

Draft Commission Delegated Reg. amending delegated Reg. 639/2014 on rules for direct payments to farmers (incl. greening)

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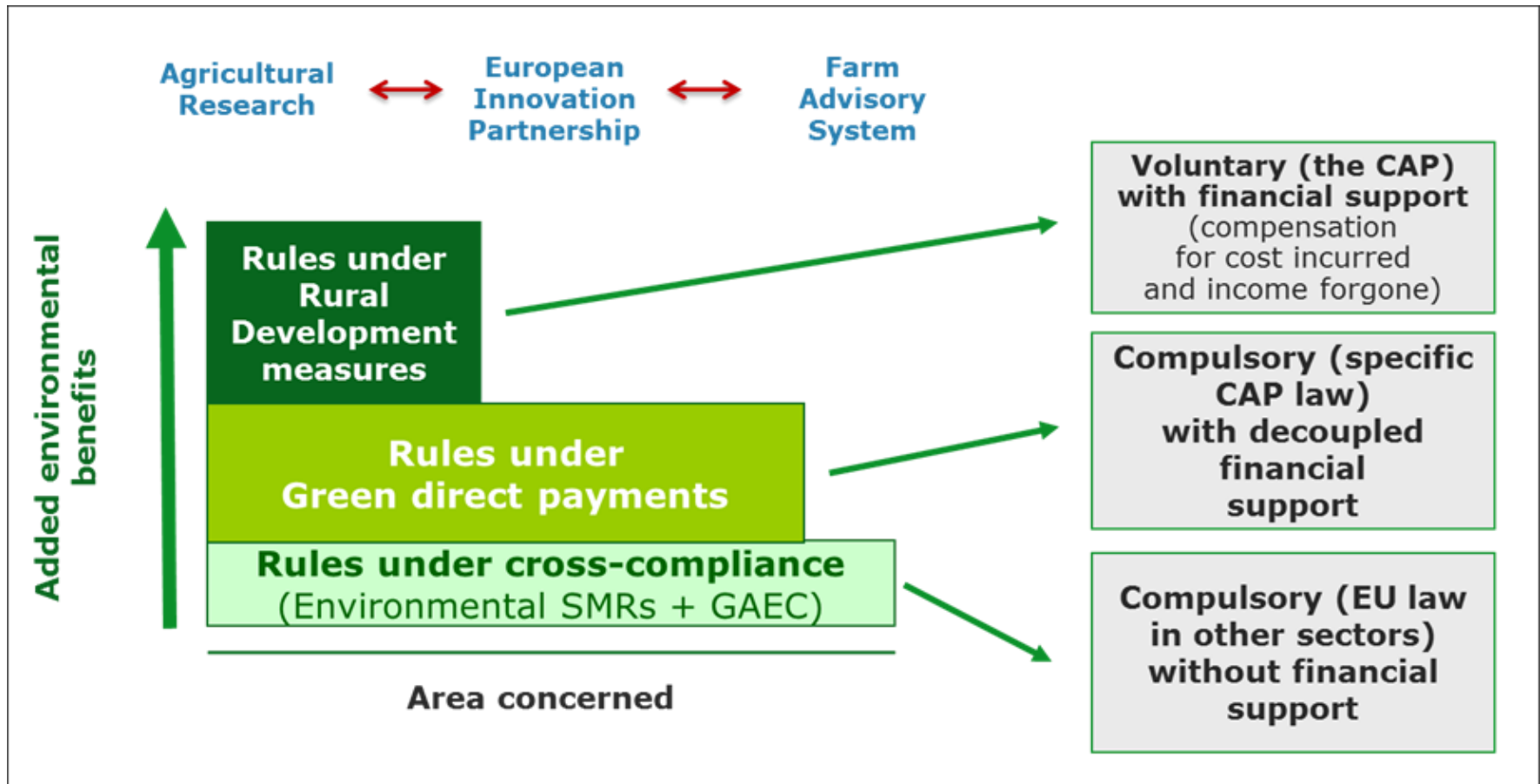
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The CAP 2014 – 2020: a new policy framework for a more sustainable European agriculture

- To support farmers to adapt their production systems to socio-economic, environmental and territorial challenges
- To ensure the long-term sustainability and potential of EU agriculture by safeguarding the natural resources on which agricultural production depends
- To improve the environmental impact of agricultural activity

The green architecture of the CAP



Context and purpose of the Greening Review

Review after 1 year of application represents a significant step to further simplify the CAP.

