

Civil Dialogue Group Direct Payments & Greening 29/03/2019

Point 5 – State of Play of co-decision process

Disclaimer

This presentation is a summary made by DG AGRI of main issues raised by the European Parliament and Member States to date. It does not reflect the position of the Commission nor the final positions of the other European Institutions.

In the Council

- *Meetings of the Working Party on Horizontal Agricultural Questions (WPHAQ) and of the Special Committee for Agriculture (SCA) ongoing **since June 2018***
- *All provisions have been explained and been the subject of **detailed discussions***
- *The Commission has issued **6 batches of written replies to MS questions** covering all parts of the Proposal*
- *The Commission has issued various **non-papers***
- *The Commission has issued various **indicators fiches***
- *Objective of RO Presidency: **Partial General Approach** at June's AGRIFISH Council*

In the European Parliament

- *DG AGRI made extensive **technical presentations** of the various parts of the proposal*
- *The (associated) **EP ENVI Committee adopted its opinion** on the Strategic Plan Regulation by 42 votes in favor, 14 against and 3 abstentions on 14 February 2019. This opinion has been transmitted to COMAGRI.*
- ***Vote in COMAGRI** to take place on 2 April 2019*
- ***No vote in Plenary** before the elections*

Direct payments *(excluding green architecture)*

Main issues for MS in respect of DP

- ***Mandatory character of:***
 - EU requirements : reduction of payments/capping, genuine farmer, skills/education for young farmer
 - and/or types of interventions: complementary redistributive payment
- *Level and scope of **reduction of payments/capping** mechanism*
- *Level and scope of coupled **income support***

Main trends in COMAGRI in respect of DP

- ***Maintenance of mandatory nature of certain elements as proposed by Commission*** (e.g. reduction of payments/capping, genuine farmer, redistributive payment)
- ***Reintroduction of many prescriptions in the basic act*** (e.g. definitions, support to young farmers, redistributive payment, small farmers, coupled support)
- Possible ***ring-fencing*** of funds to be allocated to certain types of interventions (e.g. basic income support, redistributive, eco-schemes)

Green architecture

Main issues for MS on green architecture

- ***Certain GAECs not flexible enough/not needed:***
 - GAEC 2 (peatland/wetland), GAEC 8 (crop rotation)
 - GAEC 5 (FaST)
- ***Small farmers not exempted from conditionality***
- ***Articulation with Eco-schemes perceived as too rigid***
- ***Lack of clarity on possible Eco-schemes***

Main trends in COMAGRI on green architecture

- ***Conditionality: back to status quo → decrease of environmental outcomes:***
 - GAECs/SMRs watered down or become eco-schemes
- ***Eco-schemes: less flexibility for MS:***
 - *FaST, wetlands/peatlands, biodiversity areas compulsory to offer*
 - *Stricter rules on payments*
- ***Article 65 management commitments:***
 - *Allow for incentive payments*
 - *Allow to finance requirements of national legislation*

Outcome of COMENVI vote on green architecture

- ***Conditionality: reinforced by e.g. further enhancing certain GAEC (e.g. FaST, 7% EFA) and by extending scope to sectorial programmes***
- ***Eco-schemes: reinforced and made more prescriptive by:***
 - **Ring-fencing eco-schemes at a level of at least 30% Direct Payments;**
 - **proposal of a common list of agricultural practices beneficial for the environment and climate in EU law (established by the COM) and to be supplemented by MS (under certain conditions)**
- ***Article 65: excluding support for animal welfare, possibility for "incentive" payment***

