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Committee on Agriculture and Rural Development

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COMPROMISE AMENDMENTS

1 - 37

Draft report

Luis Manuel Capoulas Santos

(PE474.053v01-00)

on the proposal for a regulation of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

Proposal for a regulation

(COM(2011)0627 final/3 – C7-0340/2011 – 2011/0282(COD))

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United in diversity

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Amendment 1
Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 9, 291, 298, 302

Proposal for a regulation
Article 4

Text proposed by the Commission

Article 4

Objectives

Within the overall framework of the CAP, support for rural development shall contribute to achieving the following objectives:

- (1) the competitiveness of agriculture;
- (2) the sustainable management of natural resources, and climate action;
- (3) a balanced territorial development of rural *areas*.

Amendment

Article 4

Objectives

Within the overall framework of the CAP, support for rural development shall contribute to achieving the following objectives:

- (1) ***fostering*** the competitiveness of agriculture ***and forestry***;
- (2) ***ensuring*** the sustainable management of natural resources, and climate action;
- (3) ***achieving*** a balanced territorial development of rural ***economies and communities that creates and maintains employment***.

Or. en

Amendment 2
Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 10-14, 311, 317, 322-335, 339, 354-355, 359-364, 368-370, 384, 428

Proposal for a regulation
Article 5

Text proposed by the Commission

Article 5

Union priorities for rural development

The achievement of the objectives of rural development, which contribute to the

Amendment

Article 5

Union priorities for rural development

The achievement of the objectives of rural development, which contribute to the

Europe 2020 strategy for smart, sustainable and inclusive growth, shall be pursued through the following six Union priorities for rural development, which translate the relevant Thematic Objectives of the CSF:

(1) fostering knowledge transfer and innovation in agriculture, forestry, and rural areas with a focus on the following areas:

(a) fostering innovation and the knowledge base in rural areas;

(b) strengthening the links between agriculture and forestry and research and innovation;

(c) fostering lifelong learning and vocational training in the agricultural and forestry sectors.

(2) enhancing competitiveness of all types of agriculture and **enhancing farm viability**, with a focus on the following areas:

(a) **facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification;**

(b) facilitating generational renewal **in the agricultural sector.**

Europe 2020 strategy for smart, sustainable and inclusive growth, shall be pursued through the following six Union priorities for rural development, which translate the relevant Thematic Objectives of the CSF:

(1) fostering knowledge transfer and innovation in agriculture, forestry, and rural areas with a focus on the following areas:

(a) fostering innovation, **new ways of cooperating**, and **the development of** the knowledge base in rural areas;

(b) strengthening the links between agriculture and forestry and research and innovation;

(c) fostering lifelong learning and vocational training in the agricultural and forestry sectors, **including as regards farm safety awareness;**

(2) enhancing **farm viability and the competitiveness of all types of agriculture and forestry and of the food sector**, with a focus on the following areas:

(a) **encouraging investment in innovative farm technologies and facilitating their diffusion and uptake;**

(b) facilitating **the entry into the farming sector of new, fully skilled, entrants, including through** generational renewal;

(ba) improving the economic performance of all farms, increasing market participation, orientation and diversification;

(bb) facilitating the restructuring and modernisation of farms;

(bc) maintaining productive agriculture in mountainous or less favoured areas, or in outermost regions;

(bd) improving the competitiveness of the agri-food processing sector, including by

(3) promoting food chain organisation and risk management in agriculture, with a focus on the following areas:

(a) better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations;

(b) supporting farm risk management:

(4) restoring, preserving and enhancing ecosystems **dependent on** agriculture and forestry, with a focus on the following areas:

(a) restoring and preserving biodiversity, including in Natura 2000 areas and high nature value farming, and the state of European landscapes;

(b) improving water management;

(c) improving soil management.

(5) promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors, with a focus on the following areas:

(a) increasing efficiency in water use by agriculture;

(b) increasing efficiency in energy use in agriculture and food processing;

(c) facilitating the supply and use of renewable sources of energy, of by-products, wastes, residues and other non food raw material for purposes of the bio-economy;

(d) reducing **nitrous oxide and methane** emissions from agriculture;

(e) fostering carbon sequestration in

increasing efficiency, and the value added to agricultural products.

