

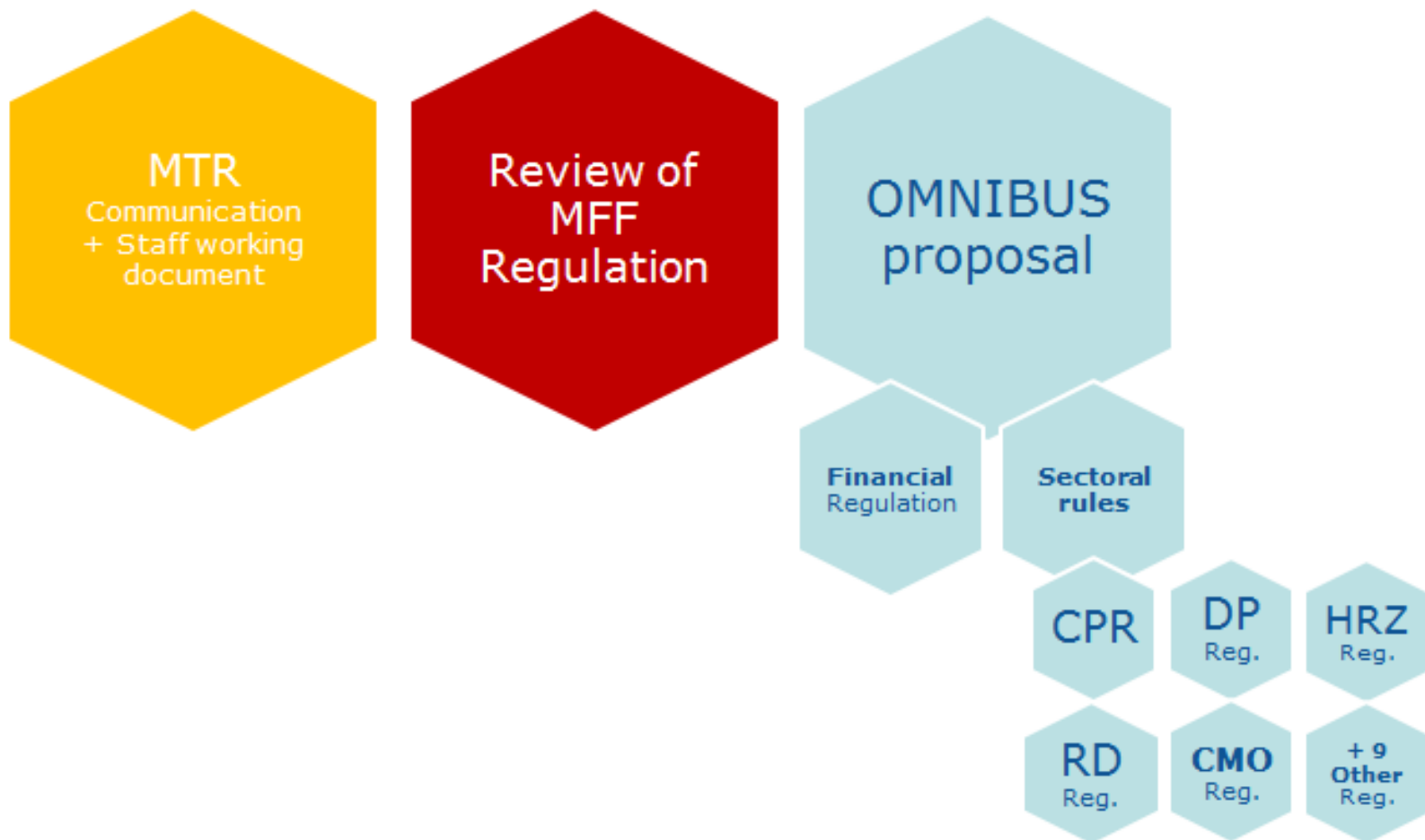
CAP simplification

Omnibus regulation

**Civil Dialogue Group
2 December 2016**

*DG Agriculture and Rural Development
European Commission*

Midterm review package



AGRI Issues (part II)

Rural Development Regulation (1305/2013) – art. 267

- Financial instruments
- Support to young farmers
- Income stabilisation tool
- Rules on selection criteria
- Quicker availability for EU funding

Horizontal Regulation (1306/2013) – art 268

- Financial discipline procedure
- 50/50 rule for clearing irregularity cases
- Public procurement rules

Direct Payment Regulation (1307/2013) – art. 269

- Active farmer
- Young Farmer Payment
- SAPS
- Voluntary Coupled Support

CMO Regulation (1308/2013) – art. 270

- Operational programmes (fruit and vegetable sector)
- Management of Import quotas

Active farmer provision – Art 9 of R1307/2013

Objective: Simplify the implementation of the clause for the national administrations by giving MS the possibility to reduce or altogether discontinue the implementation of the clause where the administrative costs outweigh the expected benefits.

Content of the two amendments:

- (1) Based on the current legislation, MS have to offer to entities presumed “non-active” 3 tests/criteria to rebut this presumption. The tabled amendment allows MS to decide offering only one or two tests/criteria from 2018 instead of three.
- (2) MS could decide to not apply anymore the whole AF clause from 2018.

Legal reference in the Omnibus: recital 216 and Art 269(2)

Overbooking of the SAPS ceiling – Art 6(2) of R1307/2013

Objective: Providing MS with a tool to absorb the possible under-execution of the financial envelope available to grant direct payments (DP) similar to that available for BPS Member States.

Content: the amendment allows the 10 MS applying the SAPS to "overbook" the ceiling for that scheme at a maximum of 3% (i.e. the ceiling available for SAPS is increased by the expected amount of under-execution in DP, but the actual amount of total direct payments can never overshoot the net ceiling). See examples in the Annex.

Legal reference in the Omnibus: recital 217, Article 269(1) and (3).

Young farmer scheme – Art 50(9) and 51(3) of R1307/2013

Objective: Reinforcing the support to young farmers by increasing the outreach of the scheme without putting at risk the 2% ceiling and the level of payment for smaller holdings. Limiting the risk of unspent funds in the scheme.

Content: Replacing the maximum number of hectares under the YFP by a maximum that is only triggered if the financial envelope (of 2%) is not sufficient to pay all claimed amounts. In case the financial ceiling is not at risk, no limit to the maximum number of hectares for which the young farmer top-up is granted

Legal reference in the Omnibus: recital 218, Article 269(4) and (5)

Voluntary coupled support - Art 52, new paragraph in R 1307/2013

Objective: Empowering the Commission to provide MS with a **voluntary** tool to avoid that the levels of production are to be maintained where this may not appropriate due to market imbalances

Content: As one of the measures to address the milk crisis in 2016, the Commission allowed MS to review their VCS measures for the dairy sectors for CY 2017 insofar as they could decide to grant the VCS for dairy on the basis of the animals eligible in 2016 (without an obligation for the farmer to maintain this number). The tabled amendment would allow the Commission to prolong such possibility for MS for the years 2018 and onwards, including for other sectors.

Legal reference in the Omnibus: recital 219, Article 269(6)