



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

The Director-General

Brussels, 31 March 2022

Subject: Observations on the proposal by Sweden for a CAP Strategic Plan 2023-2027 - CCI: 2023SE06AFSP001

Your Excellency,

I hereby acknowledge receipt of the proposal for the 2023-2027 CAP Strategic Plan of Sweden, submitted via SFC2021 on 22 December 2021.

An assessment by the Commission services of the proposed CAP strategic plan has identified a number of issues that require further clarification and adaptation. The enclosed annex sets out the relevant observations, which are communicated pursuant to Article 118(3) of Regulation (EU) 2021/2115.

I invite Sweden to submit a revised proposal of the CAP strategic plan for approval, taking into account these observations.

In accordance with Article 121 of Regulation (EU) 2021/2115, the time limit of 6 months for the Commission decision to approve your CAP Strategic Plan does not include the period starting on the day following the sending of these observations and ending on the date on which Sweden responds to the Commission and provides a revised proposal.

The Commission is committed to a continued structured dialogue with national authorities in the further approval process of your CAP Strategic Plan. The Commission is open to receiving your written reaction on the key elements of the observations within 3 weeks and intends to publish them subsequently alongside our observations on all the CAP Strategic Plans received in time, unless you would object to publication of your reaction. I invite your services in charge to engage in bilateral exchanges as soon as possible in order to discuss the observations set out in the Annex.

Yours faithfully,

Wolfgang BURTSCHER

Enclosure: List of observations pursuant to Article 118(3) of Regulation (EU) 2021/2115

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ANNEX

Observations on the CAP Strategic Plan submitted by Sweden

The Russian invasion of Ukraine and the ongoing generalised commodity price surge bring to the forefront in the strongest possible way the integral link between climate action and food security. This link is recognised in the Paris Agreement and has been incorporated in the new legislation for a Common Agricultural Policy (Regulation (EU) 2021/2115) and the Farm to Fork Strategy (COM(2020) 381 final) with a view to ensuring sufficient supply of affordable food for citizens under all circumstances while transitioning towards sustainable food systems.

In this context, and in the context of the climate and biodiversity crises, Member States should review their CAP Strategic Plans to exploit all opportunities:

- to strengthen the EU's agricultural sector resilience;
- to reduce their dependence on synthetic fertilisers and scale up the production of renewable energy without undermining food production; and
- to transform their production capacity in line with more sustainable production methods.

This entails, among other actions, support for carbon farming, support for agro-ecological practices, boosting sustainable biogas production¹ and its use, improving energy efficiency, extending the use of precision agriculture, fostering protein crop production, and spreading through the transfer of knowledge the widest possible application of best practices. The Commission assessed the Strategic Plans of Member States with these considerations of the sector's economic, environmental and social viability in mind.

The following observations are made pursuant to Article 118(3) of Regulation (EU) 2021/2115. Sweden is asked to provide the Commission with any necessary additional information and to revise the content of the CAP Strategic Plan taking into account the observations provided below.

¹ Sustainable biogas production means the production of biogas that respects the sustainability and greenhouse gas emissions saving criteria laid down in Article 29 of Directive (EU) 2018/2001 (Renewable Energy Directive).

The key issues

Observations with regard to the strategic focus of the CAP Strategic Plan

1. The Commission welcomes the Common Agricultural Policy Strategic Plan submitted by Sweden (hereafter the Plan), the consideration given to its recommendations of 18 December 2020 (SWD/2020/390), and the constructive exchanges in the framework of the structured dialogue leading up to its submission. The Commission takes note of the public consultations conducted in preparing the Plan.
2. The Commission considers that certain elements of the Plan require further focusing, as well as additional clarifications as to the strategic approach and level of ambition. While the Plan contains main information related to the overall intervention logic, the current draft proposal and the choice of result indicators do not allow for a full assessment of its results and contributions. Sweden needs to reconsider the approach in demonstrating the results of its Plan.
3. The Commission recalls the importance of the targets set for result indicators as a key tool to assess the ambition of the Plan and monitor its progress. The Commission requests Sweden to revise the proposed target values, by improving their accuracy and taking into account all the relevant interventions, and by defining an adequate ambition level in line with the identified needs.

Observations with regard to the fostering of a smart, competitive, resilient and diversified agricultural sector that ensures long term food security

4. The Commission acknowledges that the plan emphasises farm income for maintaining agriculture production for ensuring food security. However, as proposed, the Plan is not likely to contribute effectively to this general objective. The Commission in particular has doubts as to the expected effectiveness of the proposed intervention strategy with regard to the targeting and fairness of support and the farmer's position in the value chain.
5. Sweden needs to reassess and increase its ambition as regards the fairer distribution of the direct payments. The reasoning for not including redistributive payments and complementary redistribution income support for sustainability (hereafter: CRISS) needs to be substantiated by a quantitative analysis showing the combined effects of all proposed income support tools on redistribution. This will allow the Commission to assess whether the aim of fairer distribution and better targeting of direct payments is addressed in a sufficient manner within the Plan, including as regards the request for the 10% redistributive payment derogation. Furthermore, the intervention logic for coupled income support (hereafter: CIS) is insufficient.
6. While the assessment of needs identifies the importance of strengthening of farmer's position in the food chain, the Plan addresses these needs primarily by sectoral interventions and investment support for diversification. Considering the

low level of support and lack of diversity of type of interventions for Producer Organisations (hereafter: POs), the interventions responding to these needs seem to have a very limited scope. Sweden is asked to reconsider the approach and to target the interventions to the sectors with the greatest needs to ensure a tangible effect on the position of farmers in the value chain.

7. Sweden is invited to strengthen its strategy for helping farmers manage increasing production and income risks (in particular climate-related ones) by introducing relevant risk management interventions. Furthermore, in light of the Russian war in Ukraine, the Commission urges Sweden to also consider interventions that will help reduce dependence on fossil fuels and other externally sourced inputs to preserve the long-term sustainable production capacity and viability of farms.

Observations with regard to the support for and strengthening of environmental protection, including biodiversity, and climate action and to contribute to achieving the environmental and climate-related objectives of the Union, including its commitments under the Paris Agreement

8. Based on the current information, the proposed Plan is not likely to contribute effectively to this general objective. The Commission notes in particular the lack of sufficient ambition with regard to protecting biodiversity, reducing livestock emissions and increasing carbon sequestration. Relevant conditionality standards, as well as interventions proposed under both pillars, along with their financial allocations will need to be modified accordingly and new interventions considered.
9. Sweden is invited to expand on the overall logic of its Plan's environmental and climate architecture and is requested to reinforce the interventions and to reallocate budgets to ensure a more effective link between needs, interventions and result indicators.
10. Sweden is invited to better show how the Plan contributes to the achievement of the related target/objective of the needs identified in the national plans emanating from the legislative instruments referred to in Annex XIII to Regulation (EU) 2021/2115 (Strategic Plan Regulation – hereafter SPR), in particular by explicitly identifying a need to reduce absolute greenhouse gas emissions. Sweden is requested to take better account of the Priority Action Framework and further align the proposed interventions with it.
11. Sweden is requested to better demonstrate the increased ambition of the planned green architecture as regards environmental and climate related objectives using qualitative and quantitative elements such as financial allocation and indicators. The Plan does not currently contain sufficient elements to conclude such increased ambition compared to the current programming period. Rather to the contrary, there is a risk that the Plan's interventions as a whole might have a predominantly negative impact on the climate compared to the current situation, in particular given that coupled support to ruminants is not counterbalanced by any measure to reduce livestock emissions.

12. The proposed system of conditionality needs to be clarified and reinforced to demonstrate an increased environmental ambition. The Commission requests Sweden to clarify or amend certain Good agricultural and environmental conditions (GAEC) so they fully comply with the regulatory framework (see detailed comments below).
13. The Commission invites Sweden to explain the contribution of its Plan to climate change mitigation and to better demonstrate how the need for climate adaptation will be sufficiently addressed.
14. Sweden is strongly encouraged to revise its Plan in order to take into account the national targets that will be laid down in the revised Regulation (EU) 2018/842 (the Effort Sharing Regulation) and Regulation (EU) 2018/841 (the Regulation for the Land Use, Land Use Change and Forestry (LULUCF)) (revisions which are currently discussed by the EU co-legislators) in view of the legal requirement in Article 120 of the SPR to review the Plan after their application.
15. Sweden is invited to include links to the EU Adaptation Strategy (COM(2021)82) and to the Swedish National Adaptation Plan and modify its proposed interventions so that they contribute to climate change adaptation objectives.
16. The Commission strongly encourages Sweden to fully benefit from possibilities of the SPR to increase sustainable domestic generation and use of renewable energy, including biogas, thereby strengthening what has already been programmed in their National Energy and Climate Plan. Moreover, the Commission calls on Sweden to support interventions that improve nutrient use efficiency, circular approaches to nutrient use, including organic fertilising as well as further steps to reduce energy consumption.

Observations with regard to the strengthening of the socio-economic fabric of rural areas

17. The Commission considers that the proposed Plan shows potential for contributing effectively to this general objective. The Commission particularly notes the potential ambition with regard to attracting young and new farmers and businesses.
18. While the Plan demonstrates ambition towards attracting young farmers, the related interventions need more focus and a clearer indication of outputs.
19. Regarding rural areas, Sweden makes a broad use of the Community-led local development (LEADER/CLLD) programme and knowledge tool, and refers to national policy instruments covering investment support for commercial services. Sweden is invited to provide more information on the contribution of these national instruments to strengthening rural areas, including remote and depopulated ones.
20. The Commission invites Sweden to provide more detailed explanations as regards coordination and governance with other EU funding like the European Structural and Investment funds (ESI) programmes investing in rural areas and the plan for the Recovery and Resilience Fund (RRF), with more detailed information on

actions targeting overall development of rural areas as well as elements related to social issues.

