

EAFRD SIMPLIFICATION

***DG Agriculture and Rural Development , Unit H1
CDG on Rural Development, 20.09.2016***

OUTLINE

- 1) Implementing rules**
- 2) RD Basic Act**
- 3) ESIF common provisions**
- 4) What's next?**

Implementing rules

Rural development: R.699/2016 amending R.808/2014

- Simplification of programming for financial instruments:
 - No limits for programme amendments
 - Simpler description of the operations to be supported
- Information obligations for the beneficiaries
 - Mandatory for investment measures only
 - Limit increased to EUR 50.000

Other CAP simplification:

- Simplification already introduced over the past year (first three waves)
 - http://ec.europa.eu/agriculture/simplification/index_en.htm

Implementing rules

Next amendment to **R.808/2014** (planned for November)

- Additional programme modifications
 - Three additional modifications over the programming period
 - ANC delimitation and modifications related integration of third-country nationals (TCN) do not count against the limits
- Monitoring of actions targeted on integration of TCN

Direct payments:

- Fourth wave of simplification in 2016 – comprehensive review of greening arrangements:
 - http://ec.europa.eu/agriculture/simplification/index_en.htm

RD Basic Act amendment

Together with the Financial Regulation:

- COM(2016) 605 final – **Art. 267**

Several changes to **ease a the rules** to be respected by **Financial Instruments** (harmonisation with other ESI Funds):

- Support to **young farmers** might be provided through **FIs**
- Fund specific eligibility rules **should not apply to FIs**:
 - Processing and marketing (Art. 17(1)(b))
 - Village renewal (Article 20(2) and (3))
 - Ex-ante environmental impact assessment for each individual project (Article 45(1))
 - Eligible investment costs (Article 45(2) and (3))
- **Extension of eligibility of working capital** to all investments in rural areas (Article 45(5))
- **100% contribution** rate for FI implemented through **EFSI**

RD Basic Act

Other changes:

- **Streamlining** of rules for support to **young farmers**
- Introduction of an **sector-specific income stabilisation tool** (new Article)
 - and possibility to **contribute** to the **initial capital** of the funds (amendment to Art. 38(3) and 39(4))
- **Simplification** of the rules on **selection criteria**:
 - **No selection criteria** for **restoration** sub-measures (Art. 49(2))
 - Possibility to define **alternative selection methods** (new provision in Art. 49)

RD Basic Act

Other changes:

- **Quicker availability of EU funding:**
 - **investment projects** in connection with the refugee crisis can be **eligible** for EU financing as **from the date of the event** (Art. 60(1) and (2)).
 - The **same flexibility** will apply to EU support in case of **catastrophic events** in rural areas.
- **Obligation to certify** calculation methods by an independent body **limited to IACS measures** (Art. 62(2))
- **Monitoring committee** should be **consulted** on the **selection criteria before the calls for application** and not within four months as from the date of adoption of the programme (Art. 74(a))

ESIF common provisions (R.1303/2013)

Main changes concerning **EAFRD**, COM(2016) 605 final, Art. 265:

- **Partnership Agreement** (PA) to be aligned with programmes once a year (new provision in Art. 16)
- New Article 30a complementing possibility for **transfer** to other **EU instruments** or to enhance the risk bearing capacity of the **EFSI** (cf. Article 125 FR)
- Possibility to **directly award** implementation of **FIs** to **publicly-owned** bank or institution (Article 38)
- Possibility to **allocate up to 15%** of programme to operations **outside the programming area** – currently 5% (Art. 70(2)(b)), other exceptions for EAFRD in Art. 70
- **Durability** does not apply to **leasing** (Art. 71(4))
- ... and other changes/clarifications, e.g., CLLD (Art. 32 and 34), financial instruments (Art. 37 to 46) or simplified cost options (67 to 68)

What's next?

"Mid-term" legislative proposals:

- **to be agreed by the European Parliament and the Council**
- COM committed to work closely with the other institutions to secure agreement on **as much of the package as possible by the end of 2016**

Post-2020:

- **EAFRD/CAP** – Cork [conference/declaration](#)
- **EAFRD/ESIF** – [High-level group](#) for simplification for beneficiaries
- Ongoing studies on (results in 2017):
 - Alternative delivery mechanisms
 - Potential harmonisation on ESIF and other EU instruments
 - Financial instruments, etc.

Thank you for your attention!