



# Rural Development – programming period 2014-2022 – Brief information

Civil Dialog Group on the CAP Strategic Plans and Horizontal Matters

*13 March 2023*

*DG AGRI Unit C1*

*Via Interactio*

# Outline

- Time period concerned

## **IACS measures**

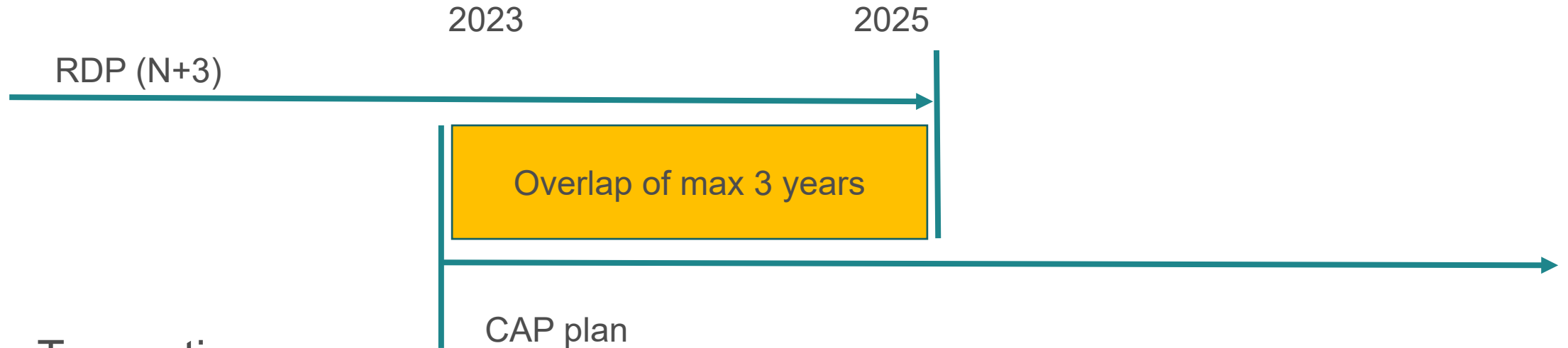
- Option 1: RDP area- and animal-related commitments continue after 2023
- Option 2: Carry-over
- Avoiding double funding/overcompensation

## **Non-IACS measures**

- Eligible RDPs legal commitments (non-IACS measures)
- Case study: Investments
- Financial Instruments (FIs)

# Time period concerned

## 'End of old' & 'Start of new' may overlap



- Two options:
  1. RDP area and animal-related commitments (multi-annual and/or annual) continue (max end 2025), paid by the RDP
  2. Expenditure for ongoing multiannual RDP commitments (with duration > 2022) are carried over to the CAP Plan (i.e. will be paid under the CAP plan)

# IACS

# Option 1: RDP area- and animal- related commitments continue after 2023

*RDP continues = Cross-compliance continues*

*Ongoing commitments under the RDPs have to comply with cross compliance  
(M8,M10, M11, M12, M13, M14)*

- *‘old’ rules continue to apply for ‘old’ commitments paid under the RDPs, even when extending into the new period for the CSP (no possibility to adapt to conditionality/new baseline)*
- *farmer cannot step out before end of duration of contract*

## **At the same time:**

- *As of 2023, beneficiaries receiving support under the CSP for the ongoing commitments have to comply with conditionality (direct payments/eco-schemes and interventions under Art 70, Art 71 and Art 72).*

## Example: compliance with GAEC 8

- *Farmer receiving support under the CSP has to comply with GAEC 8 (minimum share of arable land for non-productive areas)*
- *Whereas under the ongoing 'old' AECM/OF commitment paid by the RDP ('old money'), GAEC 8 does not apply*
- *It can be agreed that the beneficiary can receive the total RDP support*
  - *even when the respective AECM/OF commitment covers the non-productive areas of GAEC 8*
  - *as long as they are held as non-productive areas in the sense of GAEC 8*

# *Transitional rules on cross-compliance & conditionality checks*

*Article 12 of DA (EU) 2022/1172 on IACS :*

- aim at providing a smooth transition period to avoid the duplication of checks and increased administrative burden until 31 December 2025.*
- MS can consider that farmers subject to both conditionality and cross-compliance, receiving area based payments under the RDP comply with all the cross-compliance requirements as long as the conditionality checks do not reveal any non-compliance.*
- Only in case conditionality checks do reveal non-compliances => MS will have the obligation to carry out specific cross-compliance checks.*
- If non-compliances are found, penalties may apply under both, conditionality and cross-compliance rules.*