Observations with regard to fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas

21. The transition towards more resilient and sustainable agriculture and rural areas will require a significant effort in advice, training and innovation. The Commission has identified a number of weaknesses in Sweden's strategy for knowledge sharing and innovation. The Commission therefore invites Sweden to further elaborate on its strategic approach to Agricultural Knowledge and Innovation Systems (AKIS) while ensuring overall coherence and an adequate level of support for the planned interventions.
22. The Commission takes note of Sweden's intention to address the needs related to broadband access in rural areas through other funding instruments. The Commission invites Sweden to further elaborate on the use and complementarity of such funds with particular focus on their contribution to addressing regional differences regarding digitalisation in rural areas.

Information with regard to the contribution to and consistency with Green Deal targets

23. The Commission regrets that Sweden has not included information on its national values for the Green Deal targets contained in the Farm to Fork Strategy and the Biodiversity Strategy. In addition, Sweden has not provided any qualitative explanation regarding the consistency of its Plan with and contribution to these targets. Therefore, the Commission requests Sweden to do so.
24. **Anti-microbial resistance:** The Commission notes that the interventions proposed will likely contribute to keeping a low level of antimicrobial use in farm animals. However, the Commission strongly recommends that Sweden sets a specific value at national level corresponding to this Green deal target.
25. **Pesticides:** Despite the absence of a specific national value set in relation to the Green Deal targets and the difficulty to assess the impact of the proposed interventions, the Commission estimates that the implementation of the proposed Plan may result in a decrease in the use and risk of pesticides. On this basis, Sweden might make some contribution to the achievement of the respective Green Deal targets at EU level in 2030. However, the Commission invites Sweden to consider reinforcing its Plan in the area of pesticides, in particular to explain the measures in and outside the CAP which will contribute to achieving the Green Deal targets, and requests national values for these targets.
26. **Nutrient losses:** While the Commission acknowledges the relevant interventions and other elements in the proposed Plan as well as other efforts done towards cutting nutrient losses, such as nutrient limits in national legislation, it requests Sweden to set a national value for the reduction in nutrient losses to this end.

27. **Organic farming:** The Commission welcomes Sweden's stated national value of 30% for coverage of organic farming by 2030. However, due to the high difference between this national value and the foreseen supported area, the Commission invites Swedish authorities to better clarify how the proposed actions will effectively contribute to the foreseen ambition.
28. **High-diversity landscape features:** the Commission acknowledges the relatively high share of landscape features in Sweden, but invites Sweden to consider interventions, e.g. under Article 70, for high diversity landscape features beyond GAEC 8. It requests Sweden to set a value to this Green Deal target.
29. **Rural broadband:** Considering that Sweden has a low rural broadband coverage, the Commission takes note of an additional focus in this regard through Sweden's plan for the RRF. The description of all national and EU funded measures and in particular, how they will contribute to closing the rural digital gap in order to reach this Green Deal target would be necessary. The Commission requests Sweden to set a national value in this regard.

Detailed observations

1. STRATEGIC ASSESSMENT

Sweden is invited to fill in the following sections of the Plan and/or attach relevant annexes, which are empty or incomplete:

30. All needs identified from the analysis of strengths, weaknesses, opportunities and threats (SWOT) should be listed in the Plan including those which are not addressed through the Plan (Article 108 of the SPR).
31. A significant number of result indicators are missing or not used.
32. A number of issues are addressed through national measures but those are often only mentioned, without clear further details. A description of each identified need and the justification for not addressing certain identified needs in the Plan or addressing them partially is needed.
33. The justification of the financial allocations need to be specifically related to each Specific Objective (SO) (section 2.1).
34. 'Overall target values' in the target plan need to be completed.
35. In general, the Plan needs to provide more clarity on the detailed list of interventions that will be associated to each indicator.
36. References to Annex XIII to the SPR are not sufficient. It is expected that Member States describe in their SWOT and needs assessment the elements that relate to the different legislations: e.g. (not exhaustive) what is/will be done under the Plan.

1.1. To foster a smart, competitive, resilient and diversified agricultural sector ensuring long term food security

1.1.1. Strategic assessment of Specific Objective 1

37. In addition to relevant key issues mentioned, Sweden is asked to rectify and address specific issues with regard to SO1. The SWOT summary should clearly identify the sector(s) (weaknesses/threats) which need additional support and the interventions should be designed to target the sectors in need of additional support (e.g. CIS). The SWOT summary currently provides only general references to the handicaps (e.g. generally low profitability in agriculture, additional costs related to animal welfare), which should be completed to enhance clarity.
38. A specific needs assessment in relation to fairer, more effective and efficient targeting of direct payments is missing (Article 108(c) of the SPR). A clear identification of the farms with higher income support needs, in particular by physical size and sector, is necessary. It would be useful to have an analysis of the viability of the farm income in relation to the farm structure (e.g. number of farms and their size, weight of different sectors and trends), in order to identify categories of farms with lower level of the income.
39. Point 3.4 of the Plan “redistributive strategy” should not only indicate that the redistributive needs have been addressed, but also that they have been sufficiently addressed. To justify the sufficiency of the strategy and the consistency of all income support tools, a qualitative analysis showing the combined effects of all relevant income support tools on direct payments per hectare and income per work unit by physical size is requested (e.g. using the Farm Accountancy Data Network (FADN)), including taking into account target R.6 (redistribution to smaller farms) value.
40. The Commission considers that there is not enough evidence to conclude that the Plan addresses sufficiently the need of redistribution of income support by other instruments and interventions financed by the EAGF in order to justify the 10% CRISS derogation. The Commission asks Sweden to provide a justification, in particular in relation to redistribution to smaller farms, of the derogation related to second subparagraph of Article 29(1), read in conjunction with Article 98 of the SPR. The Commission considers that the proposed Plan does not fully comply with all requirements and obligations mentioned in the SPR relevant for the achievement of this objective and the Plan should be modified accordingly.
41. Complementarity of different interventions related to the same sector (e.g. coupled income support and payments for areas with natural constraints) should be assessed not only in a ‘technical’ sense (i.e. potential accumulation of support in case of interventions targeting the same sector), but in a broader, ‘strategic’ perspective. Accordingly, Sweden should reinforce the explanation of how the combination of the relevant interventions are to achieve the intended objective and thus fulfil the need(s) identified for the sector concerned.

42. Considering increasing risks (in particular climate-related) for which Swedish farmers are not covered, the Commission is concerned by the absence of risk management tools. Sweden is invited to provide a more elaborated overview of the national situation as regards risks in agriculture, in particular on climate change and associated frequency and severity of extreme weather events, as well as sanitary and phytosanitary crises, and to explain in more detail how these risks are addressed through the Plan or other national measures, including measures of a financial nature (for example subsidies to build up insurance systems or mutual funds). The Commission invites Sweden to introduce an intervention (including risk management tools available for the fruit and vegetable sector and tools under EAFRD) in order to better help farmers manage production and income risks.
43. Relevant section in 4.2.2.1 for the degressivity as the information on the thresholds and the reduction percentages is missing.

1.1.2. Strategic assessment of Specific Objective 2

44. In addition to relevant observations provided under key issues, Sweden is asked to rectify and address the following specific issues. The Commission is concerned that not all means which could help achieving increased farm competitiveness have been chosen, for instance by improving farmers' position in the highly concentrated value chain.
45. Overall, the Plan continuously refers to research, technology and digitalisation, but as explained (further below) a strategic vision for AKIS has not been demonstrated in targets/values, which makes it difficult to assess any expected results and impact.
46. Sweden plans sectoral interventions in the fruit and vegetables and apiculture sectors, i.e. in sectors where sectoral interventions are compulsory. As Sweden underlines, support for producer organisations in the fruit and vegetables sector aims at strengthening competitiveness. However, the Commission wonders why Sweden is not planning sectoral interventions in other sectors with the same aim. Given that sectoral interventions are designed and co-financed by the producers themselves, that support is indeed the most market oriented tool aiming at increasing competitiveness of any given sector.

1.1.3. Strategic assessment of Specific Objective 3

47. The Commission is concerned that the need to strengthen the overall position of farmers in the value chain is not sufficiently addressed in the Plan. Sweden's SWOT-analysis (echoed also in Annex III Consultation of the partners) describes the high market concentration in the food retail sector, the weak position of farmers in the food chain, notably regarding price setting, and the low share of value added that primary producers are able to capture. However, this need is only addressed through compulsory sectoral interventions and with a decreasing level of support under rural development measures (illustrated by the planned target of R10, showing a very low and decreasing value). The Commission considers that relying on the industry initiatives (such as industry standards for labelling to meet

consumer demand) mentioned in the Plan will not be sufficient to address this need. Actions outside the CAP, in the context of the food strategy, may address this need, but it is not explained whether or how they would do so.

48. Sweden is invited to provide additional information as to why strengthening the farmer's position in the food chain is not considered (more) useful to contribute to competitiveness and profitability of farms, which has been highlighted as a strategic priority for Sweden. Given the importance of this need, the Commission seeks reasoned assurances from Sweden that the instruments concerned will be improved in all sectors concerned by this need, for example by increasing supporting quality schemes and through increased participation in POs or producer groups.
49. The rural development intervention on Cooperation (Article 77 of the SPR) in the Plan seems to aim at supporting cooperation in general but may not necessarily be sufficient in helping farmers to set up POs and seeking recognition for these under Regulation (EU) No 1308/2013 (common organisation of markets regulation). However, the existence of recognised POs is a necessary condition in applying sectoral interventions as the related support is channelled through recognised POs. This is of particular relevance for sectors that are currently not supported (i.e. any sector except fruit & vegetables and apiculture). Could Sweden explain the expected effect of the Cooperation intervention on sectors (other than the before mentioned exceptions), which are currently fragmented and where recognised POs do not exist yet.

