



Delegated Act on IACS

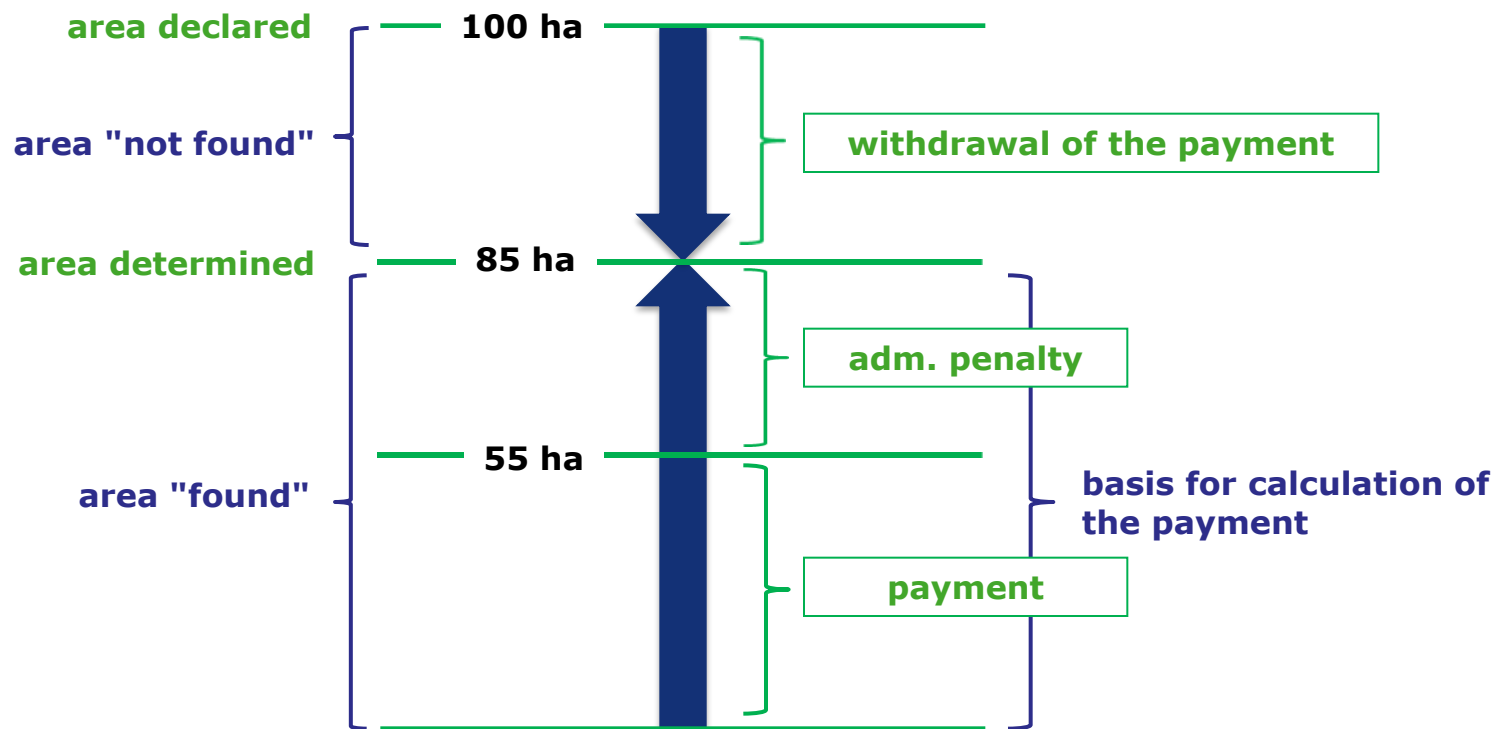
Calculation of aid and administrative penalties - Greening

Barbara Riksen
D.1 Direct support - IACS

DISCLAIMER

This working document has been prepared by DG AGRI staff in order to facilitate the discussion in the Expert group for direct payments on the draft delegated act. The feasibility of the approach is still being assessed. This document cannot in any circumstances be regarded as the official position of the Commission.

