

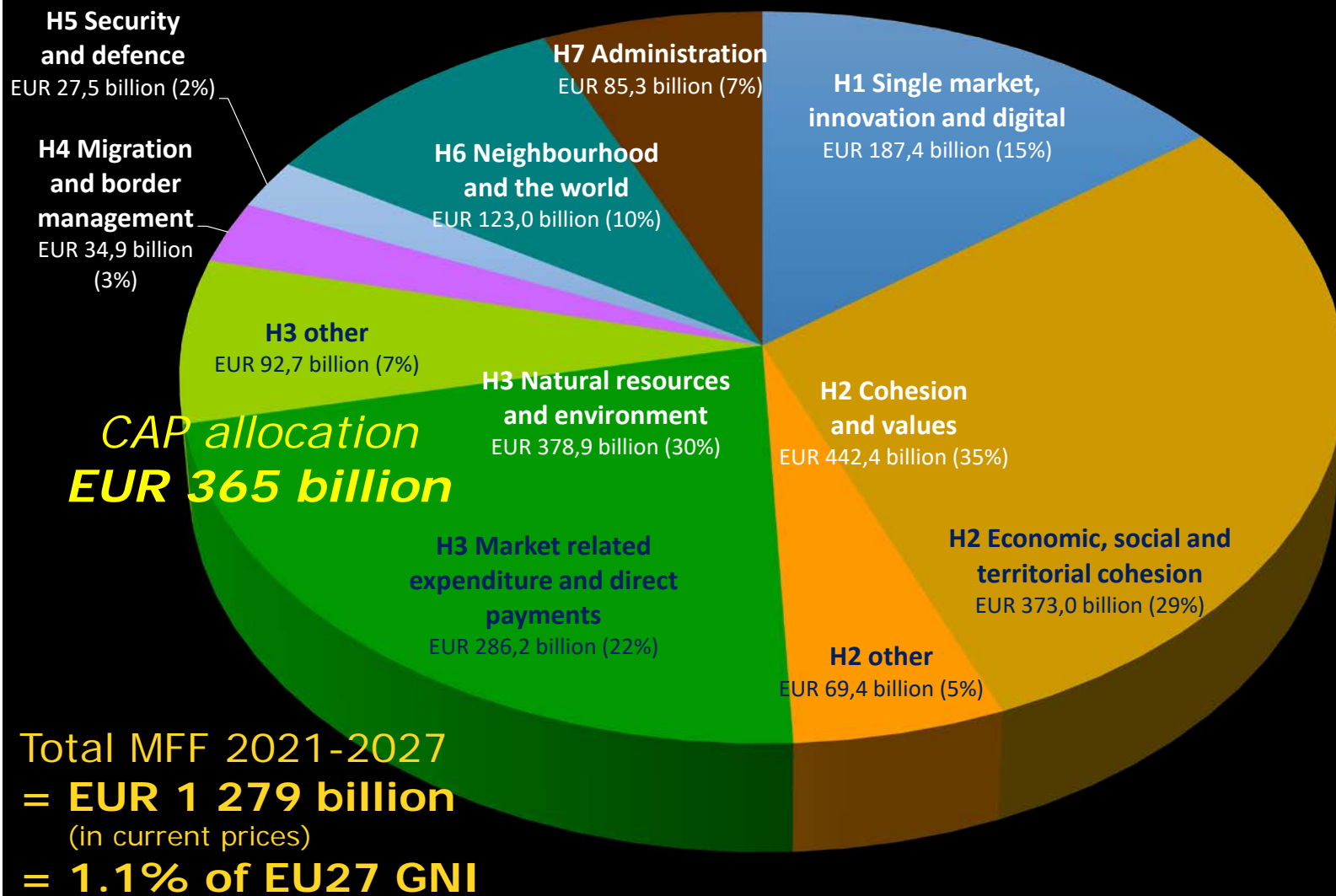
Multiannual financial framework 2021-2027 and the Common Agricultural Policy