1.2. To support and strengthen environmental protection, including biodiversity, and climate action and to contribute to achieving the environmental and climate-related objectives of the Union including its commitments under the Paris Agreement

1.2.1. Strategic assessment of Specific Objective 4

50. In addition to relevant key issues mentioned, Sweden is asked to rectify and address specific issues. The broad definition of climate-related needs and interventions, as well as the incomplete linking of interventions to climate-related result indicators do not facilitate an assessment of the Plan's overall contribution to climate mitigation and adaptation.
51. Sweden is invited to provide an estimate of the mitigation potential under the concerned interventions and to better explain the contribution of the Plan to Swedish climate targets under the Effort Sharing and LULUCF Regulations, and to Sweden's domestic target to become climate neutral in 2045.
52. The Commission notes that the Plan mentions very limited action regarding climate change adaptation. Sweden does not foresee any specific environmental compensation that will contribute to climate adaptation. Result indicator R.12 (Adaptation to climate change) is not used. Climate adaptation is supported via other measures such as investment support for irrigation dams as well as skills development and cooperation, which makes it very difficult to assess whether the

plan has enough/increased environmental ambition in this area. The Commission requests Sweden to sufficiently address the need for climate adaptation. In particular, Sweden is requested to clarify how fruit and vegetables interventions as regards actions related to climate change and conserving and restoring existing grasslands will contribute to climate change adaptation.

53. Sweden mentions national support for climate adaptation (“Climate Leap”) and is requested to further explain how and to what extent this will contribute to farmers’ climate change adaptation.
54. Sweden is invited to include specific climate change adaptation measures aiming at enhancing water retention potential in the landscape.
55. The Commission notes that Sweden has not identified the need to reduce emissions from the livestock sector, including methane emissions. However, according to Sweden’s SWOT analysis, livestock is an important part of emissions in Swedish agriculture (excluding soils). The Commission requested Sweden to explain why emissions from livestock are not considered an issue. If this need is addressed outside of the CAP, the Commission requests Sweden to explain how and to what extent it will do so.
56. Sweden does not foresee any interventions in the Plan specifically designed to support investments in renewable energy. The Plan mentions national support to the development of biogas plants based on livestock manure. However, it is not clear whether these initiatives are sufficiently targeted to increase production of renewable energy from agriculture and forestry in support of SO4.
57. Whilst Sweden includes several interventions in its Plan which relate to carbon-rich soils, it should consider the opportunity to also include intervention(s) for enhancing carbon sinks on forest land which can contribute to climate change mitigation.

1.2.2. Strategic assessment of Specific Objective 5

58. In addition to relevant key issues mentioned above, Sweden is asked to rectify and address the following specific issues. A very generic definition of the needs and interventions (Reduce pressure on soil, air and water related to this specific objective), does not facilitate the assessment of the Plan’s strategy or the plausibility of the interventions taken to reduce these pressures. The description of the SWOT should be clearer describing the weaknesses to extract specific needs.
59. The Commission notes that the target value for R.19 (improving and protecting soils) is increasing from 13,3% in 2024 to 14,5% in 2028, but it is less than in the current programming period having a target value of 16,27%. Sweden is asked to clarify this decrease in support to soil improvement and protection.
60. In its SWOT analysis, Sweden is invited to mention explicitly as weaknesses the share (%) of water bodies that are still not in good status, and to use this as a basis

to increase the level of details in the needs assessment and the overall intervention logic under SO5.

61. Sweden is invited to consider hydromorphological changes in the SWOT and needs assessment and consider how the intervention strategy could respond to the needs identified.
62. The Commission notes that the Plan describes a range of actions that should reduce the use and risk of chemical pesticides. However, it does not include sufficient details on actions envisaged to promote and increase the implementation of integrated pest management practices required under Directive 2009/128 (Sustainable Use of Pesticides Directive). There are inconsistencies in the plan regarding the use of R.24 (sustainable and reduced use of pesticides) and the share of Utilised Agricultural Area (hereafter: UAA) supported by interventions to achieve the sustainable and reduced use of pesticides). The Commission invites Sweden to consider reinforcing its Plan in the area of pesticides in line with these observations and to clarify which interventions will support and promote the reduction of chemical pesticides in relation to result indicator R.24 and to consider including elements relating to pesticide use reduction particularly in planning for and supporting Integrated Pest Management techniques.
63. The implementation of the Farm Sustainability Tool for Nutrients should be described due to its complementarity with the interventions proposed to reduce water pollution and sharing knowledge. Sweden's Plan refers to investment aid for water management measures, which contribute to sustainable production and improvement of the environment. The Plan should include more detail as regards the objective of the relevant interventions and expected results (link to result indicator R.21 (protecting water quality) or R.26 (investments related to natural resources)), as well as targets for the result indicators.
64. A number of interventions have been designed to address nutrient management. However, the Commission invites Sweden to include the result indicator R.22 (sustainable nutrient management) and to better explain the relation between the intervention and the result targeted and the contribution to the objectives of the Directive 91/676/EEC (Nitrates Directive).
65. The SWOT analysis identifies that continued action is needed to reduce nutrient loads in the Baltic Sea, especially for phosphorus. Actions dedicated to improvement of the state of the Baltic Sea in relation to reduction of eutrophication are needed. The Commission invites Sweden to explain how its Plan is contributing to this issue.
66. There are several interventions targeting nutrient losses to water, but fewer interventions targeting nutrient losses to air. Sweden is considered at risk of non-compliance with its national emission reduction commitments as regards ammonia by 2030, laid down in the Directive (EU) 2016/2284 (reduction of national emissions of certain atmospheric pollutants Directive (NEC Directive)). Despite this fact, Sweden did not propose any intervention to reduce ammonia emissions in

the Plan. The Commission encourages Sweden to explain the links with the Best Available Techniques (BAT) conclusions including BAT-associated emission level (BAT-AEL), notably in the context of reduce emissions of pollutants from installations (e.g. ammonia).

67. The Commission notes a significant gap in the assessment of needs in that it does not include the need to improve the environmental sustainability of the livestock sector. Further consideration of this need is required in order for Sweden to contribute sufficiently to the EU Methane Strategy and the NEC Directive. Sweden is invited to consider developing or modifying interventions to provide support for improving air quality, and to clarify how the livestock sector could contribute to the efforts on sustainable nutrient management.
68. If the CSP addresses any of the needs concerning water, eutrophication issues, including for the Baltic Sea, and nutrient losses to air partly, the interplays with other national level funding and/or legislation to address these needs should be provided.
69. Considering that Sweden's SWOT analysis highlights the challenges related to the risk of both intense rainfall and drought and water scarcity, and it is planning investments for irrigation ponds, Sweden is invited to consider a further analysis on risks related to pressure on water resources and to consider interventions fostering sustainable water management where needed.
70. The Horizon Europe Mission a 'Soil deal for Europe' offers opportunities for accelerating the testing and deployment of cutting-edge solutions through placed-based activities. The Commission invites Sweden to consider actions that will ensure synergy between soil interventions programmed under the Plan, the Partnerships and the 'soil deal for Europe mission.
71. The Plan mentions, as target for result indicator R.29 (development of organic farming), a value of 14,54% by 2028. Due to the high difference between this target and the foreseen national value (30%), the Commission would like to ask Sweden for further explanations, notably on whether it covers support for both the maintenance of organic farming and the conversion to organic farming or only the latter, and on how such a low target could help achieve the 30% objective. In any case, an ambitious target for R.29, covering support for both the maintenance of and conversion to organic farming and commensurate with the national objective for 2030, would be required.

1.2.3. Strategic assessment of Specific Objective 6

72. In addition to relevant key issues mentioned above, Sweden is asked to rectify and address the following specific issues. The very generic definition of needs does not facilitate the assessment of the strategy and the plausibility of the interventions to reduce pressure on biodiversity. The overview of the intervention logic is showing the links between the needs and the interventions, which is useful, but the links

should be explained in order to make it possible to assess the intervention logic for SO6.

73. Several key issues under SO6 are not among the needs identified in the Plan, although they have been identified as issues/needs for Sweden. These are for instance the need to preserve or increase the cover of high diversity landscape features and wild pollinators, to reverse the decline in the Farmland Bird Index, to protect forestry eco-system services, to improve the conservation status of habitats and species of EU importance associated with agricultural land both inside and outside Natura 2000, in line with the Prioritised Action Framework and National / EU Species Action Plans. Sweden is invited to integrate them into its needs assessment, and consider interventions specifically designed to address these issues, for instance through eco-schemes, agri-environmental management commitments or non-productive investments for restoration of habitats and species of EU importance.
74. Sweden is invited to consider interventions to enhance the ecological value and ecosystem services of other habitats including forests.
75. Sweden is encouraged to consider the Guidelines on close to nature forest management and old growth forests currently under preparation, where relevant, and distribute them to beneficiaries and managing authorities once they are adopted and published.

1.2.4. Specific strategic focus

Green architecture

76. Sweden is requested to expand on the overall logic of its green architecture. It is requested to include in the Plan a clear overview of the demarcations between the relevant baseline conditions, as referred to in Article 31(5) and Article 70(3) of the SPR, national legislation, conditionality and the different interventions addressing environment and climate-related objectives. Sweden is requested to explain how these together contribute to address the identified needs and to provide an analysis of the complementarity and synergies.
77. The green architecture, as far as SO4 is concerned, seems rather incomplete. The Plan identifies seven interventions specifically related to addressing the needs identified for SO4. These focus mainly on knowledge improvement and investments. There are no area-based environmental and/or climate interventions under Pillar 2 associated to SO4. While interventions addressing SO5 and SO6 may also play a role (e.g. for carbon storage in grasslands or for reducing nitrous oxide emissions from N fertiliser use), these are not identified as having a climate link in the intervention strategy.
78. The Commission takes note that Sweden has not considered including sustainable forest management in the Plan and invites Sweden to explain how sustainable

forest management will be catered for outside the CAP, including through the implementation of the LULUCF Regulation. This should also be described in the Plan to allow for a comprehensive understanding of the Swedish approach, considering the importance of sustainable forestry regarding biodiversity, restoration and protection of habitats and species, protection of natural resources and climate change mitigation and adaptation.