(3) promoting food chain organisation and risk management in agriculture, with a focus on the following areas:

(a) better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations;

(b) supporting farm risk **prevention and** management:

(4) restoring, preserving and enhancing ecosystems **that are influenced by** agriculture and forestry, with a focus on the following areas:

(a) restoring and preserving biodiversity, including in Natura 2000 areas and high nature value farming, and the state of European landscapes;

(aa) improving animal welfare;

(b) improving water management;

(c) improving soil management.

(5) promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors, with a focus on the following areas:

(a) increasing efficiency in water use by agriculture;

(b) increasing efficiency in energy use in agriculture and food processing;

(c) facilitating the supply and use of renewable sources of energy, of by-products, wastes, residues and other non-food raw material for purposes of the bio-economy;

(d) reducing **greenhouse gas and ammonia** emissions from agriculture **and improving air quality;**

(e) fostering carbon **conservation and**

agriculture and forestry;

(6) promoting social inclusion poverty reduction and economic development in rural areas, with a focus on the following areas:

- (a) facilitating diversification, creation of new small enterprises and job creation;
- (b) fostering local development in rural areas;
- (c) enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural areas.

All of the priorities shall contribute to the cross-cutting objectives of innovation, environment and climate change mitigation and adaptation.

sequestration in agriculture and forestry;

(ea) facilitating the use of new research-based products and application methods and processes in the agri-food value chain to improve biodiversity management and resource-efficiency;

(6) promoting social inclusion poverty reduction and economic development in rural areas, with a focus on the following areas:

- (a) facilitating diversification, creation of new small enterprises and job creation;
- (b) fostering local development in rural areas;
- (c) enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural areas.

All of the priorities shall contribute to the cross-cutting objectives of innovation, environment and climate change mitigation and adaptation.

Or. en

Amendment 3

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 458, 461

Proposal for a regulation

Article 7

Text proposed by the Commission

Article 7

Rural development programmes

1. The EAFRD shall act in the Member States through rural development programmes. These programmes shall implement a strategy to meet the Union priorities for rural development through a set of measures defined in Title III, for the achievement of which aid from the

Amendment

Article 7

Rural development programmes

1. The EAFRD shall act in the Member States through rural development programmes. These programmes shall implement a strategy to meet the Union priorities for rural development through a set of measures defined in Title III, for the achievement of which aid from the

EAFRD will be sought.

2. A Member State may submit *either* a single programme for its entire territory or a set of regional programmes.

3. Member States with regional programmes may also submit for approval a national framework containing common elements for these programmes without a separate budgetary allocation.

EAFRD will be sought.

2. A Member State may submit a single programme for its entire territory or a set of regional programmes, *or both*. ***Measures implemented at national level shall not be implemented through regional programmes.***

3. Member States with regional programmes may also submit for approval a national framework containing common elements for these programmes without a separate budgetary allocation.

Or. en

Amendment 4

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 472, 475, 479, 501, 530, 536-538

Proposal for a regulation

Article 8

Text proposed by the Commission

Article 8

Thematic sub-programmes

1. Member States may include within their rural development programmes thematic sub-programmes, ***contributing to the Union priorities for rural development, aimed to address specific needs identified, in particular in relation to:***

- (a) young farmers;
- (b) small farms as referred to in the third subparagraph of Article 20(2);
- (c) mountain areas as referred to in Article 33(2);
- (d) short supply chains.

An indicative list of measures and types of operations of particular relevance to each

Amendment

Article 8

Thematic sub-programmes

1. ***With the aim of contributing to the achievement of rural development priorities,*** Member States may include within their rural development programmes thematic sub-programmes ***that*** address specific needs. ***Such thematic sub-programmes may, inter alia, relate to:***

- (a) young farmers;
 - (b) small farms as referred to in the third subparagraph of Article 20(2);
 - (c) mountain areas as referred to in Article 33(2);
 - (d) short supply chains;
- (da) women in rural areas.***

An indicative list of measures and types of operations of particular relevance to each

thematic sub-programme is set out in Annex III.

2. Thematic sub-programmes may also address specific needs relating to the restructuring of agricultural sectors with a significant impact on the development of a specific rural area.

3. The support rates laid down in Annex I may be increased by 10 percentage points for operations supported in the framework of thematic sub-programmes concerning small farms and short supply chains. In the case of young farmers and mountain areas, the maximum support rates may be increased in accordance with Annex I. However, the maximum combined support rate shall not exceed 90%.

thematic sub-programme is set out in Annex III.

