



EUROPEAN COMMISSION

Brussels, 24. 1. 2013
C(2012) 9685 final

Dear President,

The Commission would like to thank the Polish Senate for its Opinion on the Commission proposal for a Regulation of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy {COM(2011) 625 final} and apologises for the delay in replying.

The Commission takes note of the Polish Senate's disagreement with the proposed level of convergence, the greening component, the definition of active farmer and the termination of SAPS support in the new Member States.

The Commission would like to underline that the reduction of disparities between farmers and Member States is one of the major challenges of this reform and in this context the historic reference model should not be an option for the future.

In this framework, the proposed convergence represents a substantial reform of the way in which direct payments are currently distributed. As the current wide variation in direct payments based on purely historic criteria would be difficult to justify, the future national direct payment envelope should no longer reflect a historic reference period but should ensure that all Member States move closer towards an EU average of direct payments, while taking account of the differences that still exist across the EU.

With regard to 'greening', making 30% of direct payments to farmers conditional upon the respect of environmental actions effectively turns a substantial part of first pillar payments into payments for delivering ecosystem services. The greening measures contribute to preserving biodiversity, water, soil, and landscapes as well as to climate change mitigation and adaptation. The proposal seeks to achieve a balance between environmental benefits and the economic viability of farms. Given the nature of Pillar I measures, the greening requirements are necessarily generalised, non-contractual, annual and simple. Besides, Pillar I greening support is complemented by Pillar II agro-environment measures which are based on costs incurred and income foregone for the farmer.

Concerning payments to active farmers, the proposal has been designed in such a way that genuine farmers would always have access to direct payments, including part-time farmers who have diversified their economic activity. The definition of active farmer is

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proposed at EU level with the aim of ensuring equal treatment of farmers. Nevertheless, a certain flexibility is given under Article 4(1)(c) by allowing Member States to define minimum activities to be carried out on agricultural areas which are naturally kept in a state suitable for grazing or cultivation.

The Single Area Payment Scheme has always been designed as a transitional system. It was introduced to facilitate the path of the EU-12 towards the system of direct payments in place in the rest of the EU. Any 'active' farmer, who in 2011 claimed support under the single area payment scheme, could receive payment entitlements the first year of application of the basic payment scheme.

The Commission would like to remind that the proposal is based on the results of a thorough impact assessment which considered various options for its different components and believes that its proposal strikes the right balance in meeting the different challenges identified for the reform of the common agricultural policy towards 2020.

As you know, the proposal is now on the table of both the European Parliament and the Council for discussion and adoption in the context of the ordinary legislative procedure.

The Commission hopes that these explanations address the concerns expressed by the Polish Senate and looks forward to continuing our dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*