

Compromise package

24-6-2021 20h30

4.1.1 Eco-Schemes – Ring Fencing

WK 8096/2021

WK 7368/2021 ADD 4

- 25%, per year, for the whole period with use of the "Rebate" system for eco-schemes as per Council General Approach
- Learning period for 2023 and 2024 with a “floor” mechanism at 20%.
- Allow full use of unused funds in 2023 and 2024 (between 20% and 25%), within the margins of the maximum unit amounts, also for Member States with payment entitlements.
- The absolute amount of unused funds below the floor will have to be compensated by the end of the period, at least via one of the following
- 3 compensation mechanisms (optional for MS):
 - Compensation in the 1st pillar, until the end of the period (2023-2027) by strengthening eco-schemes;
 - Compensation in the second Pillar by compulsory temporary transfer for interventions classified as environmental and climate (no ANCs)
 - loss of funds (essentially intended for small differences)
- Use of provisions of art 89(1a) and 88(3) last subparagraph for the entire period + redrafting .
- Unused amounts of the 10% flexibility in the learning period in the learning period above 5% in both years has to be compensated
- 2% flexibility in 2025 and 2026 with obligation to compensate by the end of the programming period

4.1.2 Conditionality (GAEC 2, GAEC 4, GAEC 7, GAEC 8 and GAEC 9)

GAEC 2 – Protection of wetland and peatland

Footnotes:

Member States may provide in their CAP strategic plans that this GAEC will only be applicable as from claim year 2024 or 2025. In such cases, Member States shall demonstrate that the delay is necessary for the establishment of the management system in accordance with a detailed planning.

Member States, when establishing the standard for GAEC 2, shall ensure that on the land concerned an agricultural activity suitable for qualifying the land as agricultural area may be maintained.

GAEC 4 – Establishment of buffer strips along water courses [with a minimum width of 3m]

Footnotes:

The GAEC buffer strips along water courses shall, as a general rule and in compliance with Union law, respect minimum width of 3m without using pesticides and fertilizers.

In areas with significant dewatering and irrigation ditches, MS may adjust, if duly justified for those areas, the minimum width in accordance with specific local circumstances.

GAEC 7 – Minimum soil cover to avoid bare soil in periods that are most sensitive

Footnote:

In duly justified cases, Member States may adapt in the regions concerned the minimum standards to take into account the short vegetation period resulting from the length and severity of the winter period.

GAEC 8 – Crop rotation in arable land, except for crops growing under water

Footnotes:

Rotation shall consist in a change of crop at least once a year at land parcel level (except in case of multiannual crops, grasses and other herbaceous forage, and land lying fallow), including the appropriately managed secondary crops.

On the basis of diversity of farming methods and agro-climatic conditions Member States may authorise in the regions concerned other practices of enhanced crop rotation with leguminous crops or crop diversification, which aim at improving and preserving the soil potential in line with the objectives of this GAEC

Member States may exempt from the obligation under this standard holdings:

(a) where more than 75 % of the arable land is used for the production of grasses or other herbaceous forage, is land lying fallow, is used for cultivation of leguminous crops, or is subject to a combination of those uses;

(b) where more than 75 % of the eligible agricultural area is permanent grassland, is used for the production of grasses or other herbaceous forage or for the cultivation of crops under water either for a significant part of the year or for a significant part of the crop cycle, or is subject to a combination of those uses; or

(c) with a size of arable land up to 10 hectares.

Member States may introduce maximum limit of area covered with a single crop to prevent large monocultures

Farmers certified in accordance with Regulation (EU) n° 2018/848 shall be deemed to comply with this GAEC standard.

GAEC 9 – Minimum share of agricultural area devoted to non-productive areas or features

Minimum share of at least 4% of arable land at farm level devoted to non-productive areas and features, including land lying fallow.

Where a farmer commits to devote at least 7% of his/her arable land to non-productive areas and features, including land lying fallow, under an enhanced eco-scheme in accordance with Article 28(5a), the share to be attributed to compliance with this GAEC shall be limited to 3%.

Minimum share of at least 7% of arable land at farm level if include also catch crops or nitrogen fixing crops, cultivated without the use of plant protection products and fertilizers, of which 3% shall be land lying fallow or non-productive features. Member States should use the weighting factor of 0,3 for catch crops.

Retention of landscape features.

Ban on cutting hedges and trees during the bird breeding and rearing season.

As an option, measures for avoiding invasive plant species.