Greater environmental ambition

79. The Commission notes the explanations on the various new elements/interventions, which Sweden indicates will contribute to achieve a greater overall increased ambition with regard to environmental and climate-related objectives (Article 105 of the SPR). This points to certain new/modified GAECs, certain eco-schemes and, to a limited extent, to rural development interventions.
80. However, Sweden is requested to provide additional explanations of how it intends to achieve this increased ambition. The ambition of the Plan is difficult to assess, as it is not clear to what extent resources are actually allocated to reach these objectives, in particular concerning the preservation of biodiversity and climate mitigation and adaptation, since they are included in multifunctional interventions. Sweden should explain how the overall design of the climate and environment interventions and proposed conditionality interplay and complement each other and is sufficient to achieve an overall higher level of ambition.
81. Moreover, the Commission estimates that there is room for increasing the contribution, including on GAEC standards (see 2.3.1) and in relation to SOs 4, 5 and 6, as well as based on the more detailed comments below. Relevant conditionality standards, as well as interventions proposed under both pillars should be modified accordingly and new interventions could be considered.

Consistency with Annex XIII

82. The Plan does not specifically refer to objectives and targets established by the environmental planning tools under Annex XIII to the SPR. The needs assessment of the Plan refers to the relevant national plans stemming from these legal instruments for the various specific objectives. Relevant directives are also mentioned in other sections of the Plan. A description on how the Plan contributes and is consistent with those targets/national plans is however necessary.
83. The legal instruments listed under Annex XIII are referenced in the text, however the coherence with national targets set in or under other relevant legislation is weak. Regarding renewable energies, Sweden is invited to present the links and complementarity of the interventions under the Plan with the national production and investment aids, National Energy and Climate Plan, Directive (EU) 2018/2001 (recast Renewable Energy Directive) and Directive 2012/27/EU (Energy Efficiency Directive).
84. The Plan contains several elements contributing to the objectives of the Directive 2000/60/EC (Water Framework Directive) and the Nitrates Directive. The

Commission invites Sweden to ensure that the needs are correctly reflected in the national programmes implementing these directives and to describe the contribution of the Plan to these needs.

85. The Commission notes that Sweden did not assess the relevance of the Plan for the achievement of climate targets set out in the EU legislation – neither the current targets laid down e.g. in the Effort Sharing Regulation and LULUCF Regulation, nor those reflecting increased ambition and foreseen in the climate law Regulation, in the context of the implementation of the Green Deal. The same applies to the National Energy and Climate Plans, National Adaptation Plan, EU Adaptation Strategy.
86. On climate change adaptation, Sweden is invited to further elaborate the consistency of the Plan and national measures vis-a-vis the Swedish Climate Adaptation Strategy and the 2021 EU Adaptation Strategy.
87. Sweden should consider in its needs assessment and interventions the Directive 2007/60/EC (Floods Directive). Sweden should consider the analysis performed under the 3rd River Basin Management Plans when available in the intervention logic.
88. Sweden acknowledges in the Plan that there are no interventions designed to address Directive 2008/50/EC on ambient air quality and cleaner air for Europe. Sweden is invited to consider the possibilities of including interventions which would contribute to this Directive.
89. The link between the SO₆ needs identified in the Plan and targets of the environmental planning tools is not specified. The Plan should clearly present how the identified needs contribute and are consistent with those targets/national plans or planning tools relevant for EU Environmental laws, such as the Prioritised Action Framework and National Species Action Plans.
90. Sweden is invited to consider introducing an intervention on Natura 2000 and Water Framework Directive payments for agricultural and forest areas, given that agriculture remains the main pressure and there is a need to ensure non-deterioration of habitats and to prevent disturbance of species in the sites.

1.3. To strengthen the socio-economic fabric of rural areas

1.3.1. Strategic assessment of Specific Objective 7

91. In addition to relevant key issues mentioned above, Sweden is asked to rectify and address specific issues. Sweden is invited to describe the instruments that will support its strategy for generational renewal, and to explain the interplay with the national measures. The overall strategy on generational renewal is too vague.
92. The intervention logic does not enable to assess if the interventions that have been designed will enable Sweden to address the following issues, mentioned in the SWOT analysis: access to land and capital for young farmers, need for diversification of activities, lack of attractiveness of farming in remote areas.

Finally, it is mentioned that generational renewal is important for the bio-based and circular economy, but it is not clear how the selected measures will contribute to the development of this sector.

93. Gender issues related to generational renewal are not mentioned in the needs identification, whereas the SWOT analysis shows that there is an important gender gap in farming. A gender breakdown will be expected under R.36 (generational renewal).
94. The Commission notes that Sweden considers the complementary income support for young farmers (hereafter: CISYF) as a supportive measure to acquire land. This statement needs to be underpinned by an explanation.
95. Sweden is invited to:
 - ensure better coherence between the SWOT and the needs assessment and to take into account the issues related to access to capital and land, diversification and attractiveness of rural area;
 - further develop the intervention logic, intervention strategy and the generational renewal strategy by explaining the contribution of the planned interventions and their interplay with national measures;
 - explain more concretely the indicator targets and the financial allocations.
96. Access to finance has to be looked at when analysing and setting some of the strategic priorities, especially those linked to investments and generational renewal. The need identified on 'Facilitating the supply of capital in rural areas' is currently linked to SO8 only. Sweden should provide a justification in the section on access to finance in the SWOT for not using financial instruments for investments and generational renewal and clarify if nationally-funded schemes are already operating in this field.

1.3.2. Strategic assessment of Specific Objectives 8

97. The SWOT analysis should better identify the most vulnerable areas and vulnerable groups. It is done for depopulation issues with a map and sound description but not for other issues (e.g. broadband, access to capital, access to services, gender gaps).
98. The needs assessment and intervention logic mostly refers to business development, but does not mention social dimensions. Broadband coverage for sparsely populated areas should be mentioned in the needs even if it is addressed through national support.
99. The SWOT analysis identifies the opportunity for social innovation, social capital development and bottom-up initiatives in rural areas, but this should be defined in a more targeted way considering the depopulation issues faced by some areas.

100. Sweden is invited to provide further information on how SO8 interventions (or alternatively, national schemes) will contribute to enhancing the socio-economic situation of migrants and women in rural areas. Furthermore, the Commission invites Sweden to describe, in the Plan, how gender issues will be handled and encourages Sweden to promote equality of women throughout the implementation of the Plan by justified and proportionate measures.
101. The bio-economy ensures that biological resources are used for the benefit of society along all pillars of sustainability. Sweden has no Bio-economy Strategy. It is therefore invited to consider developing such a Strategy in association with the Plan to reinforce the synergies between both policies, and to scale up the deployment of the circular and sustainable bio-economy.

1.3.3. Strategic assessment of Specific Objective 9

102. Sweden plans to combat antimicrobial resistance mainly by implementing measures outside the Plan that are similar to the ones implemented to date. The Commission estimates that these measures will likely continue to have a positive impact on the level of antimicrobials used in farms. To better assess the latter, Sweden is invited to provide a value for result indicator on antimicrobial use R.43 (limiting antimicrobial use).
103. The Plan contains concrete animal welfare interventions for sheep, cows and sows, which should have a positive impact on the welfare of the animals concerned.
104. The Commission notes that the Plan includes initiatives to support awareness-raising with regard to the Union quality schemes and the importance of healthy diets. However, the Commission invites Sweden to better explain how the transition to healthy, more plant-based and sustainable diets will be achieved.
105. Food waste is included as one of the five weaknesses in the SWOT analysis for SO9, but no need to reduce food waste nor measures to address it are included in the Plan. The Plan also indicates that the weakness on food waste "is addressed in some cases in support of producer associations where waste has been identified as a problem, mainly through ongoing national measures in the context of the food strategy". In this regard, the Commission asks Sweden to clarify what is the abovementioned support and the context of the ongoing national measures and their coordination with the actions foreseen in the Plan.

1.4. Modernising the sector by fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake by farmers, through improved access to research, innovation knowledge exchange and training

1.4.1. Strategic assessment of the Cross-cutting Objective

106. The description of the envisaged improvements within the AKIS is vague. The future of the Swedish AKIS lacks strategic vision and budgetary effort: more efforts, coherence and synergies between interventions are expected.

Digitalisation strategy

107. In order to provide a sound basis for the development of the digitalisation strategy, the SWOT analysis for the cross-cutting objective is expected to also cover digitalisation in agriculture and rural areas. This is essential to identify e.g. specific bottlenecks to the uptake and effective deployment of digital technologies and/or disparities between population groups, types of businesses or sub-branches and to tailor interventions.

108. A strategic approach to capacity building for achieving a sustainable digital transformation cannot be drawn obviously from the Plan, and not all Plan interventions relevant for digitalisation are identified in the digitalisation strategy (section 8.5). Also if overall, digital capacities in Sweden might be relatively strong in comparison to other countries, enhancing the effectiveness of digital technologies and increasing their uptake in the agricultural sector might be strategically approached.

109. Considering synergies with other policy instruments, in addition to envisaged complementarities with national policy instruments, the possibilities to achieve synergies with other EU level instruments under e.g. Horizon Europe or the Digital Europe Programme should be reflected.

110. The Commission regrets that in the digitalisation strategy no measure aiming at mitigating or avoiding digital divides between e.g. different types of farms, businesses or population groups are elaborated. For tailoring such measures a dedicated assessment of the status quo and SWOT analysis for digitalisation are an asset. Sweden is invited to address this issue in the revision of its Plan.

111. The Commission invites Sweden to provide further details on the quality of service of rural 4G mobile, and to share how the target of 5G in all populated areas in 2030, in particular rural populated areas, will be reached.

1.5. Simplification for final beneficiaries

112. Linked to the application system under the Integrated Administration and Control System (IACS), an important tool to simplify administration for applicants and beneficiaries concerns the possibility to correct applications and Sweden should explain which channel is used to communicate with receivers of support, i.e. will there be a functionality linked to the European GNSS Agency (GSA) or other tool

(mobile app etc.) developed or planned for? Would the same tool be used to alert on the need to change applications etc.?

113. Sweden is requested to provide further information on data sharing, as referred to in Article 67 (3), (5) and (6) of Regulation (EU) 2021/2016. It is also invited to provide information on whether new technologies are intended to be used for non-IACS controls and whether the Area Monitoring System (AMS) is used for Force Majeure cases as referred to in Article 3 of Regulation (EU) No 2021/2116.
114. Sweden is also invited to supply information on how applicants are informed about the Farm Advisory System, in particular on point 4(f) on digital technologies in agriculture and rural areas referring to modernisation.