- This review responds to the Commission's commitment on EFA in April 2014 to review the greening after one year (impact on level playing field, production potential and administrative burden).
- This review is part of CAP simplification agenda as undertaken by Commissioner Hogan and Commission REFIT exercise

The Review aims to

- Provide a fine-tuning of current rules, especially for EFAs, to make them easier to understand and implement both by farmers and administrations
- Improve the environmental performance of the policy

Procedure and deliverable

The review is based on:

- Consultation activities (Latvian presidency discussion, contributions from MEPs, public consultation launched by DG AGRI in Dec 2015, different fora including various expert groups);
- Data analysis from output indicators provided by MS and legislation analysis.

The Commission has come forward with:

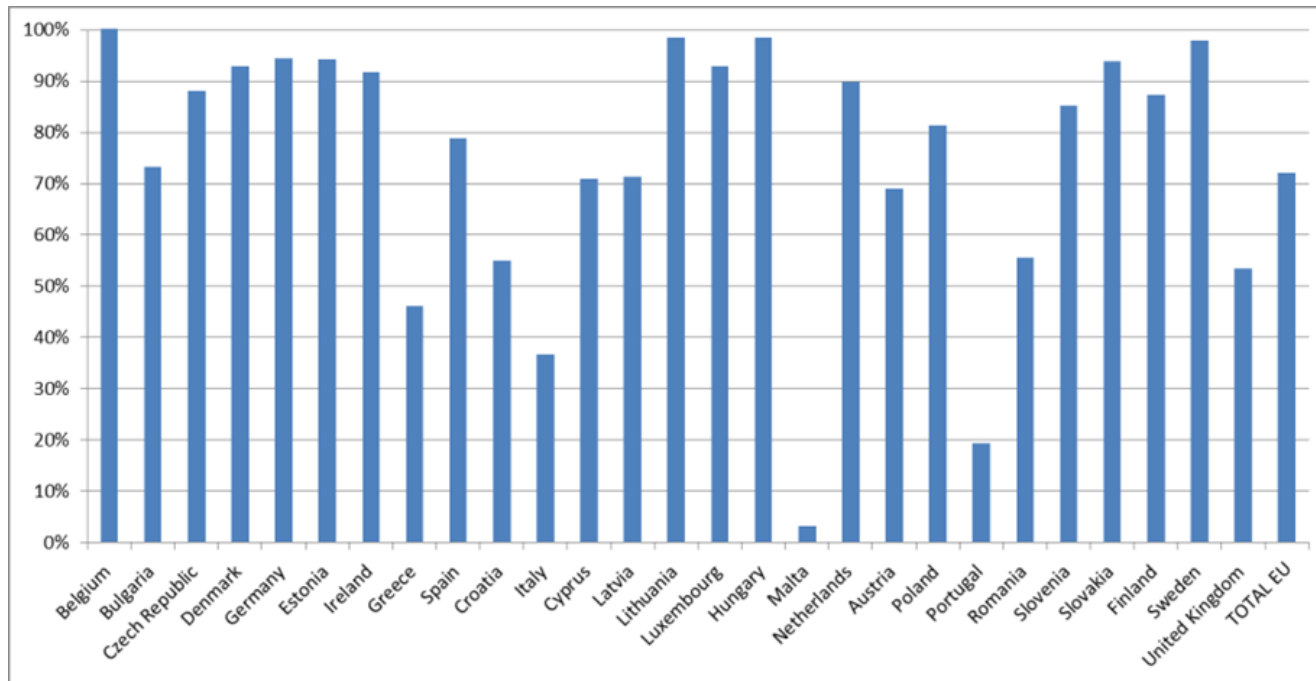
- Staff Working Document (SWD) in June 2016, SWD(2016) 218 of 22 June 2016.
- Set of draft legal proposals amending the Delegated Regulation n° 639/2014 in July 2016