2. Thematic sub-programmes may also address specific needs relating to the restructuring of agricultural sectors with a significant impact on the development of a specific rural area ***or other specific needs identified by the Member State.***

3. The support rates laid down in Annex I may be increased by 10 percentage points for operations supported in the framework of thematic sub-programmes concerning small farms and short supply chains. In the case of, ***inter alia,*** young farmers and mountain areas, the maximum support rates may be increased in accordance with Annex I. However, the maximum combined support rate shall not exceed 90%.

Or. en

Amendment 5

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 645-649, 651, 652, 658, 659

Proposal for a regulation

Article 15

Text proposed by the Commission

Article 15

Knowledge transfer and information actions

1. Support under this measure shall cover vocational training and skills acquisition actions, demonstration activities and information actions. Vocational training and skills acquisition actions may include training courses, workshops and coaching.

Support may also cover short-term farm management exchange ***and farm visit.***

Amendment

Article 15

Knowledge transfer and information actions

1. Support under this measure shall cover vocational training and skills acquisition actions, demonstration activities and information actions. Vocational training and skills acquisition actions may include training courses, workshops and coaching.

Support may also cover short-term farm ***and forest*** management exchange ***as well as farm and forest visits.***

2. Support under this measure shall be for the benefit of persons engaged in the agricultural, food and forestry sector, land managers and other economic actors which are SMEs operating in rural areas.

The training or other knowledge transfer and information action provider shall be the beneficiary of the support.

3. Support under this measure shall not include courses of instruction or training, which form part of normal education programmes or systems at secondary or higher levels.

Bodies providing knowledge transfer and information services shall have the appropriate capacities in the form of staff qualifications and regular training to carry out this task.

4. Eligible costs under this measure shall be the costs of organising and delivering the knowledge transfer or information action. In the case of demonstration projects, support may also cover relevant investment costs. Costs for travel, accommodation and per diem expenses of participants as well as the cost of replacement of farmers shall also be eligible.

5. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the further specification of eligible costs, the minimum qualifications of bodies providing knowledge transfer services and the duration and content of farm exchange schemes and farm visits.

2. Support under this measure shall be for the benefit of persons engaged in the agricultural, food and forestry sector, land managers and other economic actors which are SMEs operating in rural areas. ***When providing support under this measure for SMEs, priority may be given to SMEs linked to the agriculture and forestry sectors.***

The training or other knowledge transfer and information action provider, ***which may be a public body***, shall be the beneficiary of the support.

3. Support under this measure shall not include courses of instruction or training, which form part of normal education programmes or systems at secondary or higher levels.

Bodies providing knowledge transfer and information services shall have the appropriate capacities in the form of staff qualifications and regular training to carry out this task.

4. Eligible costs under this measure shall be the costs of organising and delivering the knowledge transfer or information action. In the case of demonstration projects, support may also cover relevant investment costs. Costs for travel, accommodation and per diem expenses of participants as well as the cost of replacement of farmers shall also be eligible.

5. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the further specification of eligible costs, the minimum qualifications of bodies providing knowledge transfer services and the duration and content of farm exchange schemes and farm visits.

Or. en

Amendment 6

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 682, 700, 708, 709, 726, 727, 729, 731, 733, 735-737, 740, 741

Proposal for a regulation

Article 16

Text proposed by the Commission

Article 16

Advisory services, farm management and farm relief services

1. Support under this measure shall be granted in order to:
 - (a) help farmers, forest holders and SMEs in rural areas benefit from the use of advisory services for the improvement of the economic and environmental performance as well as the climate friendliness and resilience of their holding, enterprise and/or investment;
 - (b) promote the setting up of farm management, farm relief and farm advisory services, as well as forestry advisory services, including the Farm Advisory System referred to in Articles 12, 13 and 14 of Regulation (EU) No HR/2012;
 - (c) promote the training of advisors.
2. The beneficiary of support provided in paragraph 1(a) **and** (c) shall be the provider of advice or training. Support under paragraph 1(b) shall be granted to the authority or body selected to set up the farm management, farm relief, farm advisory or forestry advisory service.
3. The authorities or bodies selected to provide advice shall have the appropriate resources in the form of regularly trained and qualified staff and advisory experience and reliability with respect to the fields they advise in. The beneficiaries shall be chosen through calls for proposals. The