1.6. Target plan

115. Sweden is requested to complete the ‘overall target values’ in the target plan and ensure a consistent use of the set values across the whole Plan. It is also invited to provide information on result indicators not used or linked to any intervention.
116. As indicated in the key issues, the Commission considers that overall Sweden has selected only a limited number of result indicators, which does not provide a complete overview of the progress the Plan aims to deliver, notably as regards environmental standards.

2. OPERATIONAL ASSESSMENT

117. For interventions listed in Annex II to the SPR, the interventions description needs to consistently include the appropriate World Trade Organization (WTO) correspondence along with an explanation on how compliance is ensured.

2.1. Minimum ring-fencing

118. Data entered in section 5.3 “rural development interventions” needs to match data entered in the overview table of section 6 for the relevant ring-fencing.
119. Please make sure that each intervention ring-fenced under section 5 of the Plan, be it for Environment, Generational Renewal or LEADER, fully contributes to meeting one of those ring-fencing requirements (i.e. cannot only partially contribute). This is valid for all ring-fencing requirements.
120. Sweden should specify in its Plan that for each operational programme of POs in the Fruit and Vegetables sector at least 15 % of expenditure will be earmarked to cover the interventions linked to environment and climate objectives (Article 46(e)(f) of the SPR), and at least 2% of the expenditure will cover the interventions linked to the research, development and innovation objective referred to in Article 46(d), as laid down in Article 50(7)(a) of the SPR.
121. The amounts planned annually for CRISS in section 5 are below the required minimum 10% of the adjusted allocation for Direct Payments (Annex IX to the

SPR), however as indicated under Key issues the Commission does not consider the application of the derogation laid down in Article 29(1) second sub-paragraph of the SPR allowing redistributive payment at lower percentage is sufficiently justified.

2.2. Definitions and minimum requirements

122. Sweden is invited to provide further clarifications to the proposed definitions and minimum requirements, and where necessary, complete and correct these. More specifically, Sweden is invited to consider the following:

Section 4.1.1.2.1 – ensuring that annual agricultural activity is done on agricultural area, including fallow land, unless it falls under one of the exceptions, such as GAEC 8.

Section 4.1.1.2.2 – providing criteria to maintain the permanent crop itself.

Section 4.1.2.1 – providing clearer information on the elements of agroforestry based e.g. on type of trees, their size, number, distribution in relation to pedo-climatic conditions or management practices.

Section 4.1.2.3.1 – providing the definition of nurseries.

Section 4.1.2.3.2 – providing the minimum planting density of the indicated short rotation coppice species and clarifying the maximum length of harvest intervals in view of recognising the plantation as short rotation coppice.

Section 4.1.2.4.1 - providing the definition of grasses and other herbaceous forage.

Section 4.1.2.4.4 – clarifying the decision to use reseeding with different type of grasses criterion in relation to permanent grassland classification.

Section 4.1.2.4.7 – clarifying:

whether, in case the land is outside the block database, farmers are given a possibility to have it included in the block database in case they actually do an agricultural activity on it.

the potentially contradictory reference to ‘ploughing’, as in section 4.1.2.4.2 Sweden has indicated that ‘ploughing’ does not affect the status of land classification.

Section 4.1.3.1 – providing a list of criteria to determine the predominance of agricultural activity in case the area is also used for non-agricultural activity.

Section 4.1.3.2 – providing a list of criteria how it will be assessed whether the land is actually and lawfully used by the farmer.

Placing under Section 4.1.3.5 instead of Section 4.1.3.6. the part of the information on the maximum allowed size of landscape features not protected under GAEC and the maximum share these elements can cover for the full eligibility of the parcel.

Section 4.1.4.1 – clarifying how the inclusion in business registers ensures that the farmer has a minimum level of agricultural activity and clarifying whether criteria to identify active farmers do not penalise those who do not perform productive activities.

Section 4.1.4.3 – providing the justification for the set threshold of EUR 5 000, which should include qualitative and quantitative information, e.g. the number of excluded farms.

Section 4.1.5.2 – explaining the meaning of “sign for the firm” in term of management power (ex. share of the company, voting rights, decision making power in line with the applicable national law).

Section 4.1.7.2 – providing not only qualitative, but also quantitative, justification in terms of administrative burden and the objective to support ‘viable farm income’.

CAP Network

123. While the description of the national CAP network in section 4.4 is well developed, it does not contain all necessary elements (point 4.4 of Annex I of Commission Implementing Regulation (EU) 2021/2289) to assess the overall functioning of the network. Sweden is requested to provide additional clarifications and/or further develop elements within the Plan concerning activities under the CAP network to support networking for Pillar I topics/beneficiaries reflecting the new wider scope of networking, Local Action Groups under LEADER/CLLD, and monitoring & evaluation. Sweden should also indicate if any regional level components of the network are envisaged and the indicative timeline for launch of the network.
124. It is indicated that the national CAP network will also encompass networking activities for the fisheries (EMFF) Operational Programme. While welcoming the possibility for synergies between EU Funds, this is not specifically foreseen in the objectives nor in the tasks of the CAP networks in Art 126 of the SPR, so further clarifications of the envisaged approach are needed. Clarification is also requested on the modalities for selection of the beneficiaries of CAP network activities, which it is indicated are to be implemented primarily by network participants with reimbursement of direct costs (open calls?).
125. Sweden is invited to include in the Plan a description of how advisors, researchers and the national CAP network will cooperate closer together to provide improved, comprehensive and up-to-date advice of high quality and a multitude of knowledge flows between all AKIS actors. In particular, which specific CAP network actions will contribute to the former?

The coordination, demarcation and synergies between the Plan and other EU funds

126. The description in Section 4.5 on coordination, demarcation and complementarities is insufficient to give the overview required in Article 110(d)(v) of the SPR. Sweden is invited to provide a comprehensive description of how EU funds and initiatives active in rural areas work together with and concretely contribute to the

Plan, also in addressing the identified needs that are not or are partially funded by the Plan. These funds include, in particular, the European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+), the Recovery and Resilience Facility (RRF), the Digital Europe Programme (DEP), the Connecting Europe Facility (CEF2 Digital), the Programme for the Environment and Climate Action (LIFE) and Horizon Europe.

127. The Commission would like to draw attention to the aim that EU-funded R&I outcomes (i.e. research results, tools, instruments) should be increasingly taken up by Member States to address the transformative change necessary in agriculture to tackle notably the interlinked climate and biodiversity crises. As such, a description of interlinkages of the Plan and the support to the implementation of the European Green Deal Missions would be welcomed.

2.3. Interventions and baseline

2.3.1. Conditionality

128. General: For all GAEC standards Sweden is invited to provide more detailed explanations in the respective Plan sections.
129. GAEC 2: Sweden is requested to explain how protection will be ensured in the context of GAEC 2 specifically for peatland and wetlands in relation to the farming practices which may release soil carbon (such as ploughing, etc.). It is also requested to provide further specifications on the requirements of this GAEC, and in particular for the authorisation procedure for drainage.
130. GAEC 4: The description of the width of buffer strips for fertiliser is not in line with Annex III to the SPR, which states a width of minimum 3 meter as a general rule. Sweden is therefore requested to modify this choice.
131. GAEC 5: Sweden is requested to specify what is meant by “significant slopes”. It is moreover requested to explain why GAEC 5 is limited to Vulnerable Zones protected under the Nitrates Directive, since the objective of the two instruments are different. Sweden is thus invited to extend the application of GAEC 5 to all areas throughout the territory where risks to soil exist.
132. GAEC 6: This GAEC concerns areas where bare soils occur (permanent crops and arable land excluding temporary pastures) and in particular all arable land is expected to be covered, both inside and outside of Nitrate Vulnerable Zones (hereafter: NVZ). As regards the adaptation to the short vegetation period due to winter conditions, this does not allow for a derogation from the GAEC as laid down in the SPR; Sweden is therefore requested to cover permanent crops as well as all the arable land of the farm with GAEC 6. Sweden is also invited to confirm whether GAEC 6 will be applied both inside and outside of NVZ.
133. GAEC 7: This GAEC provides that Member States should define requirements for crop rotation. Footnote 4 can neither be understood as providing for crop diversification as the general rule nor as applying to the entirety of a Member

State's territory. Since the Plan does not provide for requirements on crop rotation in that sense, Sweden is requested to define crop rotation requirements. In the case where Sweden would make use of the option to define, by exemption, requirements for crop diversification in specific regions on the basis of diversity of farming methods and agro-climatic regions, Sweden is requested to provide an explanation of the contribution of the practices and a justification of the choice made. Sweden is also requested to withdraw the exemption for "farmers who have the majority of their agricultural land under the forest derogation", since this is not provided for by the SPR.

134. GAEC 8: Hedges and trees (isolated, lines or groups) are amongst the most valuable landscape elements for biodiversity as performing multiple ecological functions. These will have a positive contribution to the CAP objectives and several of the needs defined by Sweden. Sweden is consequently encouraged to include them in the list of landscape elements for fulfilling the GAEC 8 requirements both regarding the share of non-productive features and for retention.
135. The Commission also notes the proposed inclusion by Sweden of uncultivated or flowering field edges among elements contributing towards this GAEC, with weighting factors of respectively 10m² and 20m² per linear metre against a minimum width of 2 metres. The Commission considers such high weighting factors do not effectively reflect the benefits for biodiversity of the above mentioned features, and Sweden is invited to revise those weighting factors, providing a justification of the selected values.
136. Sweden is also invited to explain how "cultivated fallow with stump trees" and "green fertilisation crop" meet the definition of non-productive area. The Commission reminds Sweden that the SPR explicitly sets the weighting factor of 0,3 for catch crops.
137. GAEC 9: Sweden is requested to specify the definition of "natural pasture" protected under GAEC 9.