Main outcome of the data analysis

- Most of the agricultural area in the EU (72 %) is covered by greening, i.e. subject to at least one greening obligation (EFA, crop diversification or maintenance of permanent grassland).
- Crop diversification: at EU level, 75 % (three quarters) of the total arable land is subject to the crop diversification requirement.
- EFA: almost 70 % of the total arable land in the EU is subject to EFA. As much as 9% of total arable land in the EU (weighted area) has been used as EFA; in physical terms, 14 % of arable land was declared as EFA.
- PG: at EU level, permanent grasslands represent 29 % of the total agricultural area (in some countries the percentage is as high as 90 %), out of which almost one fifth (1/5) is environmentally sensitive grassland subject to the strict protection and management rules.

Farms under at least one greening obligation

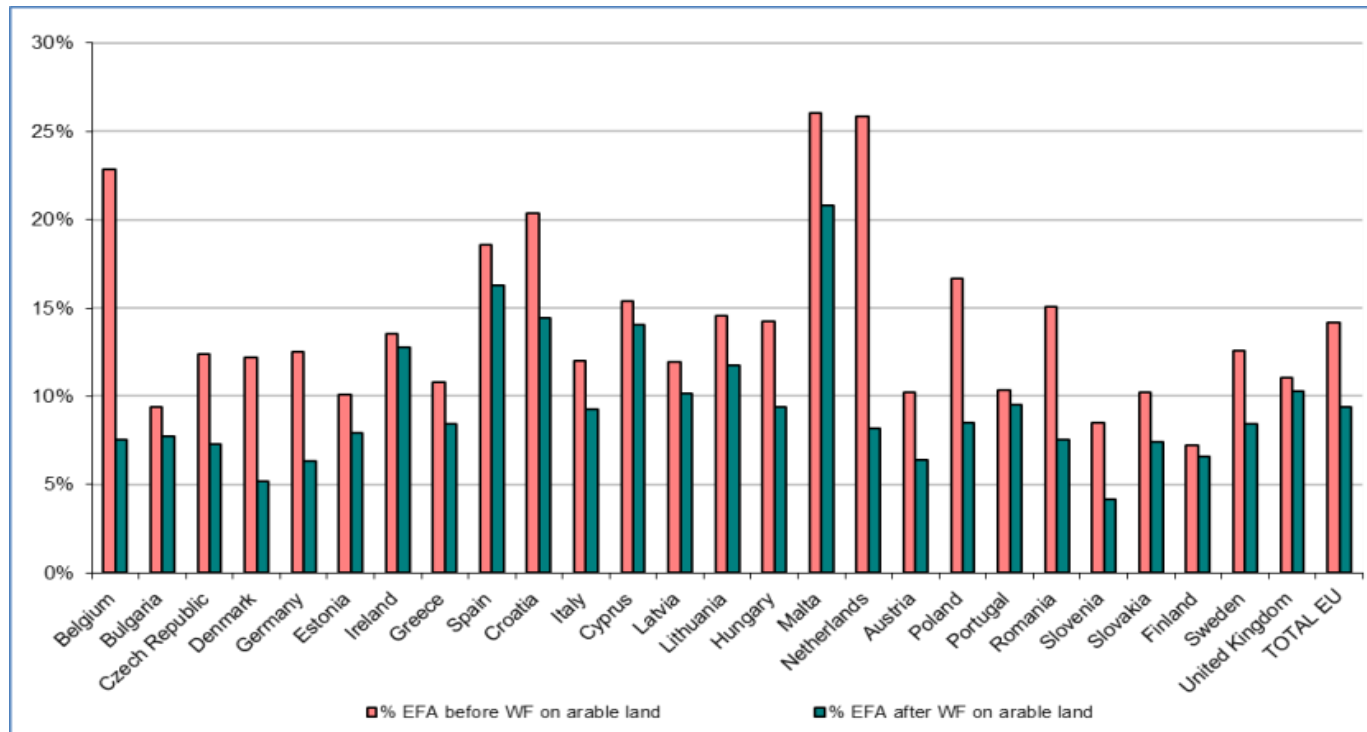
*Number of hectares of total agricultural area (TAA)
(compared to Eurostat FSS 2013)*