Amendment

Article 16

Advisory services, farm management and farm relief services

1. Support under this measure shall be granted in order to:
 - (a) help farmers, forest holders and SMEs in rural areas benefit from the use of advisory services for the improvement of the economic and environmental performance as well as the climate friendliness and resilience of their holding, enterprise and/or investment;
 - (b) promote the setting up of farm management, farm relief and farm advisory services, as well as forestry advisory services, including the Farm Advisory System referred to in Articles 12, 13 and 14 of Regulation (EU) No HR/2012;
 - (c) promote the training of advisors.
- (ca) support the setting up of young farmers.***
2. The beneficiary of support provided in paragraph 1(a), (c) **and (ca)** shall be the provider of advice or training. Support under paragraph 1(b) shall be granted to the authority or body selected to set up the farm management, farm relief, farm advisory or forestry advisory service.
3. The authorities or bodies selected to provide advice shall have the appropriate resources in the form of regularly trained and qualified staff and advisory experience **and shall demonstrate independence** and reliability with respect to the fields they advise in. The beneficiaries shall be chosen

selection procedure shall be **objective and** be open to public **as well as to** private bodies.

When providing advice, advisory services shall respect the non-disclosure obligations referred to in Article 13(2) of Regulation (EU) No HR/2012

4. Advice to farmers shall be linked to **at least one** Union **priority** for rural development and shall cover **as a minimum one** of the following elements:

(a) one or more of the statutory management requirements and/or standards for good agricultural and environmental conditions provided for in Chapter I of Title VI of Regulation (EU) No HR/2012;

(b) where applicable, the agricultural practices beneficial for the climate and the environment as laid down in Chapter 2 of Title III of Regulation (EU) No DP/2012 and the maintenance of the agricultural area as referred to in Article 4(1)(c) of Regulation (EU) No DP/2012;

(c) the requirements or actions related to climate change mitigation and adaptation, biodiversity, the protection of water and soil, animal and plant disease notification and innovation as laid down in Annex I to Regulation (EU) No HR/2012;

(d) the sustainable development of the economical activity of the small farms as defined by the Member States and at least of the farms participating in the Small farmers scheme referred to in Title V of

through calls for proposals. The selection procedure shall be **governed by public law and shall** be open to **both public and** private bodies. **It shall be objective and shall exclude candidates with conflicts of interest.**

When providing advice, advisory services shall respect the non-disclosure obligations referred to in Article 13(2) of Regulation (EU) No HR/2012

3a. The Farm Advisory System shall meet the requirements laid down in Article 12 of Regulation (EU) No HR/2012.

Additional support for advisory services shall only be granted if the Member State has set up a Farm Advisory System pursuant to Article 12 of Regulation (EU) No HR/2012.

4. Advice to farmers shall be linked to **two or more** Union **priorities** for rural development and shall cover **two or more** of the following elements:

(a) one or more of the statutory management requirements and/or standards for good agricultural and environmental conditions provided for in Chapter I of Title VI of Regulation (EU) No HR/2012;

(b) where applicable, the agricultural practices beneficial for the climate and the environment as laid down in Chapter 2 of Title III of Regulation (EU) No DP/2012 and the maintenance of the agricultural area as referred to in Article 4(1)(c) of Regulation (EU) No DP/2012;

(c) the requirements or actions related to climate change mitigation and adaptation, biodiversity, the protection of water and soil, animal and plant disease notification and innovation as laid down in Annex I to Regulation (EU) No HR/2012;

(d) the sustainable development of the economical activity of the small farms as defined by the Member States and at least of the farms participating in the Small farmers scheme referred to in Title V of

Regulation (EU) No DP/2012; or
(e) where relevant, occupational safety standards based on Union legislation.

Advice may also cover other issues linked to the economic, agricultural and environmental performance of the agricultural holding.

5. Advice to forest holders shall cover as a minimum the relevant obligations under Directives 92/43/EEC, 2009/147/EC and 2000/60/EC. It may also cover issues linked to the economic and environmental performance of the forest holding.

6. Advice to SMEs may cover issues linked to the economic and environmental performance of the enterprise.

7. Where justified and appropriate, advice may be partly provided in group, while taking into account the situations of the individual user of advisory services.

