



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

The Director-General

Brussels, 12/05/2022

Subject: Observations on the proposal by Romania for a CAP Strategic Plan 2023-2027 - CCI: 2023RO006AFSP001

Your Excellency,

I hereby acknowledge receipt of the proposal for the 2023-2027 CAP Strategic Plan of Romania, submitted via SFC2021 on 28 February 2022.

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 Romania 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 Romania 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, 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

Her Excellency Ambassador Mrs Iulia MATEI
Permanent Representative of Romania to the European Union
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ANNEX

Observations on the CAP Strategic Plan submitted by Romania

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. Romania 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).

Key issues

Observations with regard to the strategic focus of the Plan

1. The Commission welcomes the CAP Strategic Plan submitted by Romania (hereafter, the Plan) and the consideration given to its recommendations of 18 December 2020 (SWD(2020) 391). The Commission takes note of the public consultations conducted in preparing the Plan and invites Romania to strengthen the partnership principle during the implementation phase.
2. The Commission considers that the Plan still requires significant improvements as regards the content, coherence, justification of the decisions taken and the economic, environmental, climate and social ambitions.
3. The intervention logic and links between interventions, result indicators, and specific objectives should be further clarified. The coherence and consistency of the Plan and its strategic focus should be improved so that the most pressing needs are addressed in an appropriate manner and with a sufficient budget, be it under or outside of the CAP.
4. 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 Romania to revise the proposed target values, by improving their links to 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

5. The Plan contributes only partially to this general objective. The Commission has doubts as to the expected effectiveness of the proposed intervention strategy with regard to the targeting, fairness of support, increasing competitiveness, and the farmers' position in the value chain, especially in what regards small and medium farms (the grand majority of farms in Romania).
6. The Commission welcomes the degressive reduction of payments for areas with natural constraints (ANC) and the specific investment interventions targeting young farmers in financing investments to increase market orientation and competitiveness.
7. The Commission notes the significant income support package that Romania devised to strengthen farmers' income. In contrast, the Plan sets low targets for interventions that would help address the identified structural deficiencies of the sector such as low competitiveness, fragmentation, low organisation, low level of knowledge and modernisation, reduced market access for small and medium farms, and the long-term economic viability of these farms and the whole sector beyond income support.
8. The Commission considers that there is still scope to improve the fairer distribution of direct payments (especially from bigger to smaller and medium-size farms, possibly through the use of capping and degressivity of payments). Romania is invited to consider the revision of the combination of tools and their further targeting to ensure such rebalancing of support and justify the choices made.

Therefore, Romania is invited to complement explanations by providing a quantitative analysis showing the combined effects of all proposed income support tools to improve the fairer distribution of direct payments.

9. The strategy fails to demonstrate that investments are targeted to the sectors and areas with the greatest needs and development perspectives. For example, it seems that with the exception of some limited interventions, small and medium farms are effectively excluded from support, that support mainly targets big commercial units (in some cases reaching extremely high level of support, such as EUR 15 million) and that some agricultural sectors are excluded from support, such as cereal and oilseeds or on-farm processing. Romania is invited to reconsider this approach.
10. The intervention mix should include measures to facilitate the development of small farms, access to market for agricultural products (also those produced in small and medium farms) and encourage innovative solutions for small farmers such as specialised hubs for agricultural products, which bring together producers and customers, and promoting short distribution chains for agricultural products.
11. The Commission has noted the sectoral support for wine, honey and fruit and vegetable (F&V) sectors. Sectoral interventions improve both cooperation as well as competitiveness of the sector concerned (as the support is designed and partially co-financed by the producers themselves). Romania is invited to explain the reason for not including other sectoral interventions than the compulsory ones in the Plan.
12. The Commission urges Romania 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

13. The Plan contributes only partially to this general objective and the Commission has doubts as to the expected effectiveness of the proposed intervention strategy.
14. Romania 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.
15. The Commission requests Romania to clarify or amend certain good agricultural and environmental conditions (GAECs) so they fully comply with the regulatory framework (see detailed comments below).
16. A number of interventions contributing to the specific environmental objectives have a broader surface coverage, but either do not go beyond mandatory practices, or raise concerns as regards their articulation with GAECs, or add only very modest environmental value in comparison to basic good practice in Romania.
17. A substantial number of links between interventions under both pillars, result indicators, and specific objectives established in the Plan do not seem well justified. There is also a considerable number of missing links, in particular between interventions and result indicators. As a consequence, many of the result

indicators included in the Plan do not present an accurate overview of its priorities and ambitions.

18. The Commission strongly encourages Romania to fully benefit from possibilities for interventions under Regulation (EU) 2021/2115 (CAP Strategic Plan Regulation – SPR) concerning renewable energy by using them to increase sustainable domestic generation and use of renewable energy, including biogas. Moreover, the Commission calls on Romania to plan interventions that improve nutrient management efficiency, circular approaches to nutrient use, including organic fertilising as well as further steps to reduce energy consumption.
19. Romania is requested to ensure coherence and contribution of its Plan with EU environmental legislation as listed in Annex XIII to the SPR and the planning tools arising from that legislation.
20. Romania is requested to take better account of the Prioritised Action Framework (PAF) pursuant to Article 8 of Council Directive 92/43/EEC and further align the proposed interventions with it.
21. Romania is strongly encouraged 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.

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

22. The Commission considers that the Plan is not likely to contribute effectively to the strengthening of the socio-economic fabric of rural areas. The proposed interventions seem to address only partially the identified needs of rural areas. While the Commission welcomes that the generational renewal objective is well covered in the Plan, the proposed strategy should be improved to sufficiently address the persisting development needs of the Romanian agricultural sector and rural areas.
23. The Commission takes note that many rural needs will be addressed by other EU instruments such as the Recovery and Resilience Plan (RRP) or the European Regional Development Fund (ERDF) or by national initiatives, but is of the opinion that the Plan itself could show more ambition with regard to developing the potential of rural areas. Romania is also invited to better explain the complementarities with other EU or national support funds/schemes targeting rural areas.
24. The community-led local development (LEADER) is expected to cover a whole array of rural needs, ranging from rural services to agri-tourism, and short supply chains, yet its actual eligibility is much broader. Romania should aim at a closer fit of LEADER with the identified needs of socio-economic fabric of rural areas.
25. Social needs should be better addressed in the Plan, especially with regard to disadvantaged and Roma population, as well as possible Ukrainian refugees.

26. Within the context of the African swine fever (ASF) prevention, control, and eradication, Romania is invited to include specific interventions and detailed actions to address the need to increase biosecurity in the entire pig sector, in particular in small and medium commercial farms.
27. The Commission acknowledges that the animal welfare interventions under both pillars cover a wide range of species with an ambitious target in number and budget. However, they are generic, do not address specific animal welfare problems, and it is not clear how these interventions contribute to reducing the use of antimicrobials. The Commission considers that the tail-docking practise in pigs is not addressed and that there are no specific measures that could promote the keeping of animals in non-confined housing system for laying hens, calves and sows. Therefore, the Commission invites Romania to amend those specific interventions in order to address the above-mentioned issues.

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

28. The Commission considers that the Plan is not likely to contribute effectively to fostering and sharing knowledge, innovation and digitalisation.
29. The Commission considers the support planned for knowledge, training, innovation and the development of the Agriculture Knowledge and Innovation System (AKIS) as insufficient to meet the growing information and training needs of farmers and to improve the capacity of the existing advisory services, public as well as private, to provide innovation support. Therefore, the Commission encourages Romania to consider strengthening support for farm advisory services and the sharing of knowledge and good practices.
30. The Commission encourages Romania to further elaborate on its digitalisation strategy and to reflect on how support to digitalisation in farming and rural areas will be addressed comprehensively across the Plan and in synergy with other instruments.

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

31. The Commission regrets that Romania 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, there are only limited qualitative explanations regarding the consistency of its Plan and contribution to these targets.
32. The Commission requests Romania to provide the information on the consistency of its Plan with and its contribution to these targets and requests Romania to reinforce the Plan by providing ambitious and quantified national values for each of them.
33. The Commission notes that eco-schemes, management commitments and elements of conditionality in the Plan have limited potential to contributing to the Green Deal targets. The Commission makes the following observations in relation to them:

- **Anti-microbial resistance:** The Commission recognises that relevant interventions proposed in the Plan can help to maintain and further decrease the relatively low level of antimicrobial consumption in the country but nevertheless Romania is requested to provide further explanations on the contribution of the Plan to this ambition and to set a national target, and is invited to consider adjustments at the level of the interventions that would support the reduction of the antimicrobials.
- **Pesticides, nutrient losses and high landscape feature:** Romania is asked to clarify how these issues will be addressed as proposed interventions do not seem sufficient to adequately contribute to the common ambition. Romania is invited to reinforce planned interventions and develop further actions/interventions to sufficiently contribute to these targets.
- **Organic farming:** The Commission notes that the support for organic farming in the Plan is foreseen for only 3.53% of the Utilised Agricultural Areas (UAA). In the light of the environmental benefits of organic farming and its potential for growth, the Commission invites Romania to increase its ambition and support for organic farming as a means of delivering additional environmental benefits while also securing a higher share of added value for farmers in the food supply chain.
- **Rural broadband:** The Commission notes that the Plan appears to contain little or no information about instruments relevant to achieving 100% fast broadband access in rural areas by 2025. It requests a clear and full explanation of how Romania intends to reach the target (inside or outside the CAP).

Detailed observations

1 STRATEGIC ASSESSMENT

34. The intervention logic does not adequately describe how all the interventions contribute to the overall intervention logic (valid for all Strategic Objectives -SOs).
35. There is no justification of the financial allocation and how this will meet the targets set (valid for all SOs).

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

36. Romania should ensure that all income support instruments take into account differences in farm size, profitability, and development. In addition, Romania should explain why degressivity and capping of payments are not part of the strategy, even though in the SWOT analysis it is recognised as weaknesses that small and medium farms have lower income and that until now the direct payment support was distributed unevenly in Romania (0.27% of beneficiaries receiving 31% of direct payment in 2019). Romania is also considering as an opportunity the efficient targeting of income support, in order to develop and market orient small and medium farms; however, this is not realised through the mix of interventions.
37. The links among the SWOT analysis, the needs identified, and the intervention logic are not clear. The SWOT analysis clearly identifies as weaknesses the high percentage of small and medium farms in Romania, the fact that these have a lower income, and the inefficient targeting of direct area support until now. However, it is not clear how these weaknesses are addressed in the sections dedicated to the needs assessment and the intervention logic. Romania should also better explain the strategy for supporting small farms, including why the payment scheme for small farmers (Article 28 of the SPR) is not used. Small farms should not be excluded from any relevant interventions.
38. The Commission welcomes the degressivity of payments under ANC, although the ceilings chosen are not conducive to a significant orientation of support towards small and medium farms.
39. With 0.73%, the share of the farms with supported CAP risk management tools (indicator R.5) seems to be extremely low. Romania is invited to ensure that more beneficiaries are covered by the risk management interventions.
40. In the light of the Ukraine crisis, Romania is invited to consider planning of specific interventions or a targeted strategy for strengthening its food supply chains and agricultural systems in order to cope with various crisis situations, both caused by natural causes and man-made.

1.1.2 Strategic assessment of Specific Objective 2

41. The links between the SWOT analysis, the needs identified, and the intervention logic are not clear. Even if the SWOT analysis recognises as a weakness that small and medium farms make up the grand majority of farms in Romania (almost 2.5

million farms own up to two hectares each, other 660,000 farms own between 2-5 hectares) and that the market access for these farms is very difficult or in some regions not existent, the investment support under SO2 seems to be targeted towards big commercial undertakings (with the only exception being the intervention tailored for young and recent farmers). This is evident from the planned unit amounts close to the maximum aid ceilings per project supported (in some cases reaching EUR 2 million per project). In this way, most of the investment instruments under SO2 target a very limited number of beneficiaries (this comment is also valid for SO3).

42. The Commission is concerned that the overall ambition under this SO is very limited. For example, only 0.05% (some 1 700 farmers) of Romanian farms will receive CAP support for farm modernisation (result indicator R.9), whereas the share of farms benefitting from Coupled Income Support (CIS) for improving competitiveness, sustainability or quality (R.8) adds up only to 1.22% (41 800 farmers). Romania should increase its level of ambition and aim to target a substantially increased number of farmers.
43. The amount available for investments in agricultural holdings under the European Agricultural Fund for Rural Development (EAFRD) is low and therefore not conducive to meeting farmers' needs and to enhancing their market orientation and competitiveness. In addition, the investment support seems to be limited only to selected sectors (orchards, vegetables, potatoes, hops, flowers, table grapes, animal breeders), without any clear justification.
44. 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, Romania 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).