Lower percentages may be found due to:

- *Farms outside the direct payment system (11 % of TAA)*
- *Exempted farms → Small Farmers Scheme - Organic farms - Farms with less than 10 ha of arable land*
- *Influence of permanent crops in some MS (6 % of TAA)*

Percentage of arable land subject to the "ecological focus area" obligation



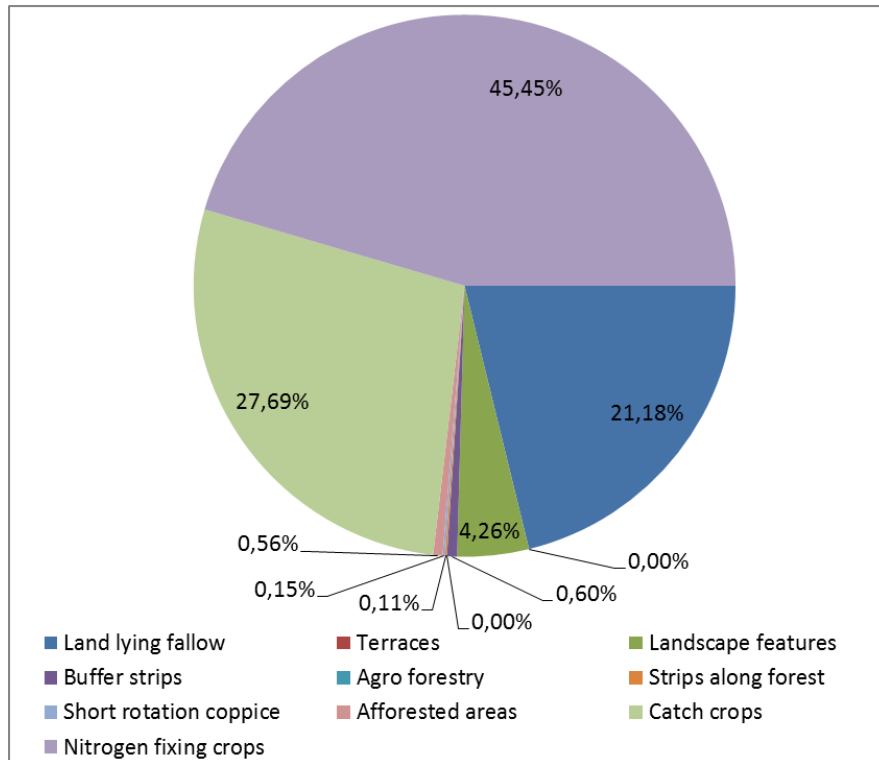
Arable land area under EFA obligation / Total arable land: 68 %

EFA area / Arable land area under EFA obligation :