Regulation (EU) No DP/2012; or
(e) where relevant, occupational safety *or farm safety* standards based on Union *or national* legislation;

(ea) support for the setting up of young farmers or new farmers, access to land and loans for setting up a farm, or any of these;

(eb) the sustainable development of the economic activities of agricultural holdings in line with all measures recommended in the rural development programmes, including farm modernisation, competitiveness building, sectoral integration and the development of organic farming;

(ec) specific advisory services supporting local processing and short distance marketing including training and the implementation of adapted hygiene rules and food safety standards;

(ed) the "One health" aspects of animal husbandry.

Advice may also cover other issues linked to the economic, agricultural and environmental performance of the agricultural holding.

5. Advice to forest holders shall cover as a minimum the relevant obligations under Directives 92/43/EEC, 2009/147/EC and 2000/60/EC. It may also cover issues linked to the economic and environmental performance of the forest holding.

6. Advice to SMEs may cover issues linked to the economic and environmental performance of the enterprise. ***Priority may be given to micro-enterprises and to SMEs linked to the agriculture and forestry sectors.***

7. Where justified and appropriate, advice may be partly provided in group, while taking into account the situations of the individual user of advisory services.

8. Support under paragraphs 1(a) and (c) shall be limited to the maximum amounts laid down in Annex I. Support under paragraph 1(b) shall be degressive over a maximum period of five years from setting up.

9. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the further specification of the minimum qualifications of the authorities or bodies providing advice.

8. Support under paragraphs 1(a) and (c) shall be limited to the maximum amounts laid down in Annex I. Support under paragraph 1(b) shall be degressive over a maximum period of five years from setting up.

9. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the further specification of the minimum qualifications of the authorities or bodies providing advice.

Or. en

Amendment 7

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 18, 749, 755-759, 762, 767, 770, 771, 776-778, 780, 782, 784, 786, 787, 790-795, 800, 802, 806

Proposal for a regulation

Article 17

Text proposed by the Commission

Article 17

Quality schemes for agricultural products and foodstuffs

1. Support under this measure shall cover new participation by farmers in:

(a) quality schemes for agricultural products, cotton or foodstuffs established by Union legislation;

(b) quality schemes for agricultural products, cotton or foodstuffs recognised by the Member States as complying with the following criteria:

(i) the specificity of the final product under such schemes is derived from clear obligations to guarantee:

- specific product characteristics, or
- specific farming or production methods,

Amendment

Article 17

Quality schemes for agricultural products and foodstuffs

1. Support under this measure shall cover new participation by farmers, **producer groups and producer organisations** in:

(a) quality schemes for agricultural products, cotton or foodstuffs established by Union legislation;

(b) quality schemes for agricultural products, cotton or foodstuffs recognised by the Member States as complying with the following criteria:

(i) the specificity of the final product under such schemes is derived from clear obligations to guarantee:

- specific product characteristics, or
- specific farming or production methods,

or

- a quality of the final product that goes significantly beyond the commercial commodity standards as regards public, animal or plant health, animal welfare or environmental protection;

- (ii) the scheme is open to all producers;
- (iii) the scheme involves binding product specifications and compliance with those specifications is verified by public authorities or by an independent inspection body;
- (iv) the scheme is transparent and assures complete traceability of products;

or

(c) voluntary agricultural product certification schemes recognised by the Member States as meeting the Union best practice guidelines for the operation of voluntary certification schemes relating to agricultural products and foodstuffs.

2. Support shall be granted as an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from participation in supported schemes, for a maximum duration of five years.

or

- a quality of the final product that goes significantly beyond the commercial commodity standards as regards public, animal or plant health, animal welfare or environmental protection; *or*

- short and local food supply chains

- (ii) the scheme is open to all producers;
- (iii) the scheme involves binding product specifications and compliance with those specifications is verified by public authorities or by an independent inspection body;
- (iv) the scheme is transparent and assures complete traceability of products;

or

(c) voluntary agricultural-product ***and farm*** certification schemes recognised by the Member States as meeting the Union best practice guidelines for the operation of voluntary certification schemes relating to agricultural products and foodstuffs.

1a. Support may also cover costs arising to farmers or producer groups and producer organisations from information and promotion activities for products under the quality schemes referred to in paragraph 1(a) and (b).