1.1.3 Strategic assessment of Specific Objective 3

45. While the SWOT analysis highlights the need to increase the marketing of products through small supply chains, this does not seem to be covered by the intervention logic.
46. The whole intervention logic under SO3 seems to target big commercial units (with the exception of investment support for the setting-up of young farmers) and, in addition, seems to target a very low number of beneficiaries. For example, only around 72 beneficiaries will benefit from the EUR 253 million support for off-farm processing, due to the fact that the planned unit amounts are set around the maximum aid ceilings (in some cases reaching EUR 15 million). Romania is invited to reconsider the targeting under this SO as well as the very high maximum support per project.
47. Moreover, on-farm processing is excluded from support. Romania is invited to reconsider including on-farm processing as eligible activity. In addition, the need for strengthening big processing units is not coherent with the justification of support for CIS, where Romania identifies as a weakness the lack of raw materials for processing.

48. Therefore, the Commission has serious doubts that the overall objective of improving the farmers' position in the value chain will be met through this intervention logic. Moreover, the situation of small and medium farms, which seem to be excluded from investment support, is also of great concern.
49. In addition, the share of farms participating in producer groups, producer organisations, local markets, short supply chain circuits and quality schemes supported by the CAP – Result indicator R.10, to which interventions under this SO are the main contributors – is very low (0.02%). Also the share of value of marketed production by producer organisations or producer groups with operational programmes in certain sectors – R.11 to which interventions under this SO are the main contributors – is very low (0.68%).
50. The information provided seems to be more an incomplete list of supported actions rather than an assessment of consistency between the different interventions (sectoral types of interventions, rural development, CIS). Romania is requested to fill the sections 3.5.6-3.5.10. For each sector, the general description should be completed with a more targeted assessment of the consistency and synergies between the various interventions. However, complementarity between interventions related to a sector should be assessed not only in a pure 'technical' sense (i.e. potential accumulation of support in case of interventions targeting the same sector), but in a broader, 'strategic' sense. Accordingly, Romania should explain how the combination of the relevant interventions work toward the intended objective and thus fulfil the need(s) identified for the sector concerned.
51. Romania plans sectoral interventions in fruits and vegetables (F&V), apiculture and wine sectors only (while support in wine and apiculture sectors are not channelled through Producer Organisations). However, in the SWOT analyses (under SO2 and SO3), Romania identifies weaknesses of "low level of association," and "poor cooperation between farmers and other actors." Considering this, Romania is invited to clarify why sectoral interventions in sectors other than F&V, apiculture and wine are not planned. Since sectoral interventions are channelled through Producer Organisations, budget for sectoral interventions would help encourage producers to cooperate and form Producer Organisations. Given also the need to improve the resilience of the food systems and reduce dependency of imports of strategic commodities, Romania is invited to explain why sectoral interventions in cereals and animal feed/protein crops sectors have not been considered.
52. Romania is invited to explain the difficult access of wine producers to the wine market, in particular as regards the intra-Union and extra-Union market considering that Romania has funded promotion action under the National Support Programme since 2009, which should have led to the development of market opportunities beyond national ones.
53. Romania should explain why the wine interventions are not contributing to SO3.
54. Taking into account the information resulting from the SWOT analysis, including the low number of Romanian products currently participating in European Geographical Indications (GIs) quality schemes, the Commission considers that increasing the uptake of GIs should be a clear objective/need to be addressed under the Plan. In this line, the objective of the "Cooperation" intervention could be better defined to clearly target an increased participation of the Romanian products in European GIs quality schemes, by encouraging the new participation of farmers

in EU quality schemes covering Protected Designated of Origin products (PDOs) and Protected Geographical Indications products (PGIs) and by supporting information and promotion activities implemented by groups of producers with regard to PDO and PGI products.

55. Cooperation intervention “Establishment of producer groups in the agricultural/orchards sector” aims at supporting the establishment and operation of producer groups in order to pool production for sale. Given the general low level of cooperation between producers in Romania, Romania is requested to explain why it does not plan support for the setting up of producer organisations with the aim to operate sectoral programmes.

1.1.4 Fair distribution and targeting of the support

56. Romania is invited to elaborate the corresponding overview that demonstrates that the redistributive needs have sufficiently been addressed. To justify the sufficiency of the strategy and the consistency of all income support tools, Romania is invited to provide a quantitative analysis showing the combined effects of all relevant income support tools on income per work unit by physical size (e.g. using Farm Accountancy Data Network (FADN)). In particular, Romania is invited to provide a comprehensive justification for the maximum ha threshold for (CRISS).

1.2 To support and strengthen environmental protection, including biodiversity, and climatic 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

57. The Commission considers that the proposed intervention mix will not contribute sufficiently to address the needs for this strategic objective.
58. All (but one) environmental needs (valid also for SO5 and SO6) are qualified as having an average or low priority. Romania is requested to justify this programming choice in light of the environmental needs.
59. Concerning the SWOT analysis, there are few mentions regarding renewable energy, energy efficiency, mitigation of soil degradation due to droughts and wind erosion, knowledge transfer and advisory to raise awareness of climate change and climate action, risk management for farmers associated with climate variability and extremes. Romania is invited to better address these issues.
60. Romania is requested to adequately address in the SWOT analysis the following: the low share of organic farming in the total agricultural area, the insufficient support and promotion for agricultural practices and investments aimed at reducing emissions, the need to invest in sustainable livestock and manure management, the overlap between peatland and wetland area with farmed and forested areas, the decrease of both permanent grasslands and forestland. In addition, the share of permanent grassland indicated in the SWOT analysis (64%) is very different from the one given under GAEC 1 (23%). Romania is requested to clarify this inconsistency.

61. 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. an increase in Green House Gas (GHG) emissions), Romania 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).
62. Elements related to renewable energy should be moved under SO4 while SO8 should concentrate on the bioeconomy as a whole. Romania should ensure consistency between the SWOT analyses carried out under SO4 and SO8, for example, on what concerns biomass availability (either a strength and/or an opportunity).
63. The contribution of the ANC intervention under this SO to enhancing carbon sequestration is not clear. Romania is requested to substantiate this planning choice. Similarly, the need on adapting agricultural practices in areas facing climatic risks refers to irrigation infrastructure, planning choice that is confirmed later in the Plan. This programming choice is not clear and Romania is requested to substantiate and/or revise (this comment also applies to SO5 and SO6).
64. Sustainable forest management appears as a strength. While the Commission acknowledges that Romania has a significant forested areas, those were not always managed in a sustainable way. There is an ongoing infringement procedure on illegal logging and logging which is not compatible with the Natura 2000 legislation. Romania is invited to reconsider this classification. In addition, given the increasing frequency of devastating climate events, Romania needs to step up its efforts regarding climate adaptation and mitigation of its forests. This does not appear to be sufficiently addressed under this specific objective. If forestry needs in Romania are covered through other programmes (such as the Recovery and Resilience Plan), this should be clearly explained. The issue of illegal logging is not addressed, while increasing infestations by pathogens is not sufficiently tackled in the interventions (valid also for SO5).
65. Under SO4, significant biomass potential is noted as a strength. It should be noted that any promotion of biomass combustion must be accompanied by sufficient safeguards to ensure that there are no negative impact on air quality (notably Particulate Matter emissions); support for biogas production must be given in a way to ensure no negative trade off in methane vs ammonia emissions.

1.2.2 Strategic assessment of Specific Objective 5

66. The criteria used for prioritising the needs refer to coverage, coherence with other policies/strategies, contribution to socio-economic development, contribution to environment and avoiding land abandonment. Those criteria lack clarity and seems to overlap to some extent, while not considering the severity/degree of a particular need.
67. Animal welfare interventions and investments in the animal breeding sector are interventions intended to be designed under this specific objective. Romania is requested to substantiate this choice.

68. The Plan needs to clarify the focus of - and the conditions for - the planned investments in irrigation. Romania is invited to consider complementing such investments meeting requirements of Article 74 of the SPR with other interventions such as natural water retention measures to address water quantity issues and climate change adaptation needs.
69. The assessment related to SO 5 should be improved with a view to integrating in a clearer way the regional ecological differences of Romania (including the differences between regions of more intensive and more extensive agriculture). This is particularly the case with regard to nutrient management. While the target for result indicator R.22 (sustainable nutrient management) is high, the Commission has doubts whether this is supported by the underlying interventions. The Commission also requests Romania to provide further details behind this target, given that nutrient surplus in Romania should be considered based on a differentiated analysis.
70. Romania accepted with the adoption of Directive (EU) 2016/2284 (the National Emissions Reduction Commitments Directive – the NEC Directive) a commitment to reduce ammonia emissions by 25% until 2030 compared to 2005. Even if the emissions of ammonia remain constant or signal a slight increase, Romania is at a high risk of non-compliance with Annex II to the NEC Directive. In this regard, the share of agricultural surface proposed to support ammonia emission reduction is low. In addition, it is unclear which intervention supports good practices to reduce ammonia emissions (the eco-schemes or the agri-environmental commitments). Investments are also proposed to better manage manure, but result indicator R.16 is missing. Romania is invited to provide more details about the reduction of ammonia emission and show more ambition.
71. Integrated Pest Management is not mentioned at all, and Romania is requested to clarify whether Integrated Production will be supported.
72. The Commission encourages Romania to explain the links with the Best Available Techniques (BAT) conclusions including BAT-associated emission level (BAT-AEL) notably in the context of reducing emissions of pollutants from installations (e.g. ammonia) (also applicable to SO4).

1.2.3 Strategic assessment of Specific Objective 6

73. Romania is invited to improve the SWOT analysis, including the status and priorities of habitats and species concerned by agricultural and forestry activities and consider including a sub-chapter on landscape features. In addition, the links between the needs identified and the interventions proposed should be clarified. There are only three needs identified. The title of the two first needs, referring respectively to sustainable and traditional farming, should be clarified. In addition, it should be explained why there are no needs clearly identified concerning the 1) Preservation of habitats and species 2) Agricultural genetic resources and 3) Landscapes. It is not consistent with the weaknesses and threats identified, in particular the risk of land abandonment and loss of genetic resources associated with local varieties and breeds.
74. The Commission notes with concern that no intervention on Natura 2000 is proposed to be designed. While the Commission is aware of the constraints related to the approval of management plans for Natura 2000, Romania is however invited

to consider introducing such intervention for cases where the management plans are more advanced. The Commission also doubts that ANC should be designed under SO6.

75. The number of forestry elements presented is limited. There is a need for better representation of forests and forestry in the SWOT due to the importance of forestry for biodiversity and ecosystem services and landscapes (e.g. threats to forest genetic resources are not mentioned). Romania is also invited to refer to the EU Forest Strategy.

1.2.4 Green architecture (Article 109(2) of the SPR)

76. The Commission considers that the green architecture of the Plan lacks clarity and consistency. In particular, the Commission considers that a better integration of the wide regional differences (amongst intensive and extensive agricultural regions) in the SWOT would be needed to improve the identification and targeting of needs as a basis for the intervention strategy and ensuring an increased contribution.
77. A number of GAECs should be reviewed with a view to ensuring that they achieve their objectives and increase their benefits, also as a baseline for interventions. In addition, for the eco-schemes, significant clarification is needed and Romania is asked to review them to ensure that the environmental and climate contribution of the practices included go beyond the baseline.
78. As regards green investments /non-productive investments, Romania does not foresee any separate intervention for productive and non-productive green investments as referred to in respectively Article 73(4) points (a)(i) and (c)(i) of the SPR (apart from one non-productive forestry intervention). However, green investments are included in other investment interventions. Romania is invited to design a separate intervention for green productive and/or non-productive investments to show the higher environmental ambition of these investments and to be able to link them to the environmental ring-fencing referred to in Article 93 of the SPR.
79. While the SWOT analysis identifies that there are still many challenges that need to be addressed in the coming period, including: the large number of small farms (with poor access to information, advisory and training), the low technological endowment and the dual structure of agricultural holdings, the impact of climate change on farmers' productivity (droughts, erosion), section 3.1.3 of the Plan provides very general information on the specific contribution to an ambitious climate related-objective, referring more to the EU legal framework to comply with than to how exactly the interventions are designed to support climate mitigation and/or adaptation. In addition, the link between interventions, result indicators and specific climate objectives should be improved.
80. Romania is requested to include in the Plan a clear overview of the complementarity between the relevant baseline conditions, as referred to in Article 31(5) and Article 70(3) of the SPR, conditionality, and the different interventions addressing environment and climate-related objectives. A thorough analysis is needed of the complementarity and synergies between those instruments.