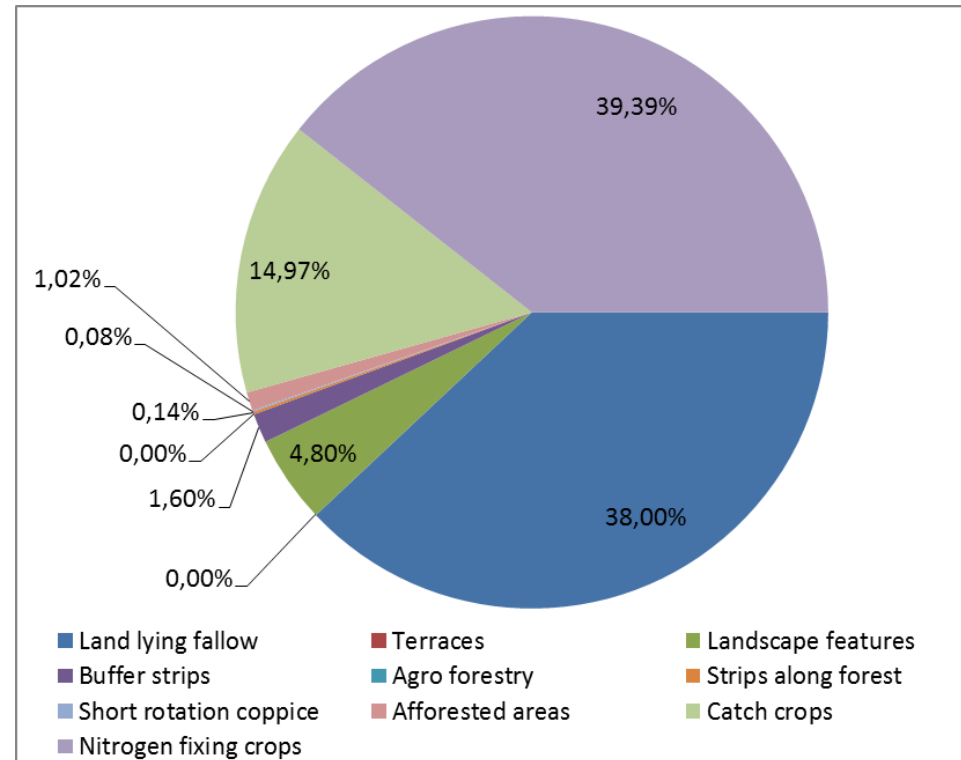
- *EFA Area before weighting factors: EU average 14 %*
- *EFA Area after weighting factors : EU average 9 %*