2.3.2. For direct income support

2.3.2.1. BISS (Articles 21-28 of the SPR, section 5 of the Plan)

138. Please provide information on the degressivity foreseen in the Plan under Section 4.2.
139. The unit amount for Basic Income Support for Sustainability (hereafter: BISS) cannot be justified as being the result from the division of the BISS envelope by the number of estimated eligible hectares. The planned unit amount should primarily be justified on the basis of the analysis of the income needs. Taking into account the number of estimated eligible hectares, the indicative financial allocation for BISS can only be the result of this exercise, not the starting point.
140. Sweden is requested to review the variation of the unit amount provided for BISS. The variation percentages are considered to be very high and are not adequately

justified. The justification of the unit amount on the one hand, and of minimum and maximum unit amounts on the other hand, should be linked. These justifications should primarily be based on data related to the needs which the relevant interventions aim to address. Elements of uncertainty leading to a risk of unspent funds can be added to justify the variation. However, these elements must also be explained and where possible based on data, e.g. related to past experience related to under-execution.

141. The minimum and maximum unit amounts should be mentioned in the table under point 12.

2.3.2.2. CISYF (Article 30 of the SPR, section 5 of the Plan)

142. Sweden is requested to review the eligibility requirements in point 4 concerning Young Farmers aged above 40, in order to ensure that the requirements are in line with Article 30 of the SPR, read in conjunction with Article 4(6) of the SPR, and to explain the rationale of setting a threshold of maximum 200 ha.

143. Please include the minimum and maximum amount for the planned unit amounts (point 12 ‘unit amounts’) and clarify/align the variation range and percentages (point 7 range and amounts of support). Please fill in the related SO (point 2).

144. Support for generational renewal contributes to safeguard and create jobs and therefore it should also be linked to result indicator R.37 (growth and jobs in rural areas).

2.3.2.3. Eco-schemes (Article 31 of the SPR, section 5 of the Plan)

145. In general, Sweden is requested to specify whether the three eco-schemes may be combined or if beneficiaries can only avail of one or two schemes.

146. The Commission has concerns about the currently proposed eco-schemes, notably on a risk of overlap with conditionality requirements and Sweden is therefore requested to resolve the potential overlap issues.

Compensation for organic production

147. Sweden is requested to establish a clear link to farming certified as organic in accordance with Regulation (EU) 2018/848 (organic regulation). Sweden is invited also to confirm whether the support is granted only with regard to arable land and, if this is the case, to explain such a restriction.

148. Sweden is requested to specify what are the maximum payments possibly granted to farmers (“upper limit of the variation” or “calculated maximum reimbursement rate”). In the case of the latter, Sweden is requested to explain why the range needs to be so high (+25% for cereals for instance, up to +55% for fruits in relation to the planned unit amount).

149. Sweden is requested to specify the reference provided for the certification of the calculation method (“reference” to what?).

150. As organic farming contributes directly and significantly to R.14 (carbon storage in soils and biomass), R.21 (protecting water quality), R.22 (sustainable nutrient management), R.43 (limiting antimicrobial use) and R.44 (improving animal welfare), Sweden is recommended to add these result indicators.

Compensation for intermediate crop for carbon storage, catch crop and spring tillage for reduced nitrogen leaching

151. Sweden is requested to explain the general logic of this eco-scheme and more particularly whether and how the three practices (carbon storage, catch crop and spring tillage) do not overlap but rather complement each other. Sweden is also requested to specify if all the arable area of the holding must be under commitment or partial commitment is possible.
152. Catch crops and spring tillage are proposed in NVZs only. Sweden is requested to explain the reasoning of this limitation. Intermediate crops are proposed in “support area 6-12 and 13”, and Sweden is requested to specify what are these areas and the reasoning for this limitation. Minimum duration of the catch crops and intermediate crops needs to be specified.
153. GAEC 6 requires a significant percentage of the arable land to be under winter cover, which deals with the same practices as this eco-scheme. Sweden is requested to explain why it is not taken into account in the baseline and how overlaps will be avoided.
154. The Nitrates Directive Implementation Report states that in the NVZ certain proportion of arable land must be planted with an autumn or winter cover crop. Sweden is requested to clarify how the measures for catch crops under this eco-scheme go beyond the baseline already established in the NVZ and to specify what are the maximum payments possibly granted to farmers (“upper limit of the variation” or “calculated maximum reimbursement rate”).
155. Sweden is invited to also link this intervention to R.19 and R.22.

Tools for precision farming

156. Sweden is invited to consider the benefits of expanding eligibility of this intervention beyond the NVZs to maximise the environmental ambition of this eco-scheme.
157. Sweden is invited to explicitly specify that farmers have the obligation to actually implement the nutrient management plan and is strongly encouraged to make the relevant link with the Farm Sustainability Tool for Nutrients established by Article 15(4)(g) of the SPR.
158. Sweden is requested to further explain why such a wide range of variation (min. 80% to max. 164%) in relation to the planned unit amount is necessary for the financial planning of this eco-scheme. Moreover Sweden is invited to consider the cost-benefit of such a low level of planned unit amount (25 euros/ha) in relation to the expected high burden in term of administration and control of this eco-scheme.

159. Sweden is invited to also link this intervention to R.3 (digitalising agriculture), R.19, R.22 and R.24. The direct and significant link to R.21 is on the other side unclear.

2.3.2.4. CIS (Articles 32-35 of the SPR, section 5 of the Plan)

160. Regarding the difficulties of the sector, should Sweden opt for economic justification of the intervention, then it should be based upon low/negative profitability and/or a declining number of animals in recent years. The justification of the difficulty should still be reinforced on this basis. Other arguments (e.g. unfavourable climatic conditions, decreasing trend of profitability) are also useful for further clarity. However, such secondary arguments by themselves do not sufficiently justify the difficulty.

161. In order to address efficiently difficulties and improve the competitiveness and sustainability of the sector and to avoid that the proposed CIS interventions lead to a deterioration of the environmental and climate situation (e.g. resulting from intensification of livestock farming), Sweden is requested to clarify the interplay between CIS and other support decisions under the Plan and to improve, if relevant, the CIS interventions' targeting (e.g. eligibility conditions for specific types of farming within a sector and CIS adapted to different local context).

162. It is not clear if only beef or also dairy animals are targeted by this intervention. If the latter, this should be specified in the eligibility conditions and the justification of the difficulty should be completed with the difficulties that the dairy sector undergoes.

163. The intervention strategy gives the impression that the intervention only aims at providing a compensation to the sector for the difficulties encountered limited to the duration of the Plan, with no apparent intention to address it in the longer run. The aim should thus be further elaborated and, if needed, certain elements of the support decision (e.g. targeting/eligibility conditions, unit rate modulation) might also have to be re-considered in order to incite improvement in terms of competitiveness, quality, and/or sustainability in the longer run. The latter could be possible by, for instance, encouraging farmers to shift to more performant breeds, or higher added value and thus more profitable activities such as organic/Protected Designations of Origin – Protected Geographical Indications.

164. Sweden is requested to confirm that the Plan provides exhaustive details about the targeting of the intervention and that there are no other important conditions (e.g. minimum/maximum number of animals per farm, minimum livestock density, retention period, obligation for contract with processor, minimum carcass weight, etc.).

165. The justification of the importance should be reinforced (e.g. socio-economic importance: important share in agricultural production in Sweden, need for stable supply to slaughter houses/processing industry, important employer in rural areas; environmental importance: maintenance of pastures, etc.). Besides, should the

intervention also target the dairy sector too (see earlier observation), then the importance should be justified accordingly (i.e. importance of both the meat and dairy sectors).

166. The planned unit rate and its variation should be determined in light of the targeted sector's actual support needs, also taking into account potential impact on the internal market, if any. The explanation should be completed accordingly. It should also be noted that, though lessons concerning the appropriateness of the support rate from the former period are useful, the CIS interventions presented in the Plan should not be planned as a simple continuation of the current Voluntary Coupled Support measures.
167. The system of calculating the CIS-support based on the number of days that an animal has been kept on the farm(s) will create a misalignment between the output indicator (reported number of animals that benefitted from coupled income support) and the financial expenditure report. The expenditure will not be equal to 'the number of animals supported' x 'the unit amount', because the unit amount corresponds to the support for an animal during all days of the calculation period, which is not always the case. Sweden is requested to provide an explanation to justify this mismatch.
168. Sweden is invited to consider linking this intervention also with R.4 (linking income support to standards and good practices), R.6 and R.7 (enhancing support for farms in areas with specific needs).

2.3.3. For sectoral interventions

2.3.3.1. Fruit and vegetables

169. The Commission notes that the content of the future operational programmes is limited to a few types of interventions under Article 47(1)(a) of the SPR, and recommends a wider approach .. The Commission considers that the proposed approach does not comply with all requirements and obligations and, in particular, with the requirements of Article 50(7) of the SPR.
170. The Commission invites Sweden to also establish a link to the Cross-cutting Objective in Section 5.2 Sectoral Interventions of its Plan.
171. The type of Intervention "INVRE(47(1)(a) investments in tangible and intangible assets, research and experimental and innovative production methods and other actions" includes different interventions which have identical investments, for instance investment in crop coolers and cold storage or investments in warehouses with controlled atmosphere. In order to avoid duplication, these could better be placed under separate and relevant types of interventions within the scope of Article 47 of the SPR.
172. The Commission invites Sweden to verify and properly describe in the Plan how all additional requirements set out in Regulation (EU) 2022/126, for instance, the percentage for minimum water savings (Article 11(4)(a) of Regulation (EU)

2022/126), are to be addressed. Sweden is also invited to ensure that administrative and personnel costs described in the Plan comply with Articles 21 and 23 of Commission Delegated Regulation (EU) 2022/126. The Commission notes the absence of a clear demarcation between administrative and personnel costs, which needs to be described.