## Option 2: Carry-over

Carry-over = Conditionality applies

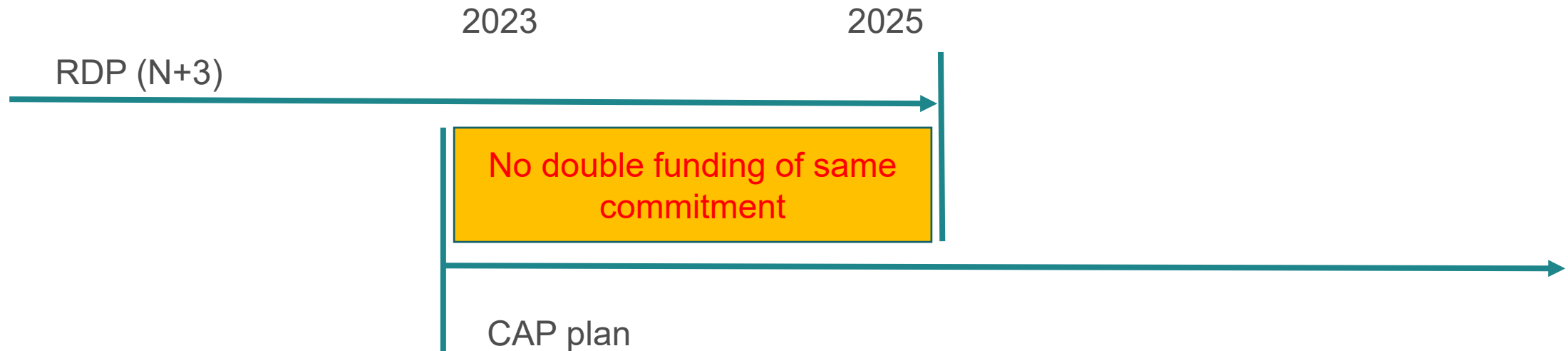
**Legal basis:** Art 155 of Reg (EU) 2021/2115

- *Eligibility of certain types of expenditure relating to the CSP period*

In the case of ‘carried-over’ expenditure of ongoing RDP commitments to the CSP as of 2023 and/or 2024 or 2025, which then will be paid from the CAP Plan budget 2023-2027 (‘new money’):

- *New conditionality is fully applicable to those commitments*
- *farmer can step out, if not agreeing to new conditions (e.g. conditionality)*

# Avoiding double funding/overcompensation applications



Farmers, in line with financial rules, should avoid any double funding application between commitments paid under the RDPs and commitments paid under the CSP as from 2023

⇒ Ensure compatibility on the same area of certain management commitments financed under the RDPs and the CAP Strategic Plan interventions (ES, AECC, OF)

# Avoiding double funding/overcompensation applications

Note:

- ⇒ Possibility of combination of RDP measure (at potentially reduced premia) & ES must be voluntary for farmers
- ⇒ If farmer does not want to accept the change in the RDP measure:
  - ⇒ RDP commitment (with current RDP premia) continues until it expires
  - ⇒ But combination with the respective eco-scheme could become not possible (in case it is exactly the same commitment as the 'old' RDP measure)

# Non-IACS

# Eligible RDPs legal commitments (non-IACS measures)

**Legal basis:** Article 155, paragraph 4, Regulation 2115/2021

**Measures (among others):** **M3** Quality schemes, **M4** Investments, **M6** Young farmers, non-agricultural activities, small farms, **M7** Basic services and village renewal, **M16** Cooperation, **M19** LEADER

## **Basic conditions:**

- relevant expenditure is provided for in the CAP Strategic Plan
- the measure is compatible with the CAP Plan strategy and the relevant intervention in the Plan
- EAFRD contribution rate of the intervention is according to the CSP and the Regulation 2020/2115

# Case study (1): Investments and irrigation

## Legal basis:

- RDP 2014-2025 (N+3): REG 1305/2013, Art. 17 + 45 + 46
- CSP 2023-2029 (N+2): REG 2021/2115 (SPR), Art. 73 + 74
- No double funding: REG 2021/2116 (HZR), Art. 36
- Overlapping period 2023-2025: REG 1303/2013, Art 65(11):

An operation may receive support from one or more ESI Funds or from one or more programmes and from other Union instruments, provided that the expenditure item included in a request for payment for reimbursement by one ESI Fund does not receive support from another Fund or Union instrument **or from the same Fund under another programme.**

## Case study (2): Investment payments 2023

- MSs can use RDP funding to reimburse payments to RDP investments after 2023 and until 31/12 2025.
- If investment projects with RDP funding cannot be completed by 31/12 2025 due to unforeseen reasons, expenditures after that date relating to commitments incurred under the RDP may be eligible for an EAFRD contribution in the CSP period under following conditions: Such expenditure is provided for in the relevant CSP and the EAFRD contribution rate of the intervention established in the CAP Strategic Plan to cover those measures applies (SPR, Art. 155 (4)).
- However, in principle no overbooking under RDPs: Grants under the RDPs to be covered by corresponding budget under the RDPs.

# Financial Instruments (FIs)

- MSs should avoid any double funding between FI commitments paid under the RDPs and FI commitments paid under the CSP as from 2023
- MSs may implement different FIs under RDPs and under CSPs, in parallel, between 2023-2025, if:
  - Clear demarcation is ensured via funding agreements and separate accounts
- MSs may also decide to continue the RDP FI under the CSP, by clearly defining a cut-off date for the eligible expenditure, when CSP rules and budget enters into force (latest 31/12/2025)





# Thank you