

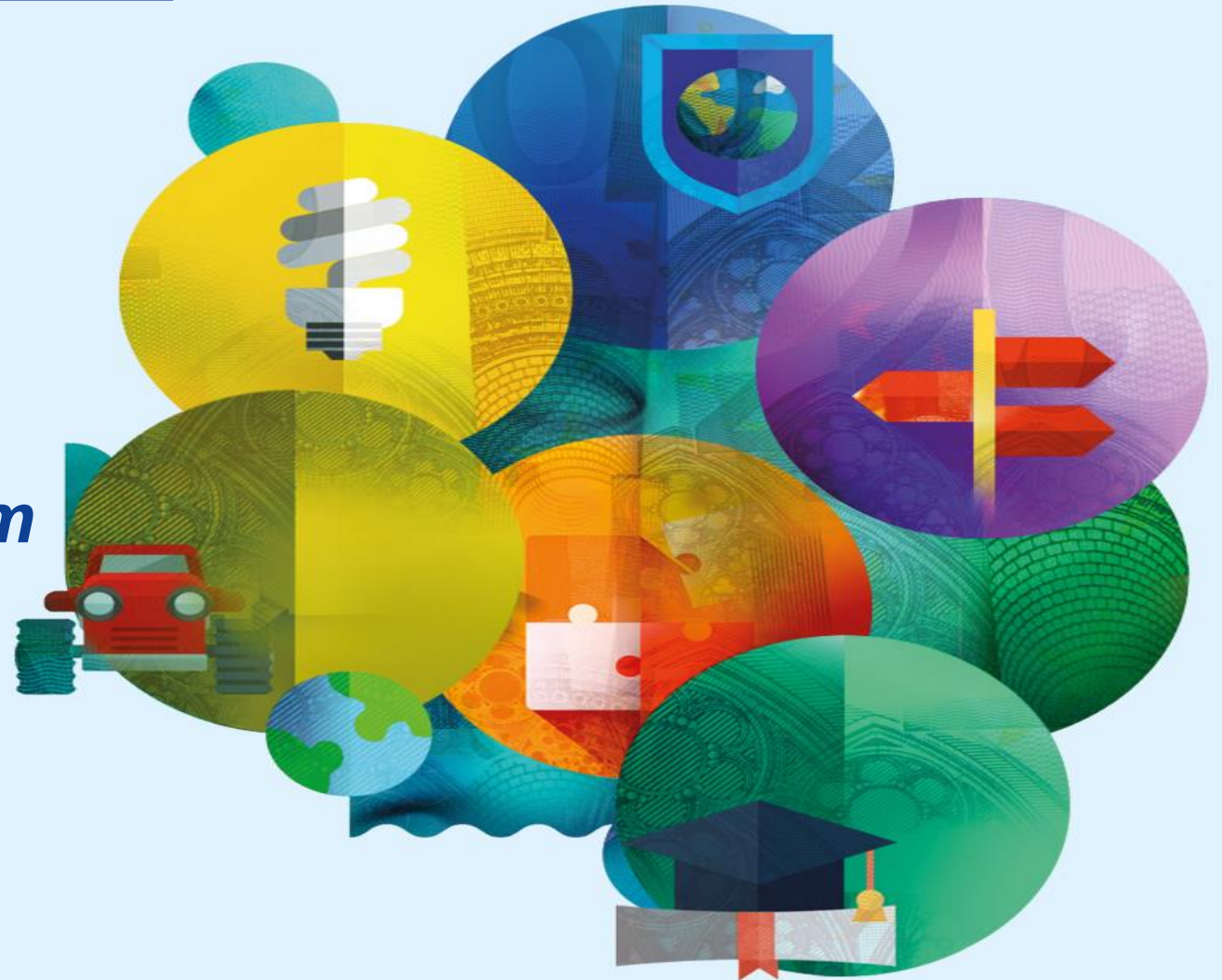


# COMMON AGRICULTURAL POLICY

post-2020

*State of Play of CAP reform  
co-decision process*

6<sup>th</sup> RN Assembly – 16/12/19



#FutureofCA

# CAP reform proposals – European Parliament

- May 2019: European Parliament **Elections**
- **4 September 2019**: COMAGRI **decision to resume** work on CAP proposals and submit reports to Plenary.
- Mid-September 2019: rapporteurs confirmed
  - SPR – Jahr (EPP/DE)
  - HZR – Mueller (RE/DE)
  - CMO – Andrieu (S&D/FR)
- **5 December 2019**: COMAGRI approved a list of points/articles to be re-opened. Objective: political groups to table amendments directly to Plenary for adoption by June 2020 (no vote in COMAGRI). List of points not yet approved / validated by COMENVI.

