member States pursuant to and in accordance with this Regulation, or to additional national financing referred to in Article 132 of this Regulation falling within the scope of Article 42 TFEU.
3. By way of derogation from paragraph 2, Articles 107, 108 and 109 TFEU shall apply to support provided for an operation falling both within and outside the scope of Article 42 TFEU, save where support for working capital is provided through a financial instrument.

Article 132

Additional national financing

Payments by Member States in relation to operations falling within the scope of Article 42 TFEU that are intended to provide additional financing for interventions for which Union support is granted at any time during the CAP Strategic Plan period may only be made if they comply with this Regulation, are included in Annex V to the CAP Strategic Plans as provided for in Article 103(5) and have been approved by the Commission.

Article 133

National fiscal measures

In order to limit the effects of income variability, by encouraging farmers to build up savings in good years in order to cope with bad years, Articles 107, 108 and 109 TFEU shall not apply to national fiscal measures whereby Member States decide to deviate from general tax rules by allowing for the income tax base applied to farmers to be calculated on the basis of a multiannual period, *including by carrying forward part of the tax base including by deferring part of the tax base, or by allowing the exclusion of amounts placed in a dedicated agricultural savings account.*

[Am. 703]

TITLE IX
GENERAL AND FINAL PROVISIONS

CHAPTER I
GENERAL PROVISIONS

Article 134

Measures to resolve specific problems

1. In order to resolve specific problems, the Commission shall adopt implementing acts which are both necessary and justifiable in an emergency. Such implementing acts may derogate from provisions of this Regulation, to the extent and for such a period as is strictly necessary. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2).
2. On duly justified imperative grounds of urgency, and in order to resolve such specific problems as referred to in paragraph 1 while ensuring the continuity of the direct payments system in the case of extraordinary circumstances, the Commission shall adopt immediately applicable implementing acts in accordance with the procedure referred to in Article 139(3).

<p>3. Measures adopted under paragraph 1 or 2 shall remain in force for a period not exceeding twelve months. If after this period the specific problems referred to in those paragraphs persist, the Commission may, in order to establish a permanent solution, submit an appropriate legislative proposal.</p> <p>4. The Commission shall inform the European Parliament and the Council of any measure adopted under paragraph 1 or 2 within two working days of its adoption.</p>	
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Article 135

Application to the outermost regions and the smaller Aegean islands

1. For direct payments granted in the outermost regions of the Union in accordance with Chapter IV of Regulation (EU) No 228/2013 only point (a) and (b) of Article 3(2), point (a), (b) and (d) of Article 4(1), Section 2 of Chapter I of Title III, Article 16 and Title IX of this Regulation shall apply. Point (a), (b) and (d) of Article 4(1), Section 2 of Chapter I of Title III, Article 16 and Title IX shall apply without any obligations related to the CAP Strategic Plan. **[Am. 704]**
2. For direct payments granted in the smaller Aegean islands in accordance with Chapter IV of Regulation (EU) No 229/2013 only point (a) and (b) of Article 3(2), Article 4, Section 2 of Chapter I of Title III, Sections 1 and 2 of Chapter II of Title III and Title IX of this Regulation shall apply. Article 4, Section 2 of Chapter I of Title III, Sections 1 and 2 of Chapter II of Title III and Title IX shall apply without any obligations related to the CAP Strategic Plan. **[Am. 705]**

CHAPTER II

INFORMATION SYSTEM AND PROTECTION OF PERSONAL DATA

Article 136

Exchange of information and documents

1. The Commission, in collaboration with the Member States, shall establish an information system to enable the secure exchange of data of common interest between the Commission and each Member State.
2. The Commission shall ensure that there is an appropriate secure electronic system in which key information and report on monitoring and evaluation can be recorded, maintained and managed.
3. The Commission shall adopt implementing acts, laying down rules for the operation of the system referred to in paragraph 1. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 139(2).

Article 137

Processing and protection of personal data

1. Without prejudice to Articles [96, 97 and 98] of Regulation (EU) .../... [HzR] Member States and the Commission shall collect personal data for the purpose of carrying out their respective management control, monitoring and evaluation obligations under this Regulation, and in particular those laid down in Titles VI and VII, and shall not process this data in a way which is incompatible with this purpose.
2. Where personal data are processed for monitoring and evaluation purposes under Title VII using the secure electronic system referred to in Article 136, they shall be made anonymous, and processed in aggregated form only.
3. Personal data shall be processed in accordance with the rules of Regulations (EC) No 45/2001 and (EU) No 2016/679. In particular, such data shall not be stored in a form which permits identification of data subjects for longer than is necessary for the purposes for which they were collected or for which they are further processed, taking into account the

