

WORKING DOCUMENT**DELEGATED ACT FOR DIRECT PAYMENTS**

Legal draft of the Articles related to the **crop specific payment for cotton**

DISCLAIMER

This working document has been prepared by DG AGRI staff in order to facilitate the discussion in the Expert group for direct payments. It has not yet been subject of an inter-service consultation nor revised by the Legal Service

Recitals

(1) Chapter 2 of Title IV of Regulation (EU) No [DPR] provides for a crop-specific payment for cotton. The Commission should lay down the rules and conditions for the authorisation of agricultural land and varieties for the purposes of that payment. Furthermore, rules on eligibility requirements should be laid down. It is an objective requirement when the land is to be sown in such a way as to achieve a minimum planting density to be fixed by the Member States on the basis of soil and climate conditions and specific regional features. The establishment of specific rules on agronomic practices should be left to the Member States.

(2) Member States should approve inter-branch cotton producing organisations on the basis of objective criteria relating to their scale and internal organisation. The scale of an inter-branch organisation should be fixed, taking into account the requirement on the member ginning undertaking to be able to take delivery of sufficient quantities of unginning cotton.

(3) In order to avoid complications in managing the aid scheme, a producer may not be a member of more than one inter-branch organisation. For that same reason, where a producer belonging to an inter-branch organisation undertakes to supply the cotton he has produced, he should supply it only to a ginning undertaking belonging to that same organisation.

*Article 1**Authorisation of agricultural land for cotton production*

Member States shall establish objective criteria on the basis of which agricultural land is authorised pursuant to Article 43(2) of Regulation (EU) No [DPR].

Those criteria shall be based on one or more of the following:

- (a) the agricultural economy of those regions where cotton is a major crop;
- (b) the soil and climate in the areas in question;

(c) the management of irrigation water;

(d) rotation systems and cultivation methods likely to respect the environment.

Article 2

~~Approval~~ Authorisation of varieties for sowing

For the purposes of Article 43(2) of Regulation (EU) No [DPR], Member States shall ~~approve~~ authorise the varieties registered in the ‘Common Catalogue of Varieties of Agricultural Plant Species’ provided for in [Council] Directive 2002/53/EC¹ that are adapted to market needs.

Article 3

Eligibility requirements

Sowing the areas referred to in Article 43(1) of Regulation (EU) No [DPR] shall be done by achieving a minimum plant density, to be fixed by the Member State concerned on the basis of the soil and weather conditions and specific regional characteristics, where appropriate.

Article 4

Agronomic practices

Member States may establish specific rules on the agronomic practices needed to maintain and harvest the crops under normal growing conditions.

Article 5

Approval of inter-branch organisations

1. Before 31 December each year, Member States shall approve for the following year any inter-branch organisation referred to in Article 45(1) of Regulation (EU) No [DPR] that applies to become such an approved organisation and which:

- (a) covers a total area of at least 4000 ha as established by the Member State;
- (b) meets the authorisation criteria laid down in Article 2 of [DSCG/2013/15];
- (c) includes at least one ginning undertaking; and

¹ Council Directive 2002/53/EC of 13 June 2002 on the common catalogue of varieties of agricultural plant species (OJ L 193, 20.7.2002, p. 1). ~~[unless this Directive will be quoted in the recitals]~~¹.

(d) has adopted internal operating rules, in particular on membership conditions and fees, in accordance with national and Union rules.

2. Where it is found that an approved inter-branch organisation does not respect the criteria for approval provided for in paragraph 1, the Member State shall withdraw the approval unless the non-respect of the criteria concerned is remedied ~~within a reasonable period of time.~~ Where it is planned to withdraw the approval, the Member State shall notify that intention to the inter-branch organisation, together with the reasons for the withdrawal. The Member State shall allow the inter-branch organisation to submit its observations within a specified period.

Farmers who are members of an approved inter-branch organisation whose approval is withdrawn in accordance with the first subparagraph of this paragraph shall lose their right to the increase of the aid provided for in Article 46(2) of Regulation (EU) No [DPR].

Article 6 *Producers' obligations*

1. A producer shall not be a member of more than one approved inter-branch organisation referred to in Article 45(1) of Regulation (EU) No [DPR].
2. A producer who is a member of an approved inter-branch organisation shall deliver his cotton only to a ginner belonging to that same organisation.
3. The participation of producers in an approved inter-branch organisation shall be the result of voluntary membership.