173. Sweden should ensure that the operational programmes include three or more actions (80% of member of producer organisation rule) linked to the objectives referred to in points (e) and (f) of Article 46 of the SPR (Article 50(7)(b) of the SPR).
174. Sweden should make sure that the interventions within the types of interventions referred to in Article 47(2), points (f), (g) and (h) of the SPR, do not exceed one third of the total expenditure under operational programmes (Article 50(7)(d) of the SPR).
175. The Commission invites Sweden to quantify O.35 (number of supported operational programmes) and add result indicators R.10 (better supply chain organisation) and R.11 (concentration of supply) for fruit and vegetable sectorial types of interventions, where relevant. It needs to be emphasised that the reference to R.10 and R.11 is mandatory based on Article 160 (concentration of supply) of Regulation (EU) No 1308/2013 and Article 46(b) of the SPR.
176. Sweden is also invited to consider adding R.1 (enhancing performance through knowledge and innovation), R.5 (risk management), R.9 (farm modernisation) and R.39 (developing the rural economy) depending on intervention and also on the beneficiary (farmer or not farmer, or both). The intervention ‘Producer organisations for fruit and vegetables — promotion and increased consumption’ is linked to R.10, but it should not be linked to any result indicator (Article 111 of the SPR).

2.3.3.2. Apiculture

177. Sweden is invited to include under section 3.5.2, a description of a reliable method for determining the number of beehives in the territory ready for wintering from 1 September – 31 December as required under Article 39 of Regulation (EU) 2022/126.
178. Sweden is invited to improve the description in section 3.5.2 with a more detailed analysis of the sector, leading to the needs of the sector and justification of the interventions chosen to address them. Moreover, the section should outline the chosen interventions and explain how these will be implemented;
179. Sweden is invited to include and set a target for result indicator R.35 (preserving beehives) or explain why this is not possible notwithstanding the implementation of interventions under type of intervention defined in Article 55 (1)(b) of the SPR;
180. Sweden is invited to explain why, except for the objective of the intervention, the remaining information in sections 5, 6, 7 & 8 of all interventions included is

exactly the same; review the beneficiaries described for each intervention (Public authorities, municipalities, regions, associations, other organisations and companies) and clarify why the same beneficiaries are eligible for all supported actions and why there is no link to beekeeping expertise, practice, experience, interest or other as relevant;

181. Sweden is invited to revise the interventions by providing only the required information under each section, including a description of the intervention and brief outline of how the specific intervention addresses the sectoral objectives and needs as well as the specific objectives, followed by an explanation of the actions supported, eligible expenditure (providing at least some examples of eligible costs), beneficiaries and eligibility conditions;
182. Sweden is invited to include the planned supported actions under the relevant type of intervention; (e.g. analysis of beekeeping products under “BIRÅDG: Support for the apiculture sector, advisory services and technical assistance”, is best supported under “BIANDRA: Aid to the apiculture sector, other measures” or “BIANALYS: Aid to the apiculture sector, analysis”);
183. Sweden is invited to ensure that the calculation of the planned unit amounts and related outputs is explained and justified; that the description of planned unit amounts refer to the same units as those of the output indicators and that all planned outputs O.37 have a value. Moreover, the link to the information under section 6 “Forms and rate of support” should be evident.
184. Sweden is invited to review the description of the planned unit amounts where these refer to beekeepers when the description of supported actions, beneficiaries and eligible costs exclude these as direct recipients of support;
185. Sweden is invited to ensure that the indicative financial allocation for 2023 takes into account any planned expenditure for the implementation of measures under the National Apiculture Programme 2020-2022 during the extension period from 1 August – 31 December 2022;
186. Sweden is invited to revise the information in Table 5.2.10 for each intervention and sectoral table 6.2.2, to include the Total Public expenditure for the planned unit amounts and indicative financial allocations in the updated financial tables.

2.3.4. For rural development

187. The Commission regrets that, while taking into account the overall reduced yearly EAFRD budget in the period 2023-2027 and the fact that the ring-fencing provisions of Article 93(1) are complied with, yearly EAFRD spending relevant for environment and climate (excluding Areas with Natural Constraints funding) will be reduced.
188. Considering that some environmental indicators show negative trends and that most EAFRD interventions remain largely the same Sweden is invited to consider delivering more for environment and climate through targeted AECM.

189. A brief description of the method for calculating the amount of support and its certification according to Article 82 of the SPR are to be provided in point 7 of each intervention concerned. The full certified method of calculation (when carried out by an independent body) and in case it has been carried out by the managing authority, the certification by an independent body is to be provided in an annex to the Plan. The annex (according to point 5(e)(iv) in Annex I to Implementing Regulation (EU) 2021/2289) is missing.
190. The Commission notes that Sweden has removed two forestry measures that were supported in the 2014-2022 programming period. Sweden is invited to clarify the reasons for discontinuing those interventions and to propose necessary measures to maintain and enhance the ecosystem services provided by forestry, which would address the Commission Recommendations on this topic

2.3.4.1. Management commitments (Article 70 of the SPR, section 5 of the Plan)

General remarks concerning all interventions under Art 70 of the SPR:

191. Sweden is requested to include a revision clause according to Article 70(7) of the SPR for all relevant interventions under this Article (including organic farming, animal welfare) in section 4.7.3 (elements common to several interventions), or for all Article 70 interventions in Section 5.
192. Section 5 should consistently include the definition of eligible beneficiaries.
193. The meaning of the reference 3.1.17-22387/2021 as indicated in the Plan is not clear.
194. Possible combination of the agri-environment-climate interventions with any of the three eco-schemes and respective provisions to avoid double funding should be explained. The only possible combination indicated refers to the pasture interventions and wetlands. Double funding safeguards should be addressed also with regards to different funding sources, both national and EU based.
195. Whereas R.31 (preserving habitats and species) shows an increase compared to the Rural Development Programme 2014-2022, in particular R.19 has decreased. In general, target indicators remain rather modest in coverage of total UAA in Sweden and possibilities to extend depending on land use types should be considered.

Compensation for the management of pastures and hay meadows, including complements (BETE)

196. Sweden should adapt the EAFRD contribution for intervention “BETE”, as the financial data entered return a contribution rate of 58.15% instead of 60%.
197. Sweden should explain how intervention BETE and the intervention FÄBOD are to limit nutrient intake by livestock, also no maximum livestock densities are indicated.

198. Sweden is invited to indicate whether any of the pastures as described in the land classes and addressed by interventions BETE and FÄBOD are pastures covered by Natura 2000 protected areas. In this case, and provided that the management commitments at stake go beyond the legal requirements linked to the Natura 2000 status, those areas should also be linked to R.33 (improving Natura 2000), but would in this case need a singled out unit amount for correct attribution.
199. For some types of pastures, the special conditions applicable for beneficiaries should be briefly explained.
200. For certain land classes, limited influence by fertilisation or production enhancement measures seems to be allowed – please explain, in particular in view of the list of prohibited operations.
201. The sentence ‘Baseline for the calculation means that land may not be converted during the commitment period’, should be explained as the relevant GAEC applies in any case. This should also be clarified for the intervention FÄBOD.
202. The provision stating that “as from the second year it is sufficient that the corresponding 75 % of the initial commitment area is included in the payment application, while each parcel must be included in the payment application at least every two years” should be better explained. Is there an alternation between grazing and mowing foreseen on this land?
203. Table 13 shows a fluctuation of area covered and budget planned. Sweden should confirm whether this is due to the carry-over of commitments from the former period in the first 2 years. However, as of 2025, there is a yearly increase of the area but the budget allocation is lower than in the first two years. Sweden should clarify.

Mountain pastures (FÄBOD)

204. See comments on management of pastures and meadows (BETE) (above), where applicable also for mountain pastures.
205. For this intervention, 1.2 LU per hectare are set as eligibility condition whereas the commitment for grazing during the breeding period is set at 0.2 LU per hectare. The differences should be clarified, which may be linked to the short grazing period in Sweden.
206. The intervention is linked to R.31 and it is only for preservation of grassland, so it should be explained how it goes beyond the mandatory requirements.

Animal welfare interventions (for sheep, cows and sows)

207. In the description of the three interventions related to animal welfare of sheep, cows and sows, there are some elements associated with animal health on which Sweden is invited to describe any results regarding antimicrobial resistance (AMR).

Compensation for endangered breeds of animals

208. It should be noted that according to paragraph 4 of Article 45 of Regulation (EU) 2022/126, the number, at national level, of breeding females concerned has to be stated and the breed book has to be kept up-to-date. In addition, the minimum herd size per type of animal should be specified to ensure the size is adequate to meet the aims of the intervention.

Support for rural breeding associations

209. There is a reference to Sweden's reporting under Article 17 of the Habitats Directive (Directive 92/43/EEC). It seems that the link to this intervention is only made for description of the challenges in some of the areas. However, it should be recalled that this intervention is different from an intervention based on Art 72 of the SPR.

210. It should be clarified that there is no overlap regarding bee breeding between the intervention on aid for breeding associations and the intervention on apiculture "BIANDRA support to apiculture other measures" (both covering bee breeding).

211. It should be noted that only one WTO Green Box paragraph (see Annex II to the WTO Agreement on Agriculture) is possible per intervention. Therefore, if Sweden is planning actions which do not match (in this case, paragraph 2), the intervention will have to be split into two or adapted as appropriate.

Wetlands and Protection zones

212. For these two interventions, R.22 could be relevant.

213. The concept of land compensation to be paid for the parts of wetland that do not receive direct payments needs better explanation. Also the explanation on elements of the commitments being a separate property defined in national legislation (section 5) is not clear.

214. 15% of the budget foreseen for each of these interventions is reserved for carry-over from the former period, most likely linked to the 20 years compensation period. In order to assess the ambition of this intervention for the new period, an indication of the area covered by new commitments would be helpful.

Areas with natural constraints (ANC)

215. It should be clearly stated in the eligibility conditions that Areas with Natural Constraints (ANC) payments can only be granted for designated ANC areas. ANC support is for the areas previously demarcated as areas with special constraints, it should be clearly indicated that they remain unchanged compared to the designation made during the previous programming period.

216. The link to the national list of the designated local administrative units and to the ANC map must be provided for each category of areas referred to in Article 32(1) of Regulation (EU) No 1305/2013.