1.2.5 Greater overall contribution (Article 105 of the SPR)

81. The Commission has concerns about the potential of the Plan to deliver a greater overall contribution to the environmental objectives of the CAP. Due to important missing information, it is also difficult to assess the greater overall contribution of the Plan for biodiversity and landscapes (including the value added of some eco-schemes addressing those).
82. Regarding conditionality, there is a lack of clarity and need for adjustment of certain GAECs. Therefore, the Commission has some difficulties to conclude that baselines are set at a sufficient level. Moreover, it is not clear that management commitments will entail significant changes in the field. In this context, it is not clear how the “traditional farming practices” will contribute to increasing the environmental contribution. Romania is requested to provide the explanation referred to in Article 105(2) of the SPR and ensure compliance with Article 105(1) of the SPR.
83. While Romania mentions that a target for organic farming is fixed in its National Plan for the Development of Ecological Production, the figure is not included. Support is foreseen for only 3.53 % of Utilised Agricultural Area (UAA). The Commission invites Romania to consider increasing the efforts on organic farming in terms of UAA covered.
84. Romania is asked to make a clear, well justified, quantitative comparison of the environment and climate ambitions of the Plan with that achieved under the 2014-2020 Rural Development Programme (RDP). Hay meadows, butterflies and birds specific commitments are excluded. The high biodiversity landscape features and pollinators are also missing from the SWOT analysis. The commitments are linked with mandatory grazing, indicating an approach towards production and less towards the environment.
85. The level of ambition regarding the objective concerning climate change is addressed in a very diffuse way within the Plan, being spread along diverse interventions, without a particular/targeted focus on addressing the mitigation or adaptation of significant climate effects (i.e. severe droughts). Even if included and prioritized, there is a low financial allocation dedicated to climate-related objectives for making the intervention effective. Romania should better explain in the Plan how the interventions will contribute to a greater overall ambition regarding climate-related objectives.

1.2.6 Contribution and consistency with the needs stemming from and long-term national targets set out in or deriving from the legislative instruments referred to in Annex XIII (Article 109(2) of the SPR)

86. The contribution to and consistency with the long-term national targets set out in or deriving from the legislative instruments referred to in the above-mentioned Annex XIII is not reflected in the Plan. It is not clear if the planned interventions will be sufficient to bring about the scale of change that is needed. The provided targets do not appear to be coherent with the needs set out in the Environmental Planning Tools (EPTs) and national strategies.
87. Romania is requested to explain better the concrete needs stemming from the said actions and plans. It should better demonstrate the Plan’s contribution to the

fulfilment of the commitments and targets emanating from those acts making more use of quantitative information.

88. Romania refers to other legislative instruments relevant to renewable energy (including Directive (EU) 2018/2001 (the Renewable Energy Directive (RED II) and Directive 2012/27/EU (Energy Efficiency Directive (EED))), but the link with the Plan's needs and interventions is not clear.
89. Romania is invited to ensure consistency between its Plan and national goals, policies and measures outlined in the National Energy and Climate Plan (NECP) as well as the National Adaptation Plan (NAP) and the Long-Term Strategy (LTS). Romania is invited to better explain and demonstrate how the needs identified in the NECP, NAP and LTS are addressed by the Plan.
90. Romania is invited to provide further explanations on the contribution of its Plan to climate change mitigation and to better demonstrate that the needs for climate adaptation will be sufficiently addressed.

1.3 To strengthen the socio-economic fabric of rural areas

1.3.1 Strategic assessment of Specific Objective 7

91. Romania is requested to:
 - Reconsider the SWOT summary and needs identification related to knowledge transfer to young farmers;
 - Provide details on the situation of young female farmers in the SWOT summary;
 - Explain how the needs related to access to capital, female young farmers and mountains areas are addressed in the intervention strategy;
 - Explain the targeting of the installation aid towards specific sectors, its link to the needs identified and its contribution to SO7;
 - Verify the calculation of Result indicator R.36 and include R.37 to which R.36 contributes.

1.3.2 Strategic assessment of Specific Objective 8

92. Aspects related to the socio-economic fabric of rural areas (beyond the agri-food and forestry sector) do not seem to be sufficiently addressed. Romania is invited to better explain how the needs of rural areas will be addressed.
93. LEADER is expected to cover a whole array of rural needs, including rural business start-ups, agritourism, and short supply chains, and contribute to the provision of services. The budget of LEADER, even though increased to 8% of the EAFRD funds, is not sufficient to address all these needs of rural areas, especially since LEADER's eligibility is much broader than SO8. Romania is invited to consider targeting the scope of LEADER operations in line with its added value and the needs, in particular those in SO8.

94. Many needs related to social inclusion (including the situation of possible Ukrainian refugees), rural poverty and gender equality are not addressed. The same holds true for collective needs such as transport, local social activities, etc. Capacity building for creating stocks of social capital is also missing.
95. The intervention logic should address access to jobs, the unemployment rate in the rural areas and dedicated services for the self-employed in agriculture and small farmers (the most numerous and vulnerable group in the rural communities).
96. Romania is invited to confirm that a target for Result indicator R.42 will be established once LEADER strategies are known and revise R.37 after the selection of the strategies.
97. The Commission encourages Romania to promote gender equality and improve the participation of women in rural businesses, in line with the specific objective of Article 6(1)(h) of the SPR, by justified and proportionate measures. Furthermore, Romania 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.
98. Romania has no Bioeconomy 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

99. Given that the SWOT analysis does not identify animal welfare as a weakness, the need to implement dedicated interventions and the allocation of a significant budget for animal welfare of EUR 1.5 billion does not seem justified.
100. The Plan includes welfare measures with a wide scope, including support for a substantial increase of space for sows and fattening pigs. Nevertheless, Romania is requested to further address the tail docking practises in pigs and to encourage the keeping of animals in non-confined housing system for laying hens calves and sows.
101. The Commission notes that the Plan includes interventions on animal welfare both under the eco-schemes (for cattle) and rural development (for pigs and poultry). However, increasing space by 10% for cattle, pigs or poultry would not significantly improve the welfare of animals. In addition, the commitments for pigs are not ambitious enough (space, dust, litter) to keep pigs with entire tails, especially if these commitments can be taken in isolation.
102. The Commission notes that Romania intends to achieve further reductions of antimicrobials through interventions that focus on enhanced animal welfare standards. It recognises that these interventions could help maintain the current relatively low level of antimicrobial use. However, the Commission notes that the Plan does not assess sufficiently the impact of these interventions on the use of antimicrobials because it does not include a target value for Result indicator R.43. In addition, Romania has not clarified how and if measures outside the CAP are going to contribute to limiting the use of antimicrobials, in particular that of

fluoroquinolones. Therefore, the Commission invites Romania to modify the Plan in accordance with these observations.

103. The action to reduce density includes laying hens in cages and the Plan does not include a measure to promote the phasing out confined housing systems for laying hens. Therefore, the Commission invites Romania to extend the animal welfare intervention to promote the keeping of laying hens, sows and calves in non-confined housing systems.
104. Regarding biosecurity, and as mentioned in the key issues, the Commission notes that the Plan does not include targeted interventions on biosecurity in pig farms in the framework of ASF prevention, control and eradication in Romania. However, the SWOT analysis points out that pig farmers have been severely affected by the disease since 2017. Therefore, the Commission invites Romania to amend the Plan to include specific interventions and detailed actions to increase biosecurity in the entire pig sector, in particular in small commercial farms.
105. While the plan identifies a need to raise awareness and encourage the consumption of healthy foods, this is only partially addressed in the interventions proposed. The Commission therefore invites Romania to better explain how the shift towards healthy, more plant-based and sustainable diets will be achieved.
106. While the Commission notes that food waste is partially addressed in the Plan, it invites Romania to explain how this issue is addressed outside the CAP (national policy aimed at combating food waste in other sectors) and their relation/coordination with provisions of 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

107. Despite considerable needs in the area of knowledge transfer (training, advice), the related budget has been drastically reduced compared to the previous programming period. The lack of budget and of other interventions to interlink AKIS actors may render the achievement of the set objectives difficult. Romania is invited to explain how the identified needs related to AKIS will be tackled.
108. The Commission would like to raise awareness on the importance of a coordinated strategic AKIS approach in relation to the interventions, their interlinkages, their complementarity and the integration of as many as possible AKIS actors in the AKIS scope. Romania is invited to reflect on further AKIS interventions besides the digital tool.
109. AKIS and the European Innovation Partnership (EIP) operational groups are not aiming at validation and dissemination of research results. Their aim is much broader: They should help interaction, knowledge sharing and co-creation of opportunities and solutions, whether these are linked to research results or not.
110. Romania is invited to revise the SWOT for this objective and examine whether forestry and foresters could be represented in various areas of this horizontal objective, e.g. cooperation, knowledge transfer or advice.

111. Romania is invited to strengthen the SWOT analysis and the needs assessment for digitalisation in agriculture and rural areas and to use it to further tailor the digitalisation strategy (which does not outline a strategic approach to support digitalisation in agriculture and rural areas in Romania).
112. As Romania intends to address the need for support to investments in digital technologies through CAP interventions, the Commission invites Romania to make use of Result indicator R.3 to well reflect the intervention logic.
113. The Commission welcomes that Romania considers to achieve synergies between the CAP and the implementation of Digital Innovation Hubs. Romania is encouraged to further explore opportunities to achieve synergies with other EU and national policy instruments to boost the digital transformation.
114. Romania's digital strategy for agriculture and rural areas does not identify or exclude possible risks of digital divides between regions or types of farms or population groups, nor are interventions to mitigate or avoid digital divides sufficiently described.
115. Despite the identified need regarding internet infrastructure in remote areas, the Plan lacks information on the broadband strategy to tackle this need and to contribute to the EU 2025 connectivity objective. Romania is invited to: 1) Provide further details on the broadband intervention strategy for rural areas, in order to ensure that the EU 2025 connectivity target of 100% of broadband coverage with very high-capacity broadband networks (at least 100 Mbps with the possibility to expand to gigabit speeds) will be met; 2) Provide information on the quality of rural 4G mobile coverage, and explain how Romania will reach the 5G target in all (populated) areas by 2030 using national or EU funds.

1.5 Simplification for final beneficiaries

116. Romania is requested to provide further information on data sharing, as referred to in Articles 67(3), (5) and (6) of Regulation (EU) 2021/2116. Romania is furthermore invited to describe if new technologies are intended for use of non-IACS controls as well as to provide information on Area Monitoring (AMS) being used or not for cases of force majeure referred to in Article 3 of the same Regulation.

1.6 Target plan

117. Romania is invited to revise:
 - The values of some result indicators, which seem very low: R.5, R.8 and R.9 (very low value of 0.05% and supported wine producers should also be added), R.10, R.11, R.12, R.14, R.17, R.20, R.21, R.23, R.24, R.25, R.29, R.30, R.31 and R.36 (it seems that the beneficiaries of intervention PD-3 are not counted).
 - Other result indicator values, which seems unreasonably high: R.31, R.35, R.44 and R.22.
118. Romania is invited to set targets for the following missing result indicators: R.2 (link to at least intervention DR-32), R.3 (link to at least intervention DR-31), R.6 (link it with the intervention PD-2), R.13, R.15 (link with intervention DR-18),

R.16 (link with intervention DR-16), R.17, R.20, R.23, R.26 (link with intervention IS-V-29), R.28 (link with interventions DR-29 and DR-31), , R.32, R.33 (link at least to intervention DR-01), R.34, R.37 (link with interventions PD-3 and DR-25), R.40, R.42, R.43 (link to interventions PD-07, PD-08, and DR-06).

2 OPERATIONAL ASSESSMENT

2.1 Minimum ring-fencing

119. Based on the data provided in section 5 of the Plan, a higher amount than the minimum set out in Annex XII to the SPR is reserved for young farmers. For each of the two types of intervention contributing to this ring-fencing, the amounts that are to be considered as necessary to meet the minimum ring-fencing requirements should be clearly indicated in the overview table of the financial plan (section 6.1). This information shall serve as a basis to establish the financial ceilings referred to in Article 95(4) and (5) of the SPR.
120. Romania is requested to increase the allocations for IS-V-23: Restructuring and conversion of vineyards, IS-V-24: Investments in tangible and intangible assets and IS-V-29: Investments in tangible and intangible assets to increase the sustainability of wine production or to plan additional types of interventions contributing to environmental objectives in order to achieve the compulsory environmental contribution of 5% of expenditure as required by Article 60(4) of the SPR.
121. Romania is invited to clarify the contribution of some interventions to the minimum ring-fencing (in particular on investments) as it is required by Article 93 of the SPR.

2.2 Definitions and minimum requirements

122. The following items require clarification and completion:
 - Section 4.1.1.1 – to confirm the use the same definition of production as set under Article 4(1)(c)(i) of Regulation (EU) No 1307/2013 or to further clarify the definition under Article 4(2)(a) of the SPR. In fact, the latter definition of production lays down the necessary common elements to be included in a more developed definition established at national level.
 - Section 4.1.1.2.2 – to provide in this section, criteria on the maintenance of all permanent crops (not only vineyards and orchards) which should include the criteria not only for the land, but also for the crop itself.
 - Section 4.1.1.2.3 – to provide only information on the maintenance of permanent grassland in a good state. In this respect, minimum livestock density, if retained, should be moved to section 4.1.1.1 as a further definition of production as stipulated in Article 4(2)(a) of the SPR (see comment on section 4.1.1.1). Also, for all areas Romania should provide a non-productive alternative besides grazing.
 - Section 4.1.2.1 – to provide 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 (whether or not differentiated per type of agricultural area).