<p>minimum retention periods laid down in the applicable national and Union law.</p> <p>4. Member States shall inform the data subjects that their personal data may be processed by national and Union bodies in accordance with paragraph 1 and that in this respect they enjoy the data protection rights provided by Regulations (EC) No 45/2001 and (EU) No 2016/679.</p>	
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CHAPTER III
DELEGATIONS OF POWER AND IMPLEMENTING
PROVISIONS

Article 138
Exercise of delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Articles 4, 7, *II*, 12, 28, 32, 35, 36, 37, 41, 50, 78, 81, *83, 94, 110, 120* and 141 shall be conferred on the Commission for *an indeterminate* a period of ~~seven years~~ *time* from the date of entry into force of this Regulation. ~~The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the seven year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period. [Am. 706]~~

<p>3. The delegation of powers referred to in Articles 4, 7, <i>11</i>, 12, 28, 32, 35, 36, 37, 41, 50,78, 81, <i>83, 94, 110, 120</i> and 141 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the powers specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force. [Am. 707]</p> <p>4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.</p> <p>5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.</p> <p>6. A delegated act adopted pursuant to Articles , 7, <i>11</i>, 12, 28, 32, 35, 36, 37, 41, 50,78, 81, <i>83, 94, 110, 120</i> and 141 shall</p>	
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enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council. **[Am. 708]**

Article 139

Committee procedure

1. The Commission shall be assisted by a committee called 'Common Agricultural Policy Committee'. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.
3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.

Article 139a

Mid-term review

By 30 June 2026, the Commission shall carry out a mid-term review of the CAP and submit a report to the European Parliament and the Council in order to evaluate the operation of the new model of implementation by the Member States and, where appropriate, the Commission shall submit legislative proposals. [Am. 709]

CHAPTER IV
FINAL PROVISIONS

Article 140

Repeals

1. Regulation (EU) No 1305/2013 is repealed with effect from 1 January ~~2021~~2022.

However, without prejudice to Annexes IX and IXa to this Regulation, Regulation (EU) No 1305/2013 shall continue be applicable, until 31 December 2022

,to:

- (a) *operations implemented pursuant to rural development programmes approved by the Commission under Regulation (EU) No 1305/2013, and*
- (b) *rural development programs approved in accordance with Article 10(2) of Regulation (EU) No 1305/2013 before 1 January 2022. [Am. 710]*

However, it shall continue to apply to operations implemented pursuant to rural development programs

approved by the Commission under that Regulation before 1 January 2021.

Article 32 and Annex III of Regulation (EU) No 1305/2013 shall continue to apply in respect of the designation of areas facing natural and other specific constraints. References to the rural development programs shall be read as references to the CAP Strategic Plans.

2. Regulation (EU) No 1307/2013 is repealed with effect from 1 January ~~2021~~**2022**. **[Am. 711]**

However, it shall continue to apply in respect of aid applications relating to claim years starting before 1 January ~~2021~~**2022**. **[Am. 712]**

Articles 17 and 19 of Regulation (EU) No 1307/2013, as well as Annex I to that Regulation where relevant for Croatia, shall continue to apply until 31 December ~~2021~~**2022**. **[Am. 713]**

<p style="text-align: center;">Article 141</p> <p style="text-align: center;">Transitional measures</p> <p>The Commission is empowered to adopt delegated acts in accordance with Article 138 supplementing this Regulation with measures to protect any acquired rights and legitimate expectations of beneficiaries to the extent necessary for the transition from the arrangements provided for in Regulations (EU) No 1305/2013, and (EU) No 1307/2013 <i>and (EU) No 1308/2013</i> to those laid down in this Regulation. Those transitional rules shall in particular lay down the conditions under which support approved by the Commission under Regulation (EU) No 1305/2013, <i>Regulation (EU) No 1307/2013 and Regulation (EU) No 1308/2013</i> may be integrated into support provided for under this Regulation, including for technical assistance and for the ex post evaluations. [Am. 714]</p>	
<p style="text-align: center;"><i>Article 141a</i></p> <p style="text-align: center;"><i>Reports</i></p> <p><i>By 31 December 2025, the European Commission shall submit a report on the impact that the CAP has had on island regions other</i></p>	

<p><i>than those referred to in Article 135. That report shall be accompanied by proposals to amend the strategic plans to take into account the specific features of those areas and to improve the outcomes hoped for in line with the objectives set out in Article 6(1).</i></p> <p>[Am. 715]</p>	
<p>Article 142</p> <p>Entry into force and application</p> <p>This Regulation shall enter into force on the day following that of its publication in the <i>Official Journal of the European Union</i>.</p> <p>This Regulation shall be binding in its entirety and directly applicable in all Member States.</p> <p>Done at Brussels,</p>	