217. Degressivity is applied at the thresholds of 70 and 200 ha per holding, depending on the farm type, and is of 80%. Sweden is invited to explain why only a single rate (80%) has been established for degressivity rather than several thresholds.
218. It should be specified that this intervention is not a management commitment (not imposing e.g. grazing, mowing, crop cultivation ‘with a view to good harvesting’) and that the livestock density is used only as a threshold to define the types of farming.
219. An average unit amount should be provided for each ANC category, i.e. mountain areas, areas facing significant natural constraints and other areas affected by specific constraints. In addition, a short explanation and justification related to the average unit amount is expected, since the support is subject to degressivity and differentiation based on farming systems or severity of constraint.

2.3.4.2. Investments, including investments in irrigation (Articles 73-74 of the SPR, section 5 of the Plan)

220. Sweden should include a description under “Define eligible type of support (non-IACS)” as well as an explanation and a justification for the value of the unit amount.
221. It should be ensured that any risks of overcompensation with fruit and vegetables sectoral programmes are avoided.
222. Please include in the description also relevant durability requirements.

Investment aid for water management measures

223. Sweden should describe the justification of the average planned unit amount and confirm whether non-productive investments are linked to agri-environment climate management commitments. It should explain to what extent the intervention will focus on the restoration of drained/degraded historical wetlands, compared to the construction of new wetlands. How does this intervention link to the needs identified and how will targeting on most relevant areas be ensured?
224. Sweden is invited to clarify the scope of the intervention and provide more details on the eligible investments and the links to environment and climate. It should take into account that non-productive green investments should be limited to non-remunerative investments linked to the delivery of purely environmental and climate benefits. Some of the eligible investments seem to better qualify for green productive investments as they are addressing pressures arising from agriculture and are clearly linked to the production cycle.

Investment aid for irrigation ponds

225. In case the beneficiaries of this support for the creation of ponds for irrigation are only farmers, the intervention should be linked to R.9 (and if beneficiaries are not farmers, it should be linked to R.39). In any case, new irrigation facilities cannot be linked to R.16.

226. The intervention should be linked to specific objective SO2 instead of SO4.
227. Sweden is invited to reflect in the eligibility conditions the relevant provisions of Article 74 of the SPR, in particular Article 74(6) regarding net increase and Article 74(7) regarding reservoirs.

Investment aid for diversification and development of the food chain

228. The identified needs are not covered sufficiently by the intervention. Sweden should clarify the results envisaged of the activities contributing to SO3 and consider also including R.37 and R.3.
229. The list of eligible expenditure and the eligible beneficiaries seem limited to/focussed on agri-processing, and non-agricultural activities/beneficiaries are not well reflected.
230. The section “Define eligible type of support (non-IACS)” and the section “Explanation and justification related to the value of the unit amount” should be described.
231. Regarding state aid, as support is targeted on diversification, processing and not on primary agriculture, it seems unlikely that any support would fall under Article 42 of the Treaty of the Functioning of the European Union, so this should be clarified.
232. The Commission notes that the target values for these interventions are very low.
233. Sweden should ensure the avoidance of any risks of overcompensation with fruit and vegetables sectoral programmes and any possible LEADER activities.

Investment aid for lime filter ditches

234. Sweden is invited to consider whether this intervention, in order to address nutrient management especially in areas more impacted by eutrophication, would benefit from a description of the areas/regions where the investments could be carried out in order to have better impact on nutrient management.
235. One of the main objectives seems to be to prevent nutrient leaching and other interventions under the Plan aimed at improving nutrient use will be important to complement the investments to address the issue. Therefore, Sweden is invited to clarify any complements and synergies in the description of the intervention.
236. Sweden should provide an explanation of the planned unit amount (average) and consider adding R.27.

Investment aid for competitiveness

237. It should be ensured that only one definition of young farmer is applied throughout the Plan, and an explanation and justification related to the value of the unit amounts should be included.

238. Sweden should describe the contribution of supported investments to environmental performance or consider adding R.27.

2.3.4.3. Installation aid (Article 75 of the SPR, section 5 of the Plan)

239. Sweden is invited to clarify whether the intervention concerns only young farmers or also business start-up, the eligibility conditions regarding business plan and to complete the financial table, specifying the unit amounts and to describe the contribution to job creation.

2.3.4.4. Cooperation (Article 77 of the SPR, section 5 of the Plan)

240. Sweden is invited to prioritise further the needs, to target more on specific topics, and explain how the synergies generated through the cooperation schemes are linked to the expected outcomes. The different steps of the cooperation schemes, from the setting-up of the partnership until the implementation of project, the added value of the collaborative approach and the significant contribution to each of the SOs should be further elaborated and better described in a comprehensive way.

241. Under this type of intervention, support may be granted for new forms of cooperation or for new activities undertaken by existing forms of cooperation, including the implementation of operations. Sweden is invited to describe these aspects explicitly and include all the minimum requirements laid down by the Article 77 of the SPR.

242. In order to reduce the administrative burden and simplify the implementation, Sweden is invited to explore the possibility to merge the proposed interventions EIP (European Innovation Partnership) and cooperation ('SAM').

243. For the "LEADER" intervention, further clarification is needed regarding the contribution rate, application of LEADER principles to each LAG, and the thematic focus of LEADER taking account of its expected added value.

244. Sweden should describe the envisaged results of the EIP intervention for environmental/climate performance through knowledge, and confirm that the support for coordinating ongoing projects to achieve synergy effects is a new activity of an existing form of cooperation, in line with Art 77(2) of the SPR.

2.3.4.5. Knowledge exchange and advice (Article 78 of the SPR, section 5 of the Plan)

245. Sweden should describe the envisaged results for training activities, including for the various SOs and an explanation of the value and calculation of the unit amount considering the variety of activities covered. It should indicate how the demand from practice will be regularly collected and taken up in the advice and training interventions.

246. Regarding State aid, Sweden is invited to clarify whether the aid under this intervention would be *de minimis* aid under Regulation (EU) No 1407/2013 or compatible with a State aid Block Exemption Regulation or will be notified to the Commission under Commission State aid Guidelines.

247. How will the implementation of this intervention be organised and coordinated by the AKIS Coordination Body, taking into account all obligations listed in Art 15(2),(3) and (4) of the SPR, including the implementation modes such as public procurement and the obligatory training of advisors?

3. FINANCIAL OVERVIEW TABLE

248. Sweden should ensure coherence between the annual indicative financial allocations under Section 5 of the Plan and the planned amounts in the Financial Overview table under Section 6 (only totals should match for Rural Development).

249. It should be noted that in accordance with Article 156 of the SPR, the sum of all payments made during a given financial year for a sector - irrespective for which programme and under which legal base those took place - cannot exceed the financial allocations referred to in Article 88 of the SPR for that given financial year for that sector.

250. As regards the type of interventions in certain sectors defined in Article 42 of the SPR, expenditure that will be paid in 2023 or in the subsequent financial years relating to measures implemented under Regulation (EC) No 1308/2013 for these same sectors shall NOT be entered in the Annual indicative financial allocations under Section 5 or in the Financial Overview table under Section 6 of the Plan.

251. For apiculture, annual indicative financial allocations under Section 5 of the Plan do not correspond to the planned amounts in the Financial Overview table under Section 6.

252. The total amount planned for rural development interventions as entered in section 5.3 plus the amount corresponding to 4% of the EAFRD allocation for technical assistance is below the maximum allocation.

253. It is noted that Sweden has planned participation in the European Innovation Partnership under Article 77(1)(a) and can therefore benefit from the higher contribution rate allowed under Article 91(3)(b) of the SPR. If Sweden wishes to have a higher contribution rate, this must be selected under chapter 4.7.4 of the Plan.

254. Concerning contribution rates applicable to Rural Development interventions, Sweden introduces a rate for (d) (other regions) but none for the Transition regions, while Sweden has a NUTS2 region, SE-31 Norra Mellansverige, that is a transition region. Transition regions may benefit from a higher co-financing rate (up to 60% instead of 43%). An applicable rate for the transition region should be indicated, regardless of whether a higher rate is selected or not.

4. CAP PLAN GOVERNANCE, EXCLUDING CONTROLS AND PENALTIES

255. Regarding section 7.1: Sweden is invited to clarify the set up and organisation of the Competent Authority as well as the measures in place to guarantee the independence of the monitoring committee.

256. Regarding section 7.2: Sweden is invited to develop the capacities from the IT systems to provide justification for the differences found during the reconciliation of the data (indicators and payments) and to describe how it will ensure that data coming from applications submitted on paper, interviews, surveys or reports other than those existing in the basic IT systems will be integrated in the IT system to be fully assessed.
257. Regarding sections 7.3, 7.4 and 7.5, comments will be delivered by the Commission services in a separate communication.
258. Sweden should explain how the AKIS Coordination body will become the driving force for AKIS, who should also organise advice and innovation support to be given according to Article 15 of the SPR. Keeping in mind the tasks and obligations of the AKIS Coordination body as provided in Articles 15 and 115 of the SPR, Sweden is invited to provide further information on envisaged operational arrangements.
259. Sweden is reminded to ensure a balanced representation of the relevant bodies in the monitoring committee, concerning women, youth and the interests of people in disadvantaged situations.

5. OTHER ISSUES

260. In section 4.7.3 of the Plan, it should be ensured that for activities falling outside the scope of Article 42 of the Treaty of the Functioning of the European Union (TFEU), there must be an exclusion of companies in difficulty or companies still having a pending recovery order following a Commission decision declaring an aid illegal and incompatible with the internal market, except in the cases mentioned in the applicable State aid rules.

6. ANNEXES

261. Annex III. The process of the consultation of the partners is described and meetings have been listed, but short descriptions of the outcomes of the consultation of partners for most hearings “sakråd” (on SWOT, prioritisation, design of measures and eco-schemes) need to be added. Also, the listed topics of consultations tend to be very generic and could be more precise (Article 115(3) of the SPR).
262. Annex V should contain data for EAFRD participation, matching national funds and additional national support for all activities falling outside the scope of Article 42 of the TFEU.