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.

COMMISSION DELEGATED REGULATION (EU) …/...

of XXX

amending Delegated Regulation (EU) No 639/2014 as regards the young farmer provisions under Regulation (EU) 1307/2013 of the European Union and of the Council

THE EUROPEAN COMMISSION,


Whereas:

(1) Pursuant to Article 50 (1) of Regulation (EU) No 1307/2013 Member States are to grant an annual payment to young farmers who are entitled to a payment under the basic payment scheme or the single area payment scheme.

(2) Article 49 (1) of Commission Delegated Regulation (EU) No 639/2014 establishes the conditions for a legal person to be granted payment to young farmers. In particular, point (b) of that provision provides that a young farmer needs to exercise effective and long-term control over the legal person in terms of decisions related to management, benefits and financial risks either solely or jointly together with other farmers.

(3) It is appropriate to allow Member States to decide whether such effective and long-term control may be held by young farmers jointly together with other farmers or rather by young farmers only. Indeed, the Member States are better placed to decide whether, in view of the effectiveness and the outreach of the scheme, while taking into consideration national circumstances, and in view of the potential for reducing the administrative burden linked to controls, legal bodies controlled jointly by young farmers.

farmers and other farmers who do not meet the young farmer conditions should be granted the young farmer payment. Such choice also enables Member States to better align the provisions for access to young farmer support in both pillars of the common agricultural policy. As the reasons for allowing Member States to take this decision are structural, it is appropriate to provide that such decision be taken only until calendar year 2017.

(4) It is further appropriate to clarify that such effective and long-term control is to be held in each year of the legal person’s application for the payment under the young farmers scheme.

(5) This Regulation should apply with respect to aid applications relating to calendar year 2016 and subsequent years.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EU) No 639/2014 is amended as follows:

(1) Point (b) of Article 49(1) is replaced by the following:

Article 49(1)(b):

A young farmer within the meaning of Article 50(2) of Regulation (EU) No 1307/2013 exercises effective and long-term control over the legal person in terms of decisions related to management, benefits and financial risks in each year of the legal person’s application for the payment under the young farmers scheme. Where several natural persons, including person(s) who are not young farmer(s), participate in the capital or management of the legal person, the young farmer shall be capable in each year of the legal person's application for the payment under the young farmers scheme of exercising such effective and long-term control either solely or jointly together with other farmers.

By way of derogation from the first subparagraph, Member States may decide that as of the years 2016 or 2017 the young farmer(s) shall exercise such effective and long-term control solely. Such a decision shall be taken before the date of opening of the application period for the first year to which it applies. No such decision or review of the initial decision shall be possible after calendar year 2017.

(2) The following Article 49(5) is inserted:

Member States shall notify the Commission of any decision referred to in Article 49(1)(b) within two weeks of the date on which such decision was taken.

Article 2

This Regulation shall enter into force on the […] day following that of its publication in the Official Journal of the European Union.
This Regulation shall be binding in its entirety and directly applicable in all Member States. Done at Brussels,

For the Commission
The President
Jean-Claude JUNCKER