Civil Dialogue Group – Direct payments
11 October 2019



MFF 2021-2027 – Overall figures

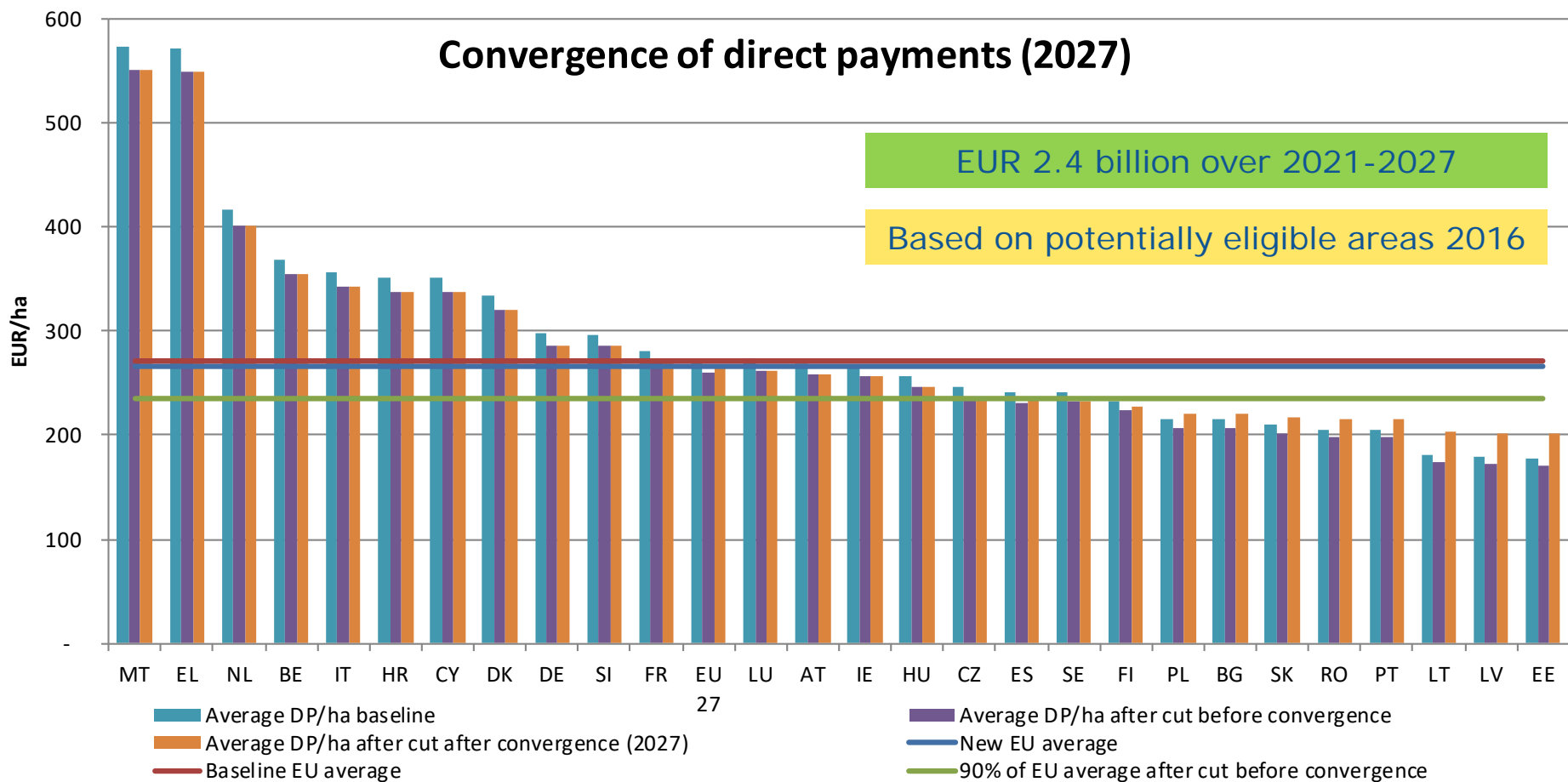


MFF 2021-2027 and CAP – State of play

Total MFF and CAP allocation

- COM proposal for MFF: **1.1%** of EU-27 GNI
 - CAP = EUR 365 billion
- EP position: **1.3%** of EU-27 GNI
 - CAP = EUR 432 billion
 - or EUR 67 billion more than COM proposal
- MS:
 - Maintaining CAP at current level
 - Net payers: **max. 1%** of EU GNI; 9% below COM proposal

DIRECT PAYMENTS: External convergence



*Amounts after cut including cotton

MFF 2021-2027 and CAP – State of play

EAGF

EUR 286.2 billion

**Limited cut of
direct payments +
further
convergence**

- COM proposal on external convergence
 - Closing 50% of gap over 6 years; financed by all MS
 - EUR 2.4 billion
- How much convergence ?
 - “Too little, too slow”
 - “Why needed?”
- How to finance convergence ?
 - COM proposal = all MS contribute to financing

MFF 2021-2027 and CAP – State of play

Current CRISIS RESERVE

- Financed by yearly cut of direct payments
- Reimbursement of unused amounts

New agricultural reserve

- Flexible tool to finance safety net and exceptional measures
- At least EUR 400 million each year at start of budget year, can be higher + refilled if needed
- Roll over mechanism of unused amounts – financial discipline only as last resort
- Unused 2020 crisis reserve amount to finance agricultural reserve in 2021

MFF 2021-2027 and CAP – State of play

EAFRD

EUR 78.8 billion

- Total allocation
- Co-financing
 - COM proposal: lower EU; higher MS contributions
 - Some MS: OK
 - Other MS: to keep current/higher EU rates
- De-commitment rule
 - COM proposal: N+2
 - Some MS: OK
 - Other MS: to keep current N+3 rule

MFF 2021-2027 and CAP – State of play

Other CAP issues

- 40% of CAP expenditure for climate action
- Direct payments – degressivity and capping
 - Compulsory or voluntary?
 - Exemptions for some direct payment schemes?
- Direct payments and financial discipline threshold
 - Abolish or keep EUR 2000 threshold?
- Flexibility between CAP pillars

MFF 2021-2027 – Next steps

- 9 October 2019
 - 17-18 October 2019
- Commission communication
 - European Council – MFF debate