- Section 4.1.2.2.1 – to place the information included under the section under appropriate parts of the Plan (it seemingly refers to agroforestry systems, eligible hectare, GAEC and agricultural areas outside of arable land definition).
- Section 4.1.2.3.2 – to set the minimum planting density in relation to the included short rotation coppice species. Pending this information, the assessment by the Commission cannot be complete.
- Section 4.1.2.4.1 – to include only the definition of grasses and other herbaceous forage. Other criteria should be put under appropriate parts of the Plan. In particular, the minimum size of the parcel, depending on its intended scope, should be put under BISS or IACS part of the plan, while the maximum number of trees – could be placed e.g. under the ‘eligible hectare’ part on ‘other landscape features not protected under GAEC’ (section 4.1.3.5) or under agroforestry part (section 4.1.2.1).
- Section 4.1.2.4.4. – to provide a description of the criteria ‘reseeded with different types of grasses’ (not just an objective).
- Section 4.1.3.1 – to clarify whether it is impossible for a farmer to perform an agricultural activity on the listed areas not primarily used for agricultural purposes. To note, in line with the EU jurisprudence (case C-61/09 (Landkreis Bad Dürkheim) as well as the cases C-422/13 (Wree) and C-684/13 (Demmer)), farmers should be provided a possibility to prove that they still did an agricultural activity.
- Section 4.1.3.2 – to explain how the actual and lawful use of the land will be verified and to confirm that any legal possession of the land is accepted.
- Section 4.1.3.3 – to clarify the duration period during which an area has to comply with the definition of ‘eligible hectare’.
- Section 4.1.4.1 – to explain how the inclusion in the ONRC register proves that the farmer has at least minimum level of agricultural activity, and that farmers who do not produce are not penalized.
- Section 4.1.4.2 – to place, if retained, the ‘negative list’ of areas predominantly used for non-agricultural activity under part 4.1.3.1 and to provide a farmer a possibility to prove that the agricultural activity was still done on the area in question (see comment under section 4.1.3.1). Moreover, inclusion in the list of some areas (e.g. areas on which agricultural activity is not practiced or fallow land after temporary grassland) does not seem justified. In fact, it seems that Romania does not actually use the option to implement a ‘negative list’ of activities as a complementary tool to identify non-active farmers.
- Section 4.1.4.3 – to provide quantitative, e.g. the number of excluded farms, and qualitative justification for the EURO 5 000 threshold set.
- Sections 4.1.5.2 and 4.1.5.3 related to young farmers - to specify the meaning of “majority” shareholder and “adequate” training/skills.

- Section 4.1.7 – to review the threshold(s) set and its justification by taking into account the following:
 - i. The contradiction between the area threshold indicated in section 4.1.7.2 (which is 1 ha) and the threshold indicated in section 4.1.7.1 (which is 0.03 ha);
 - ii. Minimum size of the parcel should be defined under respective intervention or IACS part of the Plan, depending on its applicability;
 - iii. Because Romania defined a hectare threshold, the monetary threshold only applies for those farmers, who do not meet the hectare threshold, but are entitled to receive animal-related income support;
 - iv. On the basis of qualitative and quantitative information, to provide a justification as to how the threshold(s) set ensure(s) the reduction of administrative burden and contribute to the objective of supporting ‘viable farm income’.
- Section 4.1.8 – to review this section containing definitions, which are already set at the EU level. To clarify, those should not be repeated as such in the Plan to avoid any legal uncertainty. Also, the rationale behind and the applicability of some of the definitions is not clear.

2.2.1 Elements Related to Direct Payments

123. Romania is invited to provide further information/clarifications on the implementing arrangements for the option to condition up to 3 % of direct payments to a contribution to a risk management tool. Romania is also invited to clarify the link with rural development risk management interventions.

2.2.2 CAP Network

124. In section 4.4 of the Plan, more information is needed on activities of the CAP Network as related to involvement of new participants (e.g. Pillar 1), monitoring and evaluation activities, work with EIP and LEADER/other territorial initiatives and contribution to the EU CAP network, as well as on the activities of the network at the regional level.

125. In line with Article 15 and 114(a)(ii) of the SPR, we invite Romania 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, and which specific CAP network actions will contribute to the former.

126. Romania is invited to consider actions creating synergies between the Plan and Horizon Europe actions with specific attention to EIP Operational Groups linkages to Horizon Thematic Networks and Multi-actor projects.

2.2.3 Coordination EU Funds

127. The description in Section 4.5 on the coordination, demarcation and complementarities is insufficient with a view to providing the overview required by

Article 110(d)(v) of the SPR. Romania 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, in addressing certain identified needs, especially those related to digitalization in rural areas, green infrastructure and water resources, waste management, health and education, ensuring a proper monitoring and reporting system. These funds and initiatives 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) as well as the instruments for environment and climate action, the Programme for the Environment and Climate Action (LIFE) and Horizon Europe as well as the Partnership on Sustainable food systems for people, planet and climate.

128. Romania is invited to describe how the Plan will support the implementation of Horizon Europe Missions, in particular the Missions “A soil deal for Europe “, “Adaptation to Climate Change” and “Restore our Ocean and Waters by 2030”.
129. Further detail is also needed on Strategic Objective level on how the Plan funding is coordinated with the following measures in the Recovery and Resilience Plan (RRP): 1) Afforestation and reforestation national campaign; 2) Interventions to improve the quality of life in rural areas and access to access to basic health services and education; 3) High speed internet access coverage; 4) Expansion of water and sewage systems; 5) Investments for the ecological reconstruction of habitats.

2.3 Interventions and Baseline

2.3.1 Conditionality

GAEC 1

130. Romania is invited to further explain the implementation of GAEC 1, in particular as regard to the on-farm obligation and the steps that will be taken to ensure the maintenance of the permanent grassland ratio.

GAEC 2

131. The Commission welcomes the application of this GAEC as from 2023. Romania is requested to explain the requirements for farmers, which will result from the elements/procedures and legislation mentioned under point a), b) and c). The Commission appreciates that drainage is prohibited, but would also expect to see limitation for tillage management, e.g. a ban on ploughing. Romania is requested to confirm that there is a ban on the conversion of wetland and peatland.
132. Romania is requested to explain the definition of peatland/wetland areas, and in particular to clarify whether the designation will depend on farmers’ declaration or whether it is based on an ex-ante designation. Romania is also requested to clarify the reference to “protected natural areas” as part of the designation of the areas relevant for GAEC 2. All wetland and peatland must be covered. In accordance with Regulation (EU) 2021/2289, Romania is also requested to indicate the main types of agricultural areas present in the designated peatland or wetland area.

GAEC 4

133. It is not fully clear from the description of this GAEC that the use of both fertilizers and plant protection products is prohibited. Romania is requested to clarify this.

GAEC 5

134. The definition of the areas of risk of erosion appears too limited, as it is based on a 12% slope-criterion. Romania is encouraged to consider whether there is a risk of erosion on areas other than those with a slope above 12%, and to align the definition accordingly or to apply this GAEC to those other areas as well; this is also required with a view to reflect the SWOT for SO 5, and to ensure a good contribution to the needs related to erosion, e.g. as set out in need 19. With regard to the suggested requirements, the Commission considers that, in view of meeting the objective of this GAEC, Romania should be more specific and restrictive with regard to the tillage management criteria to respect.

GAEC 6

135. GAEC 6 concerns areas where bare soils occur (permanent crops and arable land excluding temporary pastures). In principle, all arable land needs to be covered. Romania is therefore requested to cover permanent crops as well as all arable land, and not only 20% of a given farm, with GAEC 6.
136. Romania is requested to specify the period in which the requirements apply. In the case of fallow land, additional requirement should be set to ensure appropriate soil cover. Romania is also requested to specify the sensitive period concerned.

GAEC 7

137. Romania is requested to provide further details on the requirements to respect the rotation practices as well as to include the definition of crop and secondary crop.
138. As regards secondary crops, Romania should note that these must be cultivated in the time between the cultivation of two main types of crops and they should cover the full period between the cultivation of those main crops resulting in a “significant break” between these.
139. With regard to the application of the exemption for holdings of less than 10 hectares of arable land, Romania is requested to consider the observation made to the eco-scheme PD-05.

GAEC 8

140. In the context of the standard for a minimum share of arable land devoted to non-productive features, the Commission recalls that areas with short rotation coppice, afforested areas and areas with miscanthus do not qualify as non-productive, and should be removed from the list of features. For the sake of clarity, Romania is invited to tick the specific box in SFC for ditches rather than listing it in the box for “others”.
141. The proposed list of landscape features is rather narrow and does not include for instance cairns, ditches, small ponds, small wetlands and stonewalls. These are important features for species conservation and Romania is invited to reconsider

the proposed list. The same applies to the proposed list of landscape features for retention that is limited to only terraces, hedges and group/rows of trees.

142. Romania is requested to provide an explanation of the choice of option for the minimum share of arable land devoted to non-productive features.
143. Romania is requested to clarify and ensure that the option 2, linking this GAEC to an eco-scheme, is compliant with the requirements in Annex III to the SPR.
144. Romania is asked to consider extending the date of the specific period when pruning and cutting trees is not allowed depending of the length of the breeding season. A period ending on 31 August would ensure a better contribution to the objective of this GAEC.

GAEC 9

145. An indication of the criteria used to designate “environmentally sensitive permanent grassland” is requested. Considering the importance of this GAEC to protect pastures of high natural value, Romania is invited to consider a wide definition of these areas taking into account the current grassland status.

2.3.2 For direct income support

2.3.2.1 Basic Income Support for Sustainability (BISS) (Articles 21-28 of the SPR, section 5 of the Plan)

146. In the description of the intervention (and also all through other descriptive sections), BISS is called/referred to as an eco-scheme. In order to avoid confusion, Romania is invited to delete this reference.
147. The unit amount for 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 is the result of this exercise, not the starting point.
148. Romania defines two unit amounts and therefore de facto uses the differentiation by groups of territories provided for under Article 22(2) of the SPR. It should be recalled that the ‘group of territories’ should be defined based on agronomic or socio-economic criteria and the difference in income support has to be justified in relation with different income needs. In addition, where the agronomic or socio-economic criteria refer to parameters linked to production such as ‘animal load or not’, these criteria should be based to a past reference period. If not, the differentiation creates a production incentive as a result of which the intervention is no longer green box compliant. Romania should therefore revise the definition of its groups of territories.
149. When revising the proposed Plan, it must also be ensured that eligibility conditions mentioned are in line with the definitions laid down in Article 3 of the SPR or included in the Plan and do not repeat them.
150. Romania is requested to reconsider 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 are meant 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.

2.3.2.2 *CRISS (Article 29 of the SPR, section 5 of the Plan)*

151. Please reconsider the variation of the unit amount provided for CRISS. The variation percentage is considered to be very high and is not adequately justified. The preceding observations on the justification of the unit amounts related to BISS are also applicable to CRISS.
152. The paragraph on artificial splitting (fragmentation) needs to be clearer.

2.3.2.3 *Complementary Income Support for young farmers (CIS-YF) (Article 30 of the SPR, section 5 of the Plan)*

153. Romania is requested to: 1) Link the intervention to SO7, including to indicate the relevant need, as well as to R.36 and R.37; 2) Adjust the requirement of “being newly setup” to show the connection to the initial start of the agricultural activity; 3) Explain and justify the hectare threshold, the planned unit amount and its variations in view of their contribution to attract and sustain young farmers.

2.3.2.4 *Eco-schemes (Article 31 of the SPR, section 5 of the Plan)*

Comments for all eco-schemes

154. All eco-schemes have to provide a contribution to result indicators R.4 (income support), R.6 (redistribution to smaller farms) and R.7 (enhancing support for farms in areas with specific needs). These indicators do not reflect the environmental contribution of eco-schemes, but they do provide information on key objectives for direct payments.
155. Romania should clarify how the proposed practices address the needs identified, and ensure coherence between the substance of the intervention action areas and SOs.
156. In order to comply with paragraphs 5 and 6 of Annex II to the WTO Agreement on Agriculture classification and their respective requirements, the eco-schemes only applicable to arable land cannot be implemented as an additional payment to BISS under Article 31(7)(a) of the SPR, but should make use of the method under Article 31(7)(b) of the SPR. In this context, Romania should consider whether more than one unit amount should be set.
157. Romania should explain the methodology used to compute the support rates when applying Article 31(7)(b) of the SPR. In addition, Romania should ensure that this methodology is certified by a specialised body. The certified method should be provided in an annex to the Plan and it should be indicated whether full or partial compensation is granted (point 5(e)(iv) of the Annex to Regulation (EU) 2021/2289). Romania is also reminded that when applying the method under

Article 31(7)(b) of the SPR, the setting of maximum and minimum unit amount is limited by paragraph 12 of Annex II to the WTO Agreement on Agriculture and in particular, overcompensation shall be avoided. For the method under Article 31(7)(a) of the SPR, an explanation of the planned unit amount is required.

158. For PD-7 and PD-8, the SMR 9 is missing from the description. The SWOT does not mention any issue with the welfare of milking cows and calves. It is not clear how farmers should fulfil commitments. In addition, there are many other types of meaningful welfare commitments which are not addressed, such as increased space, bedding materials. In contrast, some commitments appear to add little to the welfare of animals (for example the increased daily inspection).

