**Draft proposal**

**Simplification as regards Voluntary Coupled Support (VCS)**

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| Title | **Direct payments – Voluntary coupled support** |
| Scope | Voluntary Coupled Support (VCS) |
| Legal basis | Chapter 1 of Title IV of Regulation 1307/2013 |
| Current Commission Regulations | **Commission Delegated Regulation (EU) No 639/2014** |
| Foreseen date of adoption | Beginning of 2016 |
| Foreseen first year of implementation | 2016 |
| Purpose of proposal | The following issues are covered by the Commission's proposal:   * *Optional introduction of* ***modulated unit rates of aid*** *within single Voluntary Coupled Support measures to recognize different degrees of economy of scale*. In the present legislative framework, a single unit rate of aid shall apply to each Voluntary Coupled Support measure regardless of the size of the beneficiary. With the proposed amendment, as from 2016, Member States may decide to introduce modulated rates in certain Voluntary Coupled Support measures. The amendment aims at improved targeting and thus more efficient use of the available resources; * *Optional* ***transfer of funds between Voluntary Coupled Support measures***. Based upon the present legislative framework, Member States are bound to their original financial decisions with only one review possibility (to be notified by 1 Aug 2016) between 2015 and 2020. As from 2016, the amendment would allow (under certain conditions) some flexibility for Member States to fine-tune their annual Voluntary Coupled Support envelopes at measure level. The aim is more flexible and thus more effective use of the limited resources available for Voluntary Coupled Support; * Furthermore, *(rather limited)* ***streamlining of the Member States notifications*** and ***increased clarity in the drafting*** *of the 'cumulation of support' provision* is proposed. |

***Version: 21 October 2015***