Basis for calculation of aid – administrative penalties



Basis for calculation of aid

Based on 4 components:

1. Area determined for BPS/SAPS = Article 9

"The [green] payment shall take the form of an annual payment per eligible hectare declared in accordance with Article 26(1) or, in Member States applying Article 28c, of annual payment per eligible hectare declared under the single area payment scheme, [...]" – Article 29(2) of DPR

2. Area determined as compliant with crop diversification (CD) = Article 10

3. Area determined as compliant with the permanent grassland requirements (PG) = Article 11

4. Area determined as compliant with EFA = Article 12

Calculation of the green payment

- minus*** *area determined for BPS /SAPS (1)*
 - minus*** *area found non-compliant with CD obligation (2)*
 - minus*** *area found non-compliant with PG obligation (3)*
 - minus*** *area found non-compliant with EFA obligation (4)*
-

area to be used for the calculation of the green payment

(1) Area determined for BPS / SAPS

Article 9

1. total area determined $>$ area declared \Rightarrow **area declared**
2. N° of PEs $>$ area declared \Rightarrow **area declared**
OR
N° of PEs $<$ area declared \Rightarrow **area covered by PEs**
3. N° of PEs declared $>$ PEs at disposal
 \Rightarrow **area covered by PEs at disposal**
4. total area determined $<$ area declared
 \Rightarrow **area determined** (*reverse of situation under 1.*)

Referred to in legal text as "**the area to be used for the calculation of the green payment in accordance with Article 9**"

(2) Area found non-compliant with CD obligation

Article 10

Ratio of difference * total arable land determined

1. main crop > 75%

Ratio of difference = X%/25%

X% = the percentage of the main crop going beyond 75%

2. 2 main crops > 95%

Ratio of difference = X%/5%

X% = the percentage of the 2 main crops going beyond 95%

3. main crop > 75% AND 2 main crops > 95%

Ratio of difference = Ratio under 1. + Ratio under 2.

but sum no more than 1.

4. Weighting in order to take into account the share of arable land in the total eligible area

(3) Area found non-compliant with PG obligation

Article 11

Ratio of difference * sum of area determined for type of PG and area found non-compliant

1. If non-compliance found on area under sensitive grassland

Ratio of difference

= area found non-compliant/sum of areas

sum of areas = area determined as PG sensitive + area found non-compliant

2. If non-compliance found on area under the ratio

Ratio of difference

= area found non-compliant/sum of areas

sum of areas = area determined as PG + area found non-compliant

3. Weighting in order to take into account the share of permanent grassland in the total eligible area

(4) Area found non-compliant with EFA obligation

Article 12

- 1. Calculation of the area under EFA required based on the total area of arable land determined + ...**
... = if applicable, the area determined as landscape features (art.32(1)(c) of DPR), buffer strips (art.32(1)(d) of DPR), areas with short rotation coppice (art.32(1)(j) of DPR) and afforested areas (art.32(1)(k) of DPR)
- 2. Ratio of difference * total arable land determined**
Ratio of difference
= (area required - area determined)/area required
- 3. Weighting in order to take into account the share of arable land in the total eligible area**

Administrative penalties (1)

- *on the basis of the difference between the "area determined for BPS / SAPS" (which is the area calculated under (1)) "and the "final area area to be used for the calculation of the green payment"*
 1. difference more than 3% (2ha) but less than 20%
penalty = twice the difference
 2. difference more than 20% but less than 50%
penalty = no payment
 3. difference more than 50%
penalty = no payment + the difference

Administrative penalties (2)

1. Under-declaration of areas
penalty
= further reduction of payment by 10%
2. **no administrative penalties shall apply in 2015 and 2016**
3. **the administrative penalties shall be limited to 20% of the green payment the farmer would have got if compliant in 2017**
4. **as from 2018 this limit will be 25%.**

Equivalent practices

Article 14

These provisions shall apply *mutadis mutandis* to equivalent practices.