PD-04: Environmentally beneficial practices applicable on arable land

159. Romania is invited to describe the exact commitments for this eco-scheme in the dedicated section in SFC (currently missing). This should include a clarification of the design of the intervention between the proposed general conditions and specific conditions, including a clarification of how many specific conditions farmers have to respect/subscribe to depending on the general condition. This should also be considered in the light of observation [159] concerning the application of Article 31(7)(b) of the SPR.
160. Concerning the general condition to have non-productive areas beyond a certain percentage (4%), Romania should specify the minimum percentage of arable land to be non-productive. This is also important if this is the eco-scheme, which is linked to the option 2 for implementation of GAEC 8 as referred to in Annex III to the SPR (at this stage it is not clear how this eco-scheme ensures that farmers can commit to have at least 7% of arable land devoted to non-productive features).
161. In the case of farmers with more than 75% of arable land covered with grass or herbaceous forage, a minimum percentage of non-productive elements of 1% is not deemed to provide sufficient environmental benefits to justify an eco-scheme payment. Romania is invited to reconsider this in relation to the clarification of the minimum combination of different practices for farmers under this eco-scheme.
162. Concerning the practice related to crop diversification, the Commission also invites Romania to reconsider the exemption for farmers with more than 75% of arable land with grass, herbaceous forage, and leguminous plants, together with the total combination of practices, which the farmers must subscribe to. The cultivation of more than 75% of arable land with grass/herbaceous/leguminous plants or covered with crops under water is not in itself an agricultural practice, which can justify a payment under an eco-scheme. In relation to this practice, Romania is also requested to explain and justify the exemption for organic farming, to explain the articulation with the support for organic farming under rural development and to ensure that no double funding is granted.
163. In addition, the conditions proposed as regards crop diversification are similar to the current greening practices. The value added of such requirement compared to GAEC 7 is questionable and Romania is invited to reconsider the requirements.
164. The commitments consider winter and spring varieties of the same crop counting as two different crops. This is not justified from an agronomic point of view and with a view to the objective of the practice. Romania is requested to modify this.

165. The practice related to minimum tillage should be reviewed in light of GAEC 6. In addition, there is a condition of no/min tillage on at least 50% of the area. The value added as compared to GAEC 5 needs to be clarified. In addition, the Plan states that if the 50% area requirement is not complied with and it is lower, the payment would be for the lower surface. Due to this latter statement, the condition of having at least 50% area under low/min tillage becomes superfluous.
166. Further clarification is needed in relation to the practice for precision fertilization, in particular with regard to how it is ensured that this will reduce the surplus of nutrients. Further, the practice of soil liming does not in itself justify support under an eco-scheme.
167. The condition on the rational use of nutrients is not clear and it is not quantified.
168. Romania is also invited to explain the mandatory national standards relevant for this scheme. Romania should clearly explain how the commitments of this eco-scheme are going beyond the baseline. In this context, Romania is requested to take the observations in the section on conditionality of this letter, in particular to GAEC 5 and 6, into account.
169. Romania is invited to explain why, by setting the minimum area to enter into the scheme at five ha, the eco-scheme effectively excludes small farmers from support. Taking into account that the scheme PD-05 is applicable on farms of maximum 10 ha, Romania is invited to ensure that there are no overlaps for farmers in the implementation of both eco-schemes (for areas between 5-10 ha).
170. The Commission understands that Romania suggests the payment to be made in respect of all arable land regardless of whether the hectares are under commitments or lying fallow. This approach does not appear to comply with Article 31(7) of the SPR, which provides that the payment shall be made for all eligible hectares covered by the commitment, unless leaving land lying fallow is (beyond the baseline) considered a commitment.
171. Romania is invited to link this intervention to result indicator R.34 as regards to areas under non-productive features. R.14 could also be added.

PD-05: Practicing environmentally friendly agriculture in small farms (traditional households)

172. The Commission takes the view that this eco-scheme does not produce sufficient environmental or climate benefits. The practices included in an eco-scheme must go beyond the baseline and be designed to meet the objectives set out in Article 6(1), point (d), (e) and (f) as well as, as regards animal welfare and anti-microbial resistance, point (i) of the SPR. While protein crops can bring relevant benefits, the requirement to grow protein crops is not a practice, which in itself can justify an eco-scheme. It is not clear how the minimum LU density set in relation to “arable land” and not to the entire holding provides environmental benefits, also in the absence of a maximum LU density.
173. The practice regarding crop rotation is recognized as bringing environmental benefits. However, this practice forms part of the baseline in GAEC 7. If there is a particular need to ensure a crop rotation also on small holdings (below 10 hectares of arable land), these should not be subject to an exemption from GAEC 7.

Romania is requested to review the eco-scheme with a view to increase the expected benefits for environment, climate and animal welfare. In this context, Romania should take into account that altering the quantities of imported feedstock are not as such valid objectives justifying an eco-scheme. Romania is also requested to explain the environmental benefits and justification for targeting the eco-scheme to holdings of maximum 10 hectares of arable land.

174. Romania should clarify how this eco-scheme articulates with the CIS for certain protein crops and how it is ensured that no double funding takes place.

175. The link to R.22 and R.31 does not appear justified (also valid for PD-06).

PD-06: Grassing the interval between rows in fruit, vineyards, nurseries and hamsters

176. The paid commitment to be undertaken by farmers (to grass or to leave not ploughed one in two interval rows) in orchards and vineyards is standard practice in Romania. Farmers adopt this practice so that orchards and vineyard are accessible (for works, harvest, etc.) during bad weather. Romania is therefore advised to ensure that commitments under this eco-scheme go beyond the existing, standard farmers' practice.

177. The section describing the link between GAEC, SMR and national standards contains a description of the benefits of the eco-scheme. Romania is invited to clearly explain the link above. In particular, Romania should make sure that the practices go beyond the baseline, in particular taking into account the observations with regard to GAEC 6, which shall avoid bare soil and apply also on areas of permanent crops, as well as GAEC 5, which may also be relevant for the baseline of this eco-scheme.

178. Romania may decide to add a link to result indicator R.19.

PD-07: Improving the welfare of dairy cows

179. Romania should specify how the commitments under this scheme go beyond the standard practice, as it appears that most of them add very little (and in some cases nothing) to the standard level performed by a farmer. Romania is invited to detail how the commitments go beyond standard welfare practices in the section devoted to baselines.

180. Romania is requested to explain how the commitments limit the use of antimicrobials and, if justified, link the intervention to Result indicator R.43 (valid also for PD-08).

2.3.2.5 CIS (Article 32-35 SPR, section 5 of the Plan)

181. Romania should consider to include also Result indicators R.4, R.6 and R.7 in its CIS interventions. Most interventions are connected to SO₂, which is related to competitiveness, but improving competitiveness is often not indicated as aim. Please ensure consistency between the declared aim and the linked SOs.

182. The intervention on seed potatoes should be grouped under "seeds" not under "potatoes" as there is no intervention for potatoes as such. Also, the interventions for vegetables in green houses and for vegetables grown in the field both belong to

the sector “fruit and vegetables”, point r) in Article 33 of the SPR. Please complete the sector name in both interventions.

183. The justification of economic difficulty should be primarily based upon a low/negative profitability and/or a declining number of hectares/animals in recent years backed up by relevant data. The need for a reinforced justification for the difficulty is particularly pronounced for sugar beet, goats and silkworms, which do not address profitability or production levels at all or mention a recent increase in production. In addition, many descriptions of difficulty contain facts better suited to support the importance of the sector in question. Please streamline these texts and move facts supporting importance to the section on importance.
184. The section on importance could often benefit from streamlining, for example the intervention on forage plant seeds. In addition, some of the claims made in this section would need to be better argued, e.g., in the intervention on vegetables grown in the field or fruits. There it is argued that the intervention ensures traceability, improves marketing and that it is very important for the Romanian agricultural sector because it covers 1.67% of arable land.
185. The interventions usually specify the aim(s) as improvement of quality and sustainability but not competitiveness, which, however, is implied by the difficulties mentioned. CIS interventions ideally would ameliorate the respective sector’s weaknesses. However, most interventions provide only additional income support for the duration of the plan with no apparent measures taken for long term improvement. Romania is requested to explain why the support for many interventions, e.g., hemp and protein crops rises during the period. Furthermore, it is sometimes not clear how the intervention will achieve its stated aims e.g., for vegetables in green houses the link to research is not clear and for the intervention on dairy cows it is not clear how the quality of products will be improved. The legal framework has evolved, and this should be reflected in the intervention strategy, aim and, if needed other elements (e.g. targeting, eligibility criteria, justification). Please note that CIS interventions do not aim at self-sufficiency and balancing trade as the internal market requires not discriminating against other Member States.
186. Eligibility conditions based on EU legislation such as active farmer, minimum requirements, and compliance of supported area with the definition of eligible hectare, compliance of supported animals with identification and registration requirements do not need to be spelled out. However, it would be necessary to see a justification for any minimum (0.1/0.3 ha parcel of land) or maximum criteria introduced. Also Romania could consider adding some eligibility criteria in line with the aim to interventions that would address the difficulty e.g., introducing a top up for farmers that sell via producer organisations into the intervention on fruits. In addition, the SWOT summary refers to issues such as the potential of organic farming, or water problems that could be reflected in the eligibility criteria. Romania is invited to clarify who is eligible for the intervention on silkworms as some parts of the description suggest schools could use it.
187. In some interventions, the section on Directive 2000/60/EC (the Water Framework Directive - WFD) still needs to be filled in (for example as regards silkworms, beef meat and sheep goat). Romania is invited to clearly indicate that the beneficiaries must comply with the relevant provisions of the programme of measures

established for each river basin district in the implementation of the WFD. Please also clarify the environmental benefits claimed for specific interventions. In addition, please clarify how interventions that involve irrigation or plants with high water needs comply with, and/or complement, the WFD.

188. The Commission should inform Member States about reduction coefficients, if any, related to the EU WTO schedule on oilseed (Blair House) in its observations. However, the Commission has not received all the final information needed yet. Once all Member States have submitted this final information, the Commission will inform Member States, if such a coefficient is needed.
189. The explanation of the planned unit amount and its variation should be reinforced in light of the support need. In addition, please explain why the planned unit amount is fluctuating or steadily rising for many interventions (e.g. beef meat, hemp, soy, sheep and goat).
190. Some interventions are grouped in the WTO blue box, which implies a fixed number of hectares or heads (see Article 6.5 of the WTO Agreement on Agriculture). However, for some interventions (e.g., dairy buffaloes, beef, sheep) in the blue box a rise in heads is planned. This is not possible. Romania is invited to consider moving these interventions to the amber box instead or to align with the before mentioned Article 6.5.
191. In section 5.1., less than 2% of the total Direct Payments allocation has been planned for protein crops (interventions PD-9 and PD-11), in which case it is not possible to allocate a total of 15% of Direct Payments for CIS. Romania should consider if more interventions belong to the category of protein crops and are financed by the protein top up e.g. the intervention for Lucerne/alfalfa.
192. Regarding protein crops under the intervention PD-11 for vegetables for industrialisation, Romania is invited to clarify if the peas and beans are harvested at immature or mature stage and how the financing of this intervention through the protein crop top up is in accordance with Article 96(3) of the SPR. If the intervention does not specifically support protein crop production in order to reduce the Union's deficit in this regard, Romania should consider to link this intervention to the fruit and vegetables sector without the access to the top-up.

2.3.3 For sectoral interventions

2.3.3.1 Fruit and vegetables

193. For sectors where types of interventions are implemented through operational programmes and managed by producer organisations, it is required to describe separately each type of intervention listed in Article 47 of the SPR. Romania is therefore invited to describe in detail each type of intervention in compliance with the general requirements for an intervention (Article 111 of the SPR).
194. There is no need to copy/paste the same information for each intervention description, it needs to be specific and related to the purpose/objective of the intervention.

195. Romania is invited 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)), are to be addressed.
196. On chapter WTO, although fruit and vegetable type of intervention is WTO compliant due to its nature, it is not sufficient to indicate the compliance with the relevant paragraph 12 of Annex 2 to the WTO Agreement on Agriculture. Romania is invited to add a short paragraph explaining how this compliance is ensured.
197. The Commission would like to enquire whether Romania intends to make use of National financial assistance. If yes, this needs to be described in Annex V. In addition, the Commission would like to remind of reporting requirements (see Article 52(3) of the SPR).
198. The intervention addresses environmental and climate change adaptation measures, but the intended actions are not detailed. Romania is invited to further detail the eligible actions besides referring that are those as included in the applicable regulation.