Composition of EFA obligation per EFA type – EU level

Before WF

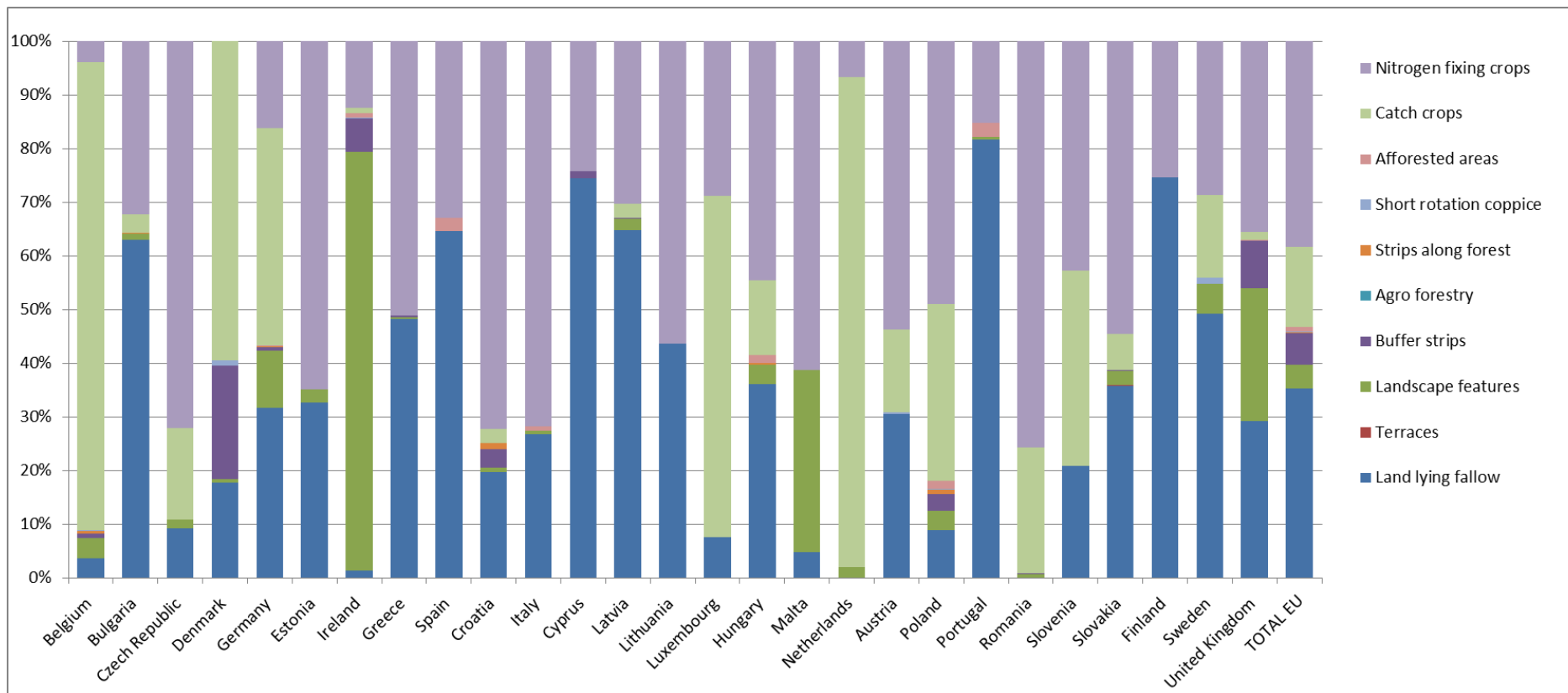


After WF



- Great prevalence of LLF – CC – NFC: 92% on total EFA after WF
- Importance of WF to re-equilibrate the areas, as after the application of WF:
 - LLF from 21% to 38%
 - LF from 4,3% to 4,8%
 - CC from 28% to 15%
 - NFC from 45% to 39%

Composition of EFA obligation per EFA type (after weighting factor)



Envisaged simplification of greening

SWD identifies 4 main priority areas for simplification which aim to:

- Specify and/or clarify what is required from farmers and national administrations, especially as regards landscape features.
- Remove burdensome technical requirements without lowering the environmental benefits.
- Provide more flexibility or alternative where this increases the environmental and climate benefit of the greening.
- Harmonize some specific requirements

In response to this key priorities, the review is accompanied by a set of 14 concrete measures for simplification (changes to delegated regulation).

Main measures by EFA types

Land lying fallow definition

- Common minimal duration of 6 months for a given calendar year (possibility to resume production for farmer before the end of the year)

Catch crop and green cover

- Removal of deadline for sowing catch crops or green cover (before 1st October)
- Common minimum duration of 8 weeks for catch crops and green cover
- Adjustment of the list of species for under sowing (allowing leguminous)

Nitrogen fixing crops

- Allowing mixture of seeds for Nitrogen Fixing Crops (NFC)

Main measures by EFA types

Landscape features and strips (e.g. buffer strips, strips along forest ...)

- Merging of certain strips (buffer strips and field margins) and streamline associated conditions (min and max width: 1 to 20 m + no production requirements)
- Merging of certain landscape features (trees in line, wooded strips and hedges)
- Streamlining associated conditions for landscape features
Max 10 m for hedges and ditches,
Max 0,3 hectares for ponds and field copses.

Main measures by EFA types

Landscape features and strips (e.g. buffer strips, strips along forest ...)

More flexibility for the qualification of landscape features:

- Corresponding area calculated up the maximum width or size
- Adjacency notion extend to the 2nd element adjacent to the 1st element directly adjacent to the arable land.

Common definition and production conditions

- Ban of use of pesticides on productive EFA area Nitrogen fixing crops, catch crops and green cover, land lying fallow and strips along forest;
- No production requirement applicable to Land Lying Fallow and all strips without production = no agricultural activity as defined under Art 4 (1) of basic act (reg n°1307/2013) without prejudice other requirements under GAEC.

Next steps

Formal Commission decision-making process of the new delegated act launched in view of an adoption at beginning of 2017.

Entry into force, following EP and Council scrutiny, is foreseen by mid-2017.

A flexibility is offered to Member States to apply the greening modifications only from 2018 with an option for an earlier entry into force (2017) for those Member States which wish to do so.

Conclusions

All envisaged measures form a balanced package that :

- provides a fine-tuning of current rules, especially for EFAs, to make them easier to understand and implement both by farmers and administrations;
- improves further the environmental performance of the policy;
- enhances the overall legitimacy and credibility of the 2013 greening of direct payments.