*Opened articles include: articles in shared competence with COMENVI (related to Env/Climate) + articles with COMAGRI exclusive competence (e.g. direct payments outside E*

# CAP reform proposals – European Parliament

COMAGRI report (April 2019)

## key points

### ➤ Rural Development:

- Additional types of intervention (“women in rural areas” and “installation of digital technologies”)
- Incentive element for management commitments and ANC
- Overly detailed specifications of the types of interventions
- Voluntary character of risk management
- Including ANC (max. 40%) in the 30% EAFRD ring fencing for environment and climate
- CAP strategic plans starting only in 2022

Several RD articles proposed to be re-opened (mostly in shared competence with ENVI)

# CAP reform proposals – European Parliament

COMAGRI report (April 2019)

## key issues

### ➤ Direct Payments:

- Mandatory elements kept (e.g. reduction of payments/capping – but watered down, genuine farmer, redistributive payment)
- More prescriptions in basic act as for rural development (e.g. definitions, support to young farmers, redistributive payment, small farmers, coupled support)
- Ring-fencing of funds for most types of interventions (e.g. basic income support + redistributive – min 60%, eco-schemes – min 20%)

### ➤ Conditionality and eco-schemes :

- Conditionality: GAECs/SMRs watered down or become eco-schemes
- Eco-schemes: less flexibility for MS + addition of animal welfare

Articles on definitions (including genuine farmer and permanent grassland), ring-fencing, conditionality and eco-schemes re-opened



# CAP reform proposals – European Parliament

COMAGRI report (April 2019)

## key issues

### ➤ New Delivery Model - CAP Plans, performance clearance and performance review

- Fear risk of renationalization – more EU-based requirements (compliance >< performance)
- CAP Plans to include in annex “regional intervention programmes”
- No strict annuality of planning (milestones and financial plan information could be multi-annual “where appropriate”) and of performance monitoring (performance reports and review meetings)

Certain articles are proposed to be re-opened (notably in relation to green architecture, and approval of CAP Plans)

# CAP reform proposals – European Parliament

## COMENVI compromise amendments (April 2019)

### Some key issues

- Reformulation of objectives with stronger stance on environmental ones
- Setting of targets at the level of impact indicators
- Conditionality extended to sectoral types of interventions
- AECMC: only "beneficial for environment" (quid of animal welfare?) and incentive element
- Investments: demonstrate no negative effect on environment ; negative list extended
- Ring-fencing EAFRD: 40% for environment (but including ANC)

Most articles related to the environmental ambition and green architecture are being re-opened

# CAP reform proposals – Council

- June 2018: **presentation** by the Commission of reform package in AGRIFISH
- December 2018: **AT** Presidency final **Progress Report** on 3 Regulations
- June 2019: **RO** Presidency final **Progress Report** on 3 Regulations
- July 2019: **FI** Presidency
  - Informal Council (September) – Carbon sequestration
  - **October Council** – state of play
  - **November Council** – Higher environmental-climate ambition of the CAP
  - December 2019: **Progress Report on 3 Regulations**

# Key points under the FI Presidency (1/3)

## ➤ Environmental ambition:

- Suggestion of a ring-fencing of expenditure for climate/environment across pillars, replacing 30% ring-fencing under rural development and mandatory eco-schemes

## ➤ Conditionality / eco-schemes:

- Continued mixed positions on ambition level: some in favor of e.g. limiting conditionality or making eco-schemes voluntary, but other oppose...
- Importance of financial flexibility (in particular under Direct payments for eco-schemes)



# Key points under the FI Presidency (2/3)

## ➤ New Delivery Model – CAP plans, Performance clearance and performance review:

- Intense discussions on reporting (performance clearance (outputs) and performance review (results)), in particular performance clearance for non-area/animal related interventions (so-called “Option 1”).
- Other points:
  - CAP plan content
  - Frequency of performance review / triggering level of deviation for possible action plans
  - Deadline of annual performance report

# Key points under the FI Presidency (3/3)

## ➤ Rural Development:

- Possibility to revise LFA definition
- Investments – less limitations regarding purchase of land; aid intensities; specifications / extension of exceptions for 100% support rate
- Specific support for the development of small farms added
- Cooperation – some precisions regarding LEADER
- Risk management voluntary

## ➤ Direct Payments:

- General trend for turning down proposals for improved targeting; i.e. voluntary reduction of payments/capping, optional application of redistributive payment, no EU definition of genuine farmer and optional implementation
- Fine-tuning of definitions (e.g. eligible hectare)

# Commission - Key points of the Transition Regulations (1/3)

- Swift agreement on the CAP reform proposals remains the priority
- Current state of the legislative process makes it impossible to start the CAP Strategic Plans by 1/1/2021
- Transitional year 2021 to ensure continuity of CAP support based on current rules

# Key points of the Transition Regulations (2/3)

## Flexibility Regulation

- **Continuity of CAP support in calendar year 2020 (financial year 2021)**
- **Technical**
- **Adoption necessary by the end of 2019**

## Transitional Regulation

- **Continuity of CAP support under both pillars in 2021**
- **Easing Transition to CAP Plans**
- **Adoption necessary by summer 2020**

# Key points of the Transitional Regulations (3/3)

## ➤ Transitional regulation

- **Continuity of CAP support** under both pillars in 2021 and under current rules
  - Limited to the transitional year 2021
  - Update of 2021 amounts (Direct Payments, Rural development, sectoral aid programmes, Outermost regions and small Aegean islands)
  - Adaptations of rules to continue support in 2021
  -
- **Easing Transition to CAP Plans**
  - Sectoral aid programmes: Timeframe adaptations for programmes
  - Carry-over of expenditure from previous programming periods into CAP Strategic Plan

# FINAL REMARKS

- **Seminar of FI Presidency (4 December) + other MS initiatives**
- **Expressed needs for more exchanges to prepare for the CAP Strategic Plans**
- **Roadmaps and geohubs**