2.3.3.2 *Apiculture*

199. The interventions and supported actions described are very much a continuation of the current apiculture programme. The Commission would have expected a more ambitious and renewed programme of interventions, which is, better able to address the sectoral and specific objectives in response to new and emerging challenges and needs as well as the broader scope of interventions under SPR.
200. Section 3.5.2 should include an analysis of the sector, which leads to the needs identified, and justification of the chosen interventions and how these address the specific and sectoral objectives. The section should only include and list the chosen interventions without going into the details of the specific eligible expenditure.
201. The description of a reliable method for determining the number of beehives in accordance with the provisions of Article 37 of Regulation (EU) 2022/126 is missing and needs to be included.
202. The indicative financial allocation for 2023 should take into account any planned expenditure for implementation of measures under the National Apiculture Programme 2020-2022 during the extension period from 1 August to 31 December 2022.
203. For apiculture interventions, only Result indicator R.35 applies and only interventions under the type of interventions described in Article 55(1)(b) of the SPR should contribute to this indicator as per Article 111 of the SPR. References to other result indicators in the interventions should be removed.
204. Romania is invited to describe how Result indicator R.35 was calculated and justify the somewhat modest projection of 42.4%, considering that over 90% of the budget is spent on interventions under type of intervention in Article 55(1)(b) of the SPR.
205. Whilst the name of the intervention should reflect the supported line of actions, it does not need to include the list of supported actions.

206. The description of territorial scope should be concise with no further information on beneficiaries or aims of the measure, which belong in the description. Details on application procedure belong to national legislation rather than the Plan.
207. The description of the intervention in section 5 needs to be revised by providing the required information under each section in a clear and structured way and only that information which is relevant to the intervention, avoiding repetition and unnecessary information. Description should outline how the specific intervention addresses the specific and sectoral objectives and identified needs, followed by a clear description of the supported actions, eligible expenditure (providing at least some examples of eligible costs), well defined beneficiaries and eligibility requirements.
208. Section 6 could be more concise with the details on eligible expenditure included in section 5.
209. The beneficiaries for most interventions (“...natural persons or legal persons, authorised natural persons, individual enterprises, and family businesses set up in accordance with Government Emergency order No 44/2008...”) should be better defined and qualified.
210. The 14 interventions need to be streamlined into fewer interventions under the relevant types of interventions so as to avoid unnecessary repetition of information, while providing more comprehensive information on the supported actions as indicated in the point above. Eligible actions need to be clearly described in the Plan and not through a reference to Article 55(1) of the SPR.
211. Advice and organisation of training courses under IS-A-09, IS-A-11 can be described in one intervention under Article 55(1)(a) of the SPR. Promotion of beekeeping and apiculture products in IS-A-10 belong under type of intervention under Article 55(1)(f) of the SPR, equipment for processing waxes and honey packaging belong under Investments (Article 55(1)(b)) together with the other investment actions from IS-A-14 to IS-A-21. These interventions, which fall under type of intervention of Article 55(1)(b) of the SPR, can be grouped under one or more interventions in line with said Article. Analysis of honey under IS-A-22 belong to Article 55(1)(c) rather than under Article 55(1)(g) of the SPR. Interventions/actions should be supported under the relevant type of intervention outlined in Article 55(1) of the SPR.
212. Reference to apiculture year and eligibility of costs incurred during this period are up to Romania to determine. However, contrary to the current apiculture programmes, the provisions of Regulation (EU) 2015/1368 will no longer apply to apiculture interventions under the Plan, including the definition and application of apiculture year and the fixed payment period (see Ares(2022)900036 of 08/02/2022 – Explanatory Note on Commission Delegated Regulation (EU) 2022/126 of 7 December 2021, Article 39).
213. The description of the planned unit amount and outputs should explain and justify how these were determined in line with the information provided in Sections 5 and 6. An effort should be made to determine planned unit amounts and outputs for the different actions/interventions considered within a type of intervention.

214. The explanation of WTO compliance needs to be revised in consistency with the chosen paragraph of Annex 2 to the SPR. Restocking of beehives and rationalizing transhumance do not normally fall under paragraph 2 of Annex 2 to the WTO Agreement on Agriculture (See Annex 2 to the SPR). These should be listed either as “amber” or depending on the objectives pursued through this intervention they could also qualify as “Green box”. However, this needs to be explained.
215. The eligible expenditure should comply with the provisions of Article 22 and Annex II, part 1 of the Regulation (EU) 2022/126 (general production costs such as support for solid protein feeds in intervention “IS-A-16” are ineligible as per Annex II, part I, point I).
216. The demarcation with EAFRD interventions should be clearly described in the Plan and not only in the implementation documentation as stated in section 3.5.2.
217. Under investment support IS-A-18, 19, 20 and 21, the planned unit amounts are per equipment. Romania should clarify in the description of the planned unit amount and outputs if this is the amount received per beekeeper and how many beekeepers will be assisted.
218. Interventions in this sector indicate besides contributing to economic related objectives (SO2) also a direct contribution to SO6. While most interventions might fit to SO6, further explanations are needed for some (e.g. improving the quality of products).

IS-A-09 & IS-A-11— Technical assistance for beekeepers and beekeepers’ organizations — Advice in beekeeping and Organization of refresher training courses in beekeeping

219. Romania is requested to clarify what actions will be supported under Advice in Beekeeping and Organization of refresher trainings and provide examples of eligible expenditure/costs. Romania should clarify if only these two interventions will be supported or as described in section 5.2.7 other actions.
220. Whilst the support is granted to Apiculture organisations, the planned unit amount is calculated per beekeeper without any justification or explanation on how the planned amount and outputs are determined. Romania is requested to explain why only 500 beekeepers benefit from refresher training courses.

2.3.3.3 Wine

221. For financial year 2023, annual indicative financial allocations under Section 5 do not correspond to the planned amounts in the Financial Overview table under SFC Section 6. Romania is requested to revise the figures.

IS-V-23: Restructuring and conversion of vineyards:

222. Romania is invited to increase the environmental ambition on water savings which currently is only 2% (also valid for IS-V-29)
223. Result indicators showing environmental contribution are missing (e.g. R.26 and/or R.29) (valid also for IS-V-24 and IS-V-29). The planned unit amount for 2023 is missing as well (also valid for IS-V-25).

IS-V-24: Investments in tangible and intangible assets

224. There is no expenditure planned as contributing to environmental ring fencing according to Article 57(d) of the SPR.

225. The planned unit amount and the value for Output indicator O.36 for 2023 are missing (valid also for IS-V-26 and IS-V-28).

IS-V-25: Harvest insurance

226. The unit of the planned unit amount for 2024 in Euro has been determined on the basis of experience with the implementation of the harvest insurance measure; analysis of the last 3 years shows an average amount per hectare of EUR 55/ha. Romania is requested to specify the method of calculation.

227. Romania should ensure compliance with the provisions on specific eligibility conditions laid down in Article 40(2) of Commission Delegated Regulation (EU) 2022/126.

IS-V-26: Information actions

228. Investments are not eligible under this type of intervention. Therefore, Romania is invited to explain the additional information included (“No support shall be granted to investments referred to in Article 58(1)(h) of the SPR for interventions that received support pursuant to points (b), (i) and (k) of Article 58(1) of that Regulation.”)

IS-V-27: Promoting enotourism

229. Romania is requested to remove the link to Result indicator R.9.

230. The amount of the planned unit amount for 2024 in Euro has been determined on the basis of experience in the implementation of the investment measure. This type of intervention is not related to investments. Romania is requested to correct and explain the method of calculation of the planned unit amount.

231. Investments are not eligible under this type of intervention. Therefore, Romania is invited to explain the additional information included (“No support shall be granted to investments referred to in Article 58(1)(h) of the SPR for interventions that received support pursuant to points (b), (i) and (k) of Article 58(1) of that Regulation.”)

IS-V-28: Promotion and communication in third countries

232. There is no result indicator associated to this type of intervention. Romania is requested to remove the link to Result indicator R.9.

233. Investments are not eligible under this type of intervention. Therefore, Romania is invited to explain the additional information included (“No support shall be granted to investments referred to in Article 58(1)(h) of the SPR for interventions that received support pursuant to points (b), (i) and (k) of Article 58(1) of that Regulation.”)

IS-V-29: Investments in tangible and intangible assets to increase the sustainability of wine production

234. As this type of intervention seems to overlap with IS-V-24, Romania is requested to explain the differences/demarcations between the two interventions.
235. The amount of the planned unit amount for 2024 in Euro has been determined on the basis of experience with the implementation of the investment measure. Romania is requested to explain the calculation method.

2.3.4 For rural development

236. Romania is requested to consider that interventions need to be designed against specific objectives to which it brings a main contribution and this does not seem to be the case in particular for SO6 and to revise accordingly.
237. Romania is requested to consider introducing in section 4.7.3 a general eligibility requirement for an assessment of the expected environmental impact in accordance with the applicable legislation for the type of investment concerned, where an investment is likely to have negative effects on the environment.
238. Financing of interventions/activities falling outside the scope of Article 42 of the TFEU must be State aid (SA) clearance established. Companies in difficulty or companies still having a pending recovery order following a Commission decision must be excluded, with exceptions in the applicable State aid law.
239. Romania needs to ensure State aid clearance, where necessary, by the end of 2022 in accordance with the rules currently in place. If state aid SA clearance is demanded after 01.01.2023, the new State aid rules in Agriculture, which will enter into force on 01.01.2023, will apply.
240. In the financial table, Output indicators should be planned per year, when the first payment is expected.
241. In case of premia calculated based on additional costs and income forgone, the methodology should be explained in the intervention fiche and the certification by an independent body is to be provided in an annex to the Plan.

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

Agri-environment-climate commitments

General comment applicable to DR-01, DR-02, DR-04 and DR-05

242. The section 'Description of the territorial scope' should include further details on this scope, if applicable. The description of the positive impact of the intervention should be shifted to sub-section 5, while avoiding redundancies.
243. Romania is requested to describe how the commitments go beyond the mandatory requirements (as referred to in Article 70(3) of the SPR). In several cases, not even a list of the relevant GAECs is included. GAEC 6 and GAEC 8 are of particular importance for the two agri-environment and climate commitments.

244. Romania is requested to explain the articulation between these agri-environment and climate/organic farming commitments and eco-schemes, explaining synergies and provisions to avoid overlaps. The simple statement that the interventions are consistent with eco-schemes is not sufficient.
245. The duration of the commitments should be fixed (not 'at least 5 years'), which can include the possibility of annual extensions (DR-01 and DR-02).
246. Contribution rate(s) applicable to the interventions: it is not clear from table 11 of each intervention which of the two possible contribution rates will be applied. Romania is requested to clarify the choice made.
247. Table 13 does not provide any output and expenditure for the years 2023 and 2024. Romania is invited to explain if support under the RDP 2014-2022 will cover 2023 and 2024 commitments.
248. For agro environmental climate commitments (AECC), it is recalled that one or more uniform unit amounts are the default option, depending on the (various) commitments included. Average unit amounts should be exceptional and justified. Degressivity of payments would not be in line with AECC since the premia should be based on costs incurred and income foregone. Furthermore, Romania is reminded that partial compensation of costs incurred and income foregone is not foreseen by Article 70(4) of the SPR.

DR-01: High Nature Value (HNV) grasslands

249. Low ambition of the support is envisaged for HNV areas. Out of the 2.370 million hectares of HNV area, annual support is foreseen for less than a third (778.500 ha in total). The envisaged area to receive HNV support is slightly lower than in the 2014-2022 programming period and only at around 70% of the area supported in the 2013-2020 programming period. Also in terms of environmental ambition, the commitments that go beyond baselines seems to have been reduced from the previous programming periods.
250. Romania is invited to consider including hay meadows as eligible to prevent them from being converted into arable land or scrubbed over and also to make eligible all grassland types of the country (as currently proposed grasslands are not eligible in Eastern and South-Eastern parts of Romania).
251. Romania is invited to explain its decision to increase the maximum manure quantity allowed on HNV areas from 40 kg N/ha (in RDP 2014-2022) to 50 kg N/ha.
252. It seems that many beneficiary commitments (eligibility conditions), which were present in the RDP 2014-2022, were discontinued, for example the ban on ploughing and tilling and the demonstration of proven competencies for beneficiaries. Also, as regards the ban on mowing until a certain date, or the condition to evacuate the mowed mass after two weeks since mowed, it should be made clear in the intervention if this is part of the baseline (part of SMR2) or a specific commitment of the intervention.
253. In addition, the delay of the mowing date constitutes an important part of the income foregone considered in the calculation methodology for variant 1 of the

intervention, although this condition seems not to be part of the beneficiaries commitments package. Romania should clarify if delayed mowing constitutes also a commitment for variant 1 (as it is in case of variant 2 and 3 of the intervention).

254. Romania outlines that the intervention follows, among others, the national legislation for the Conservation of natural habitats and of wild fauna and flora (GEO No 57/2007, as amended). However, the reference to the Prioritized Action Framework (PAF) is missing and the Plan should ensure the synergy and consistency of this intervention with the objectives of the PAF.
255. Romania well describes in general terms the risks of intensification of agriculture, including the risk of converting permanent grassland into arable land. Given the description of the eligible area, a more specific assessment would be welcomed whether this risk of intensification actually exists in those areas or whether those areas, by their simple nature, would not be suitable for intensification.
256. The intervention is attributed to many result indicators, however, the direct and significant contribution to Result indicator R.12 (climate adaptation) is not clear. On the other hand, a significant part of the eligible area is classified as Natura 2000, for which Result indicator R.33 could be relevant, as long as the commitments go beyond the legal requirements resulting from the implementation of Directives 92/43/EEC and 2009/147/EC. If this is the case, a separate unit amount for those areas may be fixed to be attributed to R.33.
257. Romania is invited to confirm whether actually only “agricultural area” is eligible for support or whether, based on the description of the areas provided, the category “agricultural land including and beyond agricultural area” would not be the correct category to choose.
258. Romania is also invited to consider building on the work on Pilot Result Based Payment schemes at landscape scale in Transylvanian HNV farmland, and mainstream them into the Plan.

