COMMISSION REGULATION (EU) …/…

of XXX

amending Delegated Regulation (EU) No 640/2014 supplementing Regulation (EU) No1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system and conditions for refusal or withdrawal of payments and administrative penalties applicable to direct payments, rural development support and cross compliance, for the purpose of simplifying rules on the reductions of the greening payment.
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amending Delegated Regulation (EU) No 640/2014 supplementing Regulation (EU) No1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system and conditions for refusal or withdrawal of payments and administrative penalties applicable to direct payments, rural development support and cross compliance, for the purpose of simplifying rules on the reductions of the greening payment

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,


Whereas:

(1) In the light of the experience gained after the introduction of the payment for agricultural practices beneficial for the climate and the environment (hereinafter: the "greening payment") as defined in Chapter 3 of Title III of Regulation (EU) No 1307/2013(2), it appears appropriate to simplify certain rules regarding the basis and modalities for the calculation of the greening payment.

(2) Within the integrated administration and control system, the calculation of the aid to which the beneficiary is entitled is based on the concept of crop group. It appears however that such a definition is not necessary in the specific context of the greening payment since the greening payment is to be based on the total area of the holding. For the purpose of simplification, the concept of crop group should therefore be abolished for the greening payment.

(3) Articles 24 and 26 of Commission Delegated Regulation (EU) No 640/2014 lay down the rules for the calculation of the reduction of the greening payment in case of non-compliance with respectively the crop diversification requirements and the ecological focus area requirements. These calculations involve a ratio of difference and a reduction factor of 50%. For the sake of clarification without altering the level of the reductions, it is justified to reformulate the provisions and replace the ratio of difference as well as the reduction factor of 50% by a multiplier.

3 Commission Delegated Regulation (EU) No 640/2014 of 11 March 2014 supplementing Regulation (EU) No 1306/2013 of the European Parliament and of the Council with regard to the integrated administration and control system and conditions for refusal or withdrawal of payments and administrative penalties applicable to direct payments, rural development support and cross compliance.
(4) For the purpose of striking a better balance between the level of severity of the reductions and the need to preserve proportionate and fair reductions, it is appropriate to amend Article 24 to alleviate the greening reductions in case where the crop diversification obligation requires three different crops to be grown.

(5) In order to avoid the situation where the Member States would have to adapt their systems of payments calculation for claim year 2016 during the payment period, and also to give predictability to beneficiaries as to which rules are applicable for the payment calculation, this Regulation shall apply on 15 October 2017.

HAS ADOPTED THIS REGULATION:

Article 1
Amendment of Delegated Regulation (EU) No 640/2014

Delegated Regulation (EU) No 640/2014 is amended as follows:

(1) Article 22 is replaced by the following:

'Article 22

General principles

For the purposes of this Section, where the same area is determined for more than one greening practice as referred to in Article 43(2) of Regulation (EU) No 1307/2013, that area shall be taken into account separately to assess the compliance for each greening practice in view of calculating the greening payment.';

(2) Article 24 is replaced by the following:

'Article 24

Reduction of the greening payment in case of non-compliance with crop diversification

1. Where the first subparagraph of Article 44(1) of Regulation (EU) No 1307/2013 requires at least two different crops, but the area determined for the main crop covers more than 75% of the total area of arable land determined, the area to be used for the calculation of the greening payment in accordance with Article 23 of this Regulation shall be reduced by 2 times the area of the main crop in excess of the 75% referred to above.

2. Where the second subparagraph of Article 44(1) of Regulation (EU) No 1307/2013 requires at least three different crops, but the area determined for the main crop covers more than 75% of the total area of arable land determined, the area to be used for the calculation of the greening payment in accordance with Article 23 of this Regulation shall be reduced by the area of the main crop in excess of the 75% referred to above.

3. Where the second subparagraph of Article 44(1) of Regulation (EU) No 1307/2013 requires at least three different crops, but the area determined for the two main crops covers more than 95% of the total area of arable land determined, the area to be used for the calculation of the greening payment in accordance with Article 23 of this Regulation shall be reduced by 5 times the area of the two main crops in excess of the 95% referred to above.
3a. Where Article 44(2) of Regulation (EU) No 1307/2013 requires that the main crop on the remaining arable land shall not cover more than 75% of that remaining arable land, but the area determined for the main crop on the remaining arable land determined covers more than 75%, the area to be used for the calculation of the greening payment in accordance with Article 23 of this Regulation shall be reduced by 2 times the area of the main crop in excess of the 75% referred to above.

4. Where a beneficiary has been found non-compliant with crop diversification as described in this Article for three years, the area by which the area to be used for the calculation of the greening payment is to be reduced in accordance with paragraphs 1, 2, 3 and 3a for the subsequent years shall be multiplied by 2.';

(3) Article 26 is replaced by the following:

'Article 26

Reduction of the greening payment in case of non-compliance with the ecological focus area requirements

1. The ecological focus area required in accordance with Article 46(1) of Regulation (EU) No 1307/2013, hereinafter referred to as "the ecological focus area required", shall be calculated on the basis of the total area of arable land determined and including, if applicable pursuant to Article 46(2) of Regulation (EU) No 1307/2013, the areas determined as referred to in points (c), (d), (g) and (h) of the first subparagraph of Article 46(2) of that Regulation.

2. If the ecological focus area required exceeds the ecological focus area determined taking account of the weighting of ecological focus areas provided for in Article 46(3) of Regulation (EU) No 1307/2013, the area to be used for the calculation of the greening payment in accordance with Article 23 of this Regulation shall be reduced by 10 times the ecological focus area not found.

For the purpose of the first subparagraph the ecological focus area determined shall not exceed the share of the ecological focus areas declared in the total area of arable land declared.

3. Where a beneficiary has been found non-compliant with the ecological focus area requirements as described in this Article for three years, the area by which the area to be used for the calculation of the greening payment is to be reduced in accordance with paragraph 2 for the subsequent years shall be multiplied by 2.'.

Article 2

Entry into force and application

This Regulation shall enter into force on the seventh day following that of its publication in the Official Journal of the European Union.

It shall apply from 15 October 2017 to aid applications for the greening payment and to the single applications relating to claim years starting as from 1 January 2017.
This Regulation shall be binding in its entirety and directly applicable in all Member States.
Done at Brussels,

For the Commission
The President
[...]

[Choose between the two options, depending on the person who signs.]

On behalf of the President
[...]
[Position]