Text for the Footnotes (applicable only for minimum shares of area devoted to non-productive areas and features – the three options):

(1) Member States may exempt from the obligation under this bullet point holdings:

(a) where more than 75 % of the arable land is used for the production of grasses or other herbaceous forage, is land lying fallow, is used for cultivation of leguminous crops, or is subject to a combination of those uses;

(b) where more than 75 % of the eligible agricultural area is permanent grassland, is used for the production of grasses or other herbaceous forage or for the cultivation of crops under water either for a significant part of the year or for a significant part of the crop cycle, or is subject to a combination of those uses; or

(c) with a size of arable land up to 10 hectares.

(2) Member States with more than 50 % of their total land surface area covered by forest may exempt from the obligation under this bullet point holdings located in areas designated by those Member States as areas facing natural constraints in accordance with point (a) or (b) of Article 32(1) of Regulation (EU) No 1305/2013, provided that more than 50 % of the land surface area of the unit referred to in the second sentence is covered by forest and the ratio of forest land to agricultural land is higher than 3:1. The area covered by forest and the ratio of forest land to agricultural land shall be assessed on an area level equivalent to the LAU2 level or on the level of another clearly delineated unit which covers a single clear contiguous geographical area having similar agricultural conditions.

+ Recital to cover reference to biodiversity target at MS level

4.1.3 Internal convergence (Art 20)

- Minimum value of each entitlement = 85% of average value by 2026 at the latest
- 85% target has precedence over maximum decrease of 30% at beneficiary level

4.1.4 Targeting of support

WK 7368/2021 ADD 1 REV 1

- The use of mandatory redistributive payment based on the needs assessment in the CAP Plans,
- with mandatory redistributive payment of at least 10% of DPs,
- with opt out for MS when duly demonstrated in the CAP strategic plan that the redistributive needs are relevantly addressed through other interventions/ instruments

(provided the intervention strategy shows that the redistribution needs are met through these alternative tools).

Art. 26.(1) 2nd subparagraph: "By derogation to the first subparagraph and Article 86(x), Member States may address the need of redistribution of income support by other instruments pursuing the same objective provided they can demonstrate in their CAP Strategic Plan that such need is sufficiently addressed."

4.1.5 Coupled Income Support

- Article 86: 13% + 2%
- Keep derogation for protein crops as per Art. 29 (wording as per COM proposal)

Article 29

*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 sustainability or their quality. **By way of derogation for protein crops Member States are not required to demonstrate the difficulty or difficulties they undergo.***

- Mix of legumes and grasses provided legumes are predominant
- List of sectors/products include only starch potatoes, and clarifies protein crops (including predominance of legumes in mixes with grass)
- Link to WFD in Art 97(2)(a) second subparagraph as per following wording

In addition, an explanation shall be provided on how the interventions under coupled income support as referred to in Subsection 1 of Section 3 of Chapter II of Title III are consistent with Directive 2000/60/EC;

4.1.6 Social Dimension

wk 6718/2021 REV1 and wk 6927/2021 REV 1

- Text of the latest Commission Proposal with the inclusion of the part of PRES related with the sectorial interventions
- start implementation as from 202[X]
- rendez-vous clause 2 years after start of implementation (which includes possibility to add new legislation)

- drop reference in Article 6(1)(h)

4.1.7 EAFRD, Green investments and other article 86 Ring Fencings

- EAFRD ringfencing
 - 35% with ANC (Art. 86.2) 50% weighting
 - 100% for all other interventions including animal welfare and green investment
- Recital on green investment
- list of interventions in basic act (including green investments) that contribute to ring-fencing
- 15% F&V sectorial interventions
- No additional RF for BISS, CIS, socio-economic objectives

4.1.8 Green Deal alignment; climate and biodiversity tracking wk 8152/2021

- Green Deal alignment
 - Approval of plans
 - Keep Article 106(2) approval on the basis of legally binding acts
 - [Recital/ article] for relevant GD targets
 - Alignment vs contribution → consistency?
 - Title of Annex XI: EU LEGISLATION CONCERNING THE ENVIRONMENT AND CLIMATE TO WHOSE OBJECTIVES MEMBER STATES' CAP STRATEGIC PLANS SHOULD CONTRIBUTE TO, AND BE CONSISTENT WITH, PURSUANT TO ARTICLES 96, 97 AND 103:”
 - Reinforce with “consistency”
 - Report(s) by COM
 - 2023
 - 2025 in art 127.1.b “consistency and combined contribution of MS”
- Art 87
 - Article to be kept
 - Delegated act empowerment for the Commission to modify the methodology/ weighting factors after 31/12/2025.