DR-02: Green crops

259. There are strong doubts whether this intervention is sufficiently going beyond GAEC 6, bearing in mind that under this GAEC, it is in principle expected that all arable land is covered during the most sensitive periods. Romania is requested to consider the observation made as to the GAEC 6.
260. The use of chemical fertilizers is prohibited for the catch crops. Romania should consider to introduce also a ban on chemical plant protection products on these crops in order to enhance the environmental ambition of the intervention.
261. No interventions are foreseen for the conservation management of EU protected habitats and species present on agricultural land or on Natura 2000 with agricultural land – yet several such measures were specifically proposed for this in Romania’s PAF and earmarked for EAFRD funding. The previous interventions for butterflies and birds of the 2014-2020 RDP are not included in the Plan, despite the good argumentation of their importance within the SWOT. High biodiversity landscape features and pollinators are also missing from specific interventions. Romania is invited to reconsider the above and consider including measures identified in the PAF as part of the AECC.

Organic Farming

262. Whereas the direct and significant contribution to R.20 should be reconsidered, Result indicators R.43 and R.44 could be relevant in case the support is for farming systems including livestock husbandry.
263. While for all packages, the unit amount for conversion is higher than the unit amount for maintenance, this is not the case for package 6, variant 6.2 where the maintenance premia exceeds to premia for conversion. This might be an error to be corrected.
264. The fact that the beneficiaries are requested to submit to the paying agency (APIA) the certificate issued by the Control Body for organic farming does not change the model of the commitment from management based to 'hybrid'. Romania is invited to correct the classification of the interventions accordingly in section 9.
265. The Commission acknowledges that the actions and tools of the AKIS, as well as the advisory and training resources existing on the free market, are available for the beneficiaries of the support. However, a mandatory supported training should be considered in particular for those farmers in conversion to organic farming.
266. The revision clause makes only reference to cases of commitments concluded under this intervention, which go beyond the current programming period. However, Romania is requested to include also the revision clause according to Article 70(7) of the SPR in the event of changes to the basic requirements.
267. The description of the system of verification and control of the interventions could be shifted to section 7 of the Plan.
268. In section 10 on WTO compliance, it should be specified how the intervention respects the relevant provisions of Annex 2 to the WTO Agreement on Agriculture (in this case it is the fact that the payments are based on costs incurred/income foregone linked to the commitment).
269. As mentioned under 'general comments', table 13 does not provide any output and expenditure for the years 2023 and 2024. For organic farming, this should also be seen in the light of the very modest targets set for support of only 3.53 % of the total UAA. Romania is invited to consider whether it could aim for a greater increase as a means of delivering additional environmental benefits while also securing a higher share of added value for farmers in the food supply chain.

Animal Welfare

DR-06: Animal welfare

270. The intervention is programmed under SO4, SO5 and respectively SO9. While the direct link to SO9 is obvious, the direct contribution of this intervention to SO4 and SO5 does not result. Romania is requested to revise the Plan accordingly.
271. The commitments are not conducive to significantly improving the welfare of pigs and poultry, and it is not clear how they are going beyond baselines. Routine tail docking of pigs should be avoided.

Genetic Resources

DR-03: Agri-environment-climate — Breeding of farm animals of local breeds in danger of abandonment

272. Romania is invited to fill in the dedicated section in SFC2021 explaining the commitments for this scheme (currently the commitments are described in the eligibility section).
273. Minimum herd size per breed should be mentioned to ensure it is adequate to achieve the aims of the intervention, and to avoid excessive administrative costs.
274. In terms of the baseline, Romania should also explain how the intervention builds on experiences from 2014-2020, and how the support will improve upon the current situation.
275. The unit amount should be uniform and not average as the intervention is based on LUs. Table 13 needs to be amended accordingly.

Forestry

DR-07: Forest-environment and climate

276. Romania is invited to fill in the applicable support rates per hectare for the two individual sub-packages, in the SFC section dedicated to this.
277. Romania is invited to explain: 1) why the support scheme applies only for forest areas bigger than 100 ha; b) why the applicable support rate per hectare for the second sub-package – use of traditional machines to extract wood - (EUR 175) is significantly higher than the rate applicable until now under the RDP (EUR 137). In particular, as regards the 100 ha threshold, Romania is invited to clarify the number of holdings meeting this requirement and therefore potentially eligible for support against the total number of holding active in the sector.
278. Romania is requested to consider the link to Natura 2000 sites or EU protected forest species or habitats.
279. Romania is encouraged to include also a payment scheme to compensate forest owners for eco-system services, as recommended by the recently adopted Forest Strategy.
280. As this is an intervention that falls outside the scope of Article 42 of the SPR, please tick "YES" in the relevant box of point 8. (Comment valid also for DR-8 and DR-19).

DR-08: Afforestation — maintenance and care of woodland

281. The intervention does not foresee afforestation of new areas in the period 2023-2027, but will only support previous unfinished afforestation contracts from the programming period 2014-2022. Romania is invited to explain the decision to discontinue the support for afforestation in the current programming period. Romania is invited to consider this within the framework of the Romanian Resilience and Reform Plan, where significant funding for afforestation was planned.

282. Romania is invited to fill in Sections 5, 6, and 7 of the intervention (in SFC) concerning the specific design, requirements, and eligibility conditions. Just a reference to the description of the similar intervention in the RDP 2014-2022 and RDP 2013-2020 does not suffice.
283. The Commission has been developing, together with Member States and stakeholders, guidelines on various forestry topics including biodiversity friendly afforestation. We recommend Romania to consider them, where relevant, and distribute them to beneficiaries and managing authorities once they will be adopted and published.

2.3.4.2 Areas with Natural Constrains (ANC)

284. Interventions should be attributed to objectives to which their contribution can be considered substantial, significant and direct. Romania is invited to further reflect on the proposed specific objectives.
285. Romania is required to provide a short explanation on how the intervention comply with the requirements of paragraph 13 of the Annex 2 to the WTO Agreement on Agriculture. The explanation should be complemented, for example, by considering that ANC payments have to be degressive.

DR-09: Areas affected by natural constraints — Mountain area

286. Romania should explain the decrease of 60% of the aid compared to the 2014-2022 programming period.

DR-10: Areas affected by significant natural constraints

287. The link between intervention DR-10 and SO5 and SO6 is not justified. Therefore, Romania is requested to reconsider the SO to which ANC interventions contribute.
288. The intervention specifies that in 2018 the fine-tuning was updated to exclude areas where those constraints have been overcome through investments or economic activity. Comparing the figures for Output indicator O.12 (3 930 000 ha) with the planned Output indicator 2014-2022 for M13.2 (3 850 000 ha), there is an increase in the area (80.000 ha). Romania is requested to explain why, consequently to the fine-tuning, the area is increasing instead of decreasing.
289. During the RDP 2014-2020 negotiations, Romania officially committed to undertake a study (or a suitable alternative) to establish reliable data and mapping on irrigation use at Local Administrative Units (LAU) 2 level. The study should have also been the basis for a fine-tuning exercise performed with the scope to exclude from the ANC areas receiving support, areas where the irrigation infrastructure was modernized. Romania is therefore advised to perform a new fine-tuning and to take out from the ANC areas, areas which were previously modernized with EAFRD support, but also the newly areas with permanent crops and the areas with high yields.

N2000/WFD payments

290. Romania is invited to consider introducing interventions on WFD and Natura 2000 payments since mandatory instruments could usefully complement voluntary

interventions to help reach good status of water bodies by 2027 as required under the WFD, and to ensure non-deterioration of habitats and to prevent disturbance of species in the sites.

2.3.4.3 Investments, including investments in irrigation (Article 73-74 of the SPR, section 5 of the Plan)

Productive Investments

291. For all interventions including investments in irrigation, while the Plan states that such investments will comply with Article 74 of the SPR, the Plan does not set percentages for potential water savings and effective reduction in water use as an eligibility condition. Romania is requested to set such percentages. It is not clear why on-farm irrigation investments are spread across five interventions (DR-12, DR-13, DR-14, DR-15, and other in the wine sector) and how such investments in irrigation will be monitored.
292. Non-productive investments should be planned in a separate intervention, using Output indicator O.21. Moreover, Romania is invited to take into consideration that non-productive investments should be limited to non-remunerative investments linked to the delivery of purely environmental and climate benefits. Therefore, more details on the eligible investments for “protection curtains for crops” are needed.
293. The unit amount should not be planned for the years when no financial allocation is planned.
294. Many of the investment interventions refer to renewables generation; it is thus regrettable that the Result indicator R.15 has not been included, and Romania is encouraged to add it to relevant interventions. In addition, the interventions should refer to the RED II for the promotion of the use of energy from renewable sources and its sustainability criteria. Where renewable energy production is mentioned, a clearer description of what this includes is necessary, including the cost of installations. To ensure a tangible outcome, it may be preferable to have a single intervention dedicated to the bio-economy.
295. Selection principles should reflect the intervention logic. Romania is invited to adapt them to the needs.

DR-12: Investments in strengthening the farms of young established farmers and newly established farmers

296. The intervention seems to mention, as eligible expenditure, complex (or military) equipment for protection against hail such as terrestrial generators or active interventions in the atmosphere. Romania is invited to provide more information about this type of investment (Comment also applicable to instrument DR-13, DR-14, and DR-15).
297. Romania should explain why the Authorized Physical Persons are excluded from support (Comment also applicable to intervention DR-13, DR14, and DR-15).
298. Selection principles are not very clear. Therefore, additional information is required.

DR-13: Investments in fruit farms

299. There are only 108 operations envisaged to be supported (for a total budget of some MEUR 151). In order to increase the number of projects supported Romania might decide to lower the maximum budget for a single project (currently EUR 1.5 million).

DR-14: Investments in primary production in the vegetable and/or potato sector

300. There are only 155 operations envisaged to be supported (for a total budget of some EUR 121 million). In order to increase the number of projects supported, Romania might decide to lower the maximum budget for a single project (currently EUR 2 million).

DR-15: Investments in primary production in the hops, flowers and table grapes sectors

301. There are only 63 operations envisaged to be supported (for a total budget of some EUR 50 million). In order to increase the number of projects supported, Romania might decide to lower the maximum budget for a single project (currently EUR 1 million).

DR-16: Investments in primary production in the livestock sector

302. Taking into account the spread of ASF in Romania, the Commission recommends to include in the Plan a targeted intervention to limit the spread of the disease and enhance biosecurity of pig holdings, as well as targeted advisory services, knowledge sharing or risk management.

303. There are only 182 operations envisaged to be supported (for a total budget of some EUR 237 million). In order to increase the number of projects supported, Romania might decide to lower the maximum budget for a single project (currently EUR 2 million).

DR-17: Investments in conditioning, processing and marketing — agricultural products and fruit trees outside the holding

304. The intervention is tailored towards big commercial undertakings (big companies, SMEs, associative forms). Moreover, only 72 beneficiaries will be supported, with a total budget of some EUR 252 million. The total budget for one project may reach EUR 15 million. Romania is invited to open the measure also to individual farmers and to better target it towards small and medium farmers, as these constitute the grand majority of farmers in Romania.

DR-18: Investments in the processing and marketing of agricultural products with a view to obtaining foodstuffs and processed products other than those listed in Annex 1 to the Treaty on the Functioning of the European Union

305. The maximum value for a project supported is extremely high (EUR 15 million). Therefore, the intervention (with a total budget of EUR 202 million) will only target support to 155 beneficiaries/projects (big commercial undertakings). Romania should better explain this decision.

306. It is not clear why this intervention is linked to SO8.

DR-19: Investments in forestry technologies that improve the resilience and environmental value of forest ecosystems

307. This intervention targets non-productive investments, particularly purchasing of machinery and equipment. However, most of the listed items are rather multifunctional and normal equipment for productive works. Therefore, it would be better to separate these investments under a productive and non-productive interventions, e.g. items under point A, B, C, with the exception of funiculars, or very specialized non-productive tools, e.g. for working with animals, should go under productive investments with 65% support rate.
308. The remaining items under D and E (since the software is necessary for ensuring the legality of the wood) and the specialized items from B (funiculars, etc.) could go under non-productive investments with the planned 70% support rate.
309. Romania is invited to diversify the fire prevention investments (e.g. water reservoirs/points, fire breaks, fire roads) and to include investments for the prevention against other abiotic threats and pest or disease outbreaks that increase forest vulnerability.
310. As this is an intervention that falls outside the scope of Article 42, Romania is requested to tick “YES” in the relevant box of point 8.

DR-24: Investment in the creation and development of non-agricultural activities

311. Romania is asked to clarify how the intervention contributes to the Cross-Cutting Objective and how the identified need 34 is addressed.
312. Romania is invited to further develop the principles of selection according to the territorial identified needs at local level, to define the size of rural settlements concerned and to provide more information about the complementarities and the demarcation line with other rural development interventions, especially with LEADER, and other Union funds active in rural areas.
313. Romania is advised to define an eligible list of services/productive activities/tourism that are most needed in rural areas, based on the SWOT analysis or other studies. Moreover, Romania is also requested to define a negative list of non-agricultural activities, which will be ineligible under the intervention. For example, Romania is strongly advised to exclude from support rural guest houses (excluded in the previous programming period) as supporting this kind of investments resulted in implementation weaknesses and therefore in significant financial corrections. Also, Romania is also advised to exclude from eligibility supporting agricultural services, as this area resulted in the past in the creation of artificial conditions to access aid (it was ineligible in the previous programming period).
314. Romania should explain why farmers are not eligible.

Green, Non-Productive Investments, Irrigation

DR-20: Modernisation of irrigation infrastructure

315. It is understood that the intervention supports investments in the improvement of existing irrigation infrastructure, in particular to reduce water losses and improve energy efficiency. Given the link to SO5 and Result indicator R.27, investments in the construction of reservoirs, which are associated with a “net increase” of irrigated area, cannot be included under this intervention, but can be planned under a different intervention.
316. Potential water savings of 2% seem inadequate given that existing infrastructure is outdated in terms of efficiency. The rates for potential water savings and for an effective reduction in water use need to be revised since they need to reflect the technical parameters of the existing irrigation infrastructure and contribute to achieving good status of water bodies whose status is less than good in quantitative terms.
317. Romania is also invited to consider complementing such investment with other interventions to address water quantity issues, such as natural water retention measures, nature based solutions, and measures to reduce demand.
318. Romania should provide a mapping of the irrigation areas foreseen to be modernized. During the RDP 2014-2020 negotiations, Romania officially committed to undertake a study (or a suitable alternative) to establish reliable data and mapping on irrigation use at LAU2 level. The study should have also assessed and monitored the overall potential and actual impact of the irrigation infrastructure to be supported by EAFRD on water bodies from which water will be sourced. Romania is therefore advised that the interventions DR-20 and DR-21 be based on solid data provided by this study.

DR-21: Establishment of irrigation systems

319. Romania should explain the complementarity with the interventions RD-13, RD-14, and RD-15.
320. Romania is invited to consider reclaimed water as a useful alternative water supply, to be done in accordance with Regulation (EU) 2020/741 and fully respecting the provisions and objectives of the WFD.
321. Romania is invited to clarify whether the intervention covers only investments in “new irrigation” systems on farm (investments leading to a “net increase” in irrigated area), including the creation / extension of water collection and storage basins, or also investments in the improvement of existing on farm irrigation installations (to make them more efficient).
322. Romania is invited to note that where an investment in the creation of water storage basins leads to a “net increase” of irrigated area, the requirements of Article 74(6) of the SPR apply.
323. Romania should explain why the intervention starts its implementation only in 2026.

Infrastructure

324. Romania is invited to ensure that the challenges of poverty (not only farmers' poverty) and social exclusion, income disparities and the special service needs of rural vulnerable groups (including people with refugee background from Ukraine) are also targeted on a corresponding way in measures DR-23 and DR-24.
325. Romania is requested to clarify the proposed investments in intangible assets and to include a list of ineligible categories of expenditure under DR-22 and DR-23.
326. Romania is asked to confirm that investments concern small-scale infrastructure under DR-22 and DR-23.

DR-22: Creation/modernisation of agricultural access infrastructure

327. Romania is asked to revise the intervention logic, its consistency with SO8 and to clarify how the identified needs 29 and 35 are addressed, by taking into account that agricultural infrastructure mainly aims to improve the competitiveness of farms.
328. Romania should better justify the need of the high budget allocated to this intervention (EUR 200 million for 200 projects) as it seems excessive compared to similar allocations in previous programming periods and also to the budget allocation for intervention DR-23 (EUR 201 million for 204 projects). The SWOT analysis seems to argue for a bigger need in rural areas of basic road infrastructure than agricultural roads. Therefore, this should have been also reflected in allocated budgets.
329. Romania is invited to further clarify the principles of selection according to territorial identified needs at local level and to define the size of rural settlements served. In the text, it is mentioned that agricultural roads will be connected to other transport infrastructure, whereas neither the eligibility criteria nor the prioritization principles reflect this.
330. Romania should explain and justify why the value of the planned unit amount for an agricultural road project is similar to that of a rural road project.

DR-23: Creation/modernisation of basic road infrastructure in rural areas

331. Romania is asked to clarify how the need 35 is addressed through the proposed activities.
332. Romania is invited to further clarify the principles of selection according to the territorial identified needs at local level, taking into account the needs of mountainous areas, to define the size of rural settlements served and to provide more information about the complementarities and the demarcation line with other rural development interventions and other Union funds active in rural areas.
333. The budget allocated (EUR 201 million targeting 204 road projects) seems small compared to the needs in rural Romania and also to allocations in previous programming periods (please also see comments for intervention DR-22). Romania should explain how this need is addressed both inside and outside of the Plan.

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

DR-25: Support for the installation of young farmers

334. Romania is requested to: 1) Consider inclusion of need 23 in line with the intervention strategy for SO7; 2) Explain and justify the priority given to certain sectors (animal breeding, fruits & vegetables, potatoes); 3) Provide explanation on the modalities of implementation in respect to the special financial allocation allocated to certain type of farming (mountain area by specific natural and socio-economic conditions, mountain farms and organic farms); 4) Detail the way the priority to women young farmers will be enhanced; 5) Specify the required components of the business plan; 6) Make the requirements concerning head of holding and training/skills part of the definition of young farmer and ensure consistency with that definition; 7) Include Result indicator R.37 that is substantially linked to R.36.

2.3.4.5 Risk Management (Article 76 of the SPR, section 5 of the Plan)

DR-26: Financial contributions to the payment of insurance premiums

DR-27: National Support Instrument for farmers affected by agricultural production losses

335. Romania is requested to explain and clarify what form this instrument will take, whether it will be a Mutual Fund or other type of instrument. More information on the functioning of such an instrument, the budget allocated should be provided in the Plan. In addition, it seems that all farmers (who are in IACS) will be covered by this risk instrument (compensating for losses due to adverse climatic and environmental effects). Therefore, it seems that these will have no further incentive to insure their crops and also benefit from the other risk management instrument (insurance premia support). Romania should better explain the interplay between the two risk management instruments proposed.

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

DR-30: Leader — Community-Led Local Development

336. Romania is invited to make sure that the challenges of poverty (not only farmers' poverty) and social exclusion, income disparities and the special service needs of rural vulnerable groups (including people with refugee background from Ukraine) are also targeted on a corresponding way in intervention. Romania can consider the use of Result indicator R.42 by this intervention.

337. Romania is requested to provide more information how it will ensure that all Local Action Groups (LAGs) will implement all principles of LEADER/CLLD method as provided for in Regulation (EU) 2021/1060 (the Common Provision Regulation - CPR).

338. Romania is invited to better describe the expected added value of LEADER in terms of social capital, local governance and project results compared with non-LEADER delivery.

339. Other areas for clarification include: tasks of LAGs (possibly streamline and avoid duplication), selection of LDSs, aid intensities, timing of LAGs selection (first payments).
340. Romania is requested to explain the scope of the actions concerning quality schemes included under LEADER.

Cooperation

DR-29: Cooperation and innovation in agriculture through EIP Operational Groups (OGs)

341. The dissemination of the Operational Groups' plan and innovative results within the national and EU CAP networks should be added as an eligibility condition according to Article 127 of the SPR. Reference to the interactive innovation model in the eligibility conditions of the EIP OGs should also be added to meet the requirements of Article 127(3) of the SPR.
342. Romania should explain how the advisors will be integrated in AKIS (under eligible conditions or selection principles), for instance recommending or making them an obligatory partner in OGs. Please note that pursuant to Article 15(2) of the SPR, farm advisory services shall be integrated within the AKIS.
343. Having a researcher in the OG has been made an eligibility condition for EIP OGs in the Romanian Plan. It should note that not all OG project objectives require a researcher as partner. They must tackle farmers' needs, co-create solutions and make use of complementary knowledge according to the aim of the project. EIP OGs may cover all 9 CAP specific objectives and for some, such as short supply chains or social innovation, other experts may be more adequate partners than researchers.
344. Romania is urged to start early with the preparation for the implementation of this intervention as there have been substantial delays with the implementation of this measure in the current programming period. Also, Romania should ensure that the budget allocated to the preparatory step is sufficient to enable a thorough preparation, and that adequate selection principles are applied for each step.
345. Romania is invited to explain why all 143 OGs' projects are planned in 2026, and if it will be only one call in the whole planning period. Since neither funds nor groups have been planned for 2023-2025, a gap in the implementation will arise. To develop the grassroots ideas captured with innovation support, at least annual calls would be advisable.
346. The Commission strongly recommends and encourages Romania to implement EIP AGRI OG projects at interregional, transnational and cross-border level. Romania should also indicate how concretely this will be organized and incentivized.
347. Romania is invited to include forestry, agroforestry, and relevant beneficiaries under the DR-29 EIP operation group or the cooperation intervention.
348. As the cooperation intervention is mainly aiming at addressing the needs for restructuring, consolidation and modernization of farms on market-oriented farms, Romania is invited to make a clear reference to climate and environment and the

contribution to turning farms more climate resilient or to better adapt to climate change.

349. Romania is invited to add a link to Result indicator R.28.

2.3.4.7 Knowledge Exchange and Advice (Article 78 of the SPR, section 5 of the Plan)

350. Result indicators R.2 and R.28 may be linked to both interventions.

351. Romania is invited to define the range of support at beneficiary level and fill in the related SFC section.

352. Romania is requested to re-examine the selection principles or their effectiveness to select the best trainers and advisors and to ensure an objective evaluation and thus equal treatment of beneficiaries.

353. An essential condition for the interventions for climate mitigation and adaptation to effectively contribute to SO4 are knowledge transfer and agricultural advice close to farmers (especially, accompanying the newly proposed eco-schemes targeting small and medium size farms) to raise awareness upon farming practices contributing to climate mitigation and/or adaptation, help familiarize them with new technologies. Romania is invited to plan a sufficient budget in order to achieve these new demands.

DR-31: Knowledge transfer

354. Romania should explain how it will be ensured that the training programmes address the needs of the agricultural holdings and in particular those of the small agricultural holdings.

355. Romania is advised to focus on demonstrations on genuine farms working under real production conditions.

356. Romania is invited to clarify the implementation mechanism.

357. The budget of this scheme (EUR 6 million), necessary for 13 900 training, advice, and awareness actions, seems to be too low in order to allow an effective transfer of knowledge (comment also valid for intervention DR-32).

358. This intervention seems to be mixed. Romania should indicate the State aid instrument, by ticking an appropriate box (es).

DR-32: Advising in agricultural affairs

359. Romania is requested to explain how exactly the implementation of this intervention will be organized and coordinated by the AKIS Coordination Body, taking into account all obligations listed in Article 15(2),(3) and (4) of the SPR, including the implementation modes and the obligatory training of advisors.

360. Romania should clarify if the advisors will provide innovation support for EIP OGs, since in Article 15(4)(e) and Article 114 of the SPR it is an obligation. Strong efforts concerning innovation support to capture and help develop grassroots innovative ideas seem to be missing.

3 FINANCIAL OVERVIEW TABLE

361. Romania is reminded 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.
362. 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 (EU) 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.
363. The total amount for rural development interventions, plus the amount corresponding to 3.84% of technical assistance, are below the maximum rural development allocations by some EUR 76 000.
364. Romania has not selected a contribution rate for ANC interventions under Article 91(3)(a) of the SPR, although there are 3 ANC interventions in the Plan. If no specific rate is selected for Article 71 of the SPR, the specific rate of up to 65% cannot be used in the declarations of expenditure.

4 CAP PLAN GOVERNANCE, EXCLUDING CONTROLS AND PENALTIES

365. Romania is reminded to ensure a balanced representation of the relevant bodies in the monitoring committee, concerning small farmers, women, youth, and the interests of those in disadvantaged situations.
366. In section 7.1, Romania is invited to provide a description of how the Competent Authority will carry out its ongoing supervision of the accreditation of the Paying Agency and its compliance with the accreditation criteria.
367. Regarding sections 7.3 to 7.5, comments will be delivered by the Commission services in a separate communication.

5 ANNEXES

368. Annex I to the Plan on the ex-ante evaluation and the strategic environmental assessment is not provided. As this document is a main element for the approval process, Romania is invited to submit the missing Annex as soon as it becomes available.
369. The Commission invites Romania to present in Annex III to the Plan the result of the public consultations and to summarize the outcome of the comments and suggestions stemming from the consultations.
370. Romania should provide in Annex VI a complete overview indicating clearly per Transitional National Aid (TNA) intervention: 1) the original eligibility condition related to the reference period that was necessary to change; 2) the new corresponding eligibility condition; 3) the complementarity of the aid with other types of aids.