2. Support shall be granted as an annual incentive payment, the level of which shall be determined according to the level of the fixed costs arising from participation in supported schemes, for a maximum duration of five years.

By way of derogation from paragraph 1, support may also be provided to beneficiaries who participated in a similar scheme during the programming period 2007-2013, provided that double payments are excluded and that the overall maximum duration of five years is complied with. Support shall be paid annually on presentation of documents

For the purposes of this paragraph, 'fixed costs' means the costs incurred for entering a supported quality scheme and the annual contribution for participating in that scheme, including, where necessary, expenditure on checks required to verify compliance with the specifications of the scheme.

3. Support shall be limited to the maximum amount laid down in Annex I.

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the specific Union quality schemes to be covered by paragraph 1(a).

proving participation in the scheme. However, the producer shall make a single application covering a five-year period.

For the purposes of this paragraph, 'fixed costs' means the costs incurred for entering a supported quality scheme and the annual contribution for participating in that scheme, including, where necessary, expenditure on checks required to verify compliance with the specifications of the scheme.

3. Support shall be limited to the maximum amount laid down in Annex I. ***Where support is provided to producer groups in accordance with paragraph 1a, Member States may fix a different maximum amount.***

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the specific Union quality schemes to be covered by paragraph 1(a).

Or. en

Amendment 8

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 19-22, 812-814, 817-819, 828, 829, 833, 834, 837, 838, 841, 850, 853, 855, 867-877, 884, 886, 903, 904, 995

Proposal for a regulation

Article 18

Text proposed by the Commission

Article 18

Investments in physical assets

1. Support under this measure shall cover tangible and/or intangible investments which:

(a) improve the overall performance of the agricultural holding;

Amendment

Article 18

Investments in physical assets

1. Support under this measure shall cover tangible and/or intangible investments which:

(a) improve the overall performance ***and sustainability*** of the agricultural holding, ***including its resource efficiency and***

(b) concern the processing, marketing **and/or** development of agricultural products covered by Annex I to the Treaty or cotton. *The* output of the production process may be a product not covered by that Annex;

(c) concern infrastructure related to the development **and** adaptation of agriculture, including access to farm and forest land, land consolidation and improvement, **energy supply** and, **water management**; or

(d) are non productive investments linked to the achievement of agri- and forest-environment commitments, biodiversity conservation status of species and habitat as well as enhancing the public amenity value of a Natura 2000 area or other high nature value area to be defined in the programme.

2. Support under paragraph 1(a) shall be granted to agricultural holdings. ***In the case of investments to support farm restructuring, only farms not exceeding a certain size, to be defined by the Member States in the programme based on the SWOT analysis carried out in relation to the Union priority for rural development “enhancing competitiveness of all types of agriculture and enhancing farm viability”, shall be eligible.***

3. Support under this measure shall be limited to the maximum support rates laid down in Annex I. These maximum rates may be increased for young farmers, collective investments and integrated projects involving support under more than one measure, investments in areas facing significant natural constraints as referred to

greenhouse gas balance;

(b) concern the processing, marketing, **conservation or** development of agricultural products covered by Annex I to the Treaty or cotton, **including such products covered by quality schemes as referred to in Article 17;** *the* output of the production process may be a product not covered by that Annex; **support may be granted for the setting up or development of small scale slaughterhouses;**

(c) concern infrastructure related to the development, **modernisation or** adaptation of agriculture, including access to farm and forest land, land consolidation and improvement, **the supply and saving of energy and water** and **the collective management of land and water**, or

(d) are non productive investments linked to the achievement of agri- and forest-environment commitments, biodiversity conservation status of species and habitat **and to the sustainable management of cynegetic and genetic resources**, as well as enhancing the public amenity value of a Natura 2000 area or other high nature value area to be defined in the programme.

2. Support under paragraph 1(a) shall be granted to agricultural holdings **or to producer groups and organisations.**

3. Support under this measure shall be limited to the maximum support rates laid down in Annex I. These maximum rates may be increased for young farmers **for cooperation projects between small farmers to improve the sustainable productivity of their holdings and to encourage them to diversify into**

in Article 33(3) and operations supported in the framework of the EIP for agricultural productivity and sustainability in accordance with the support rates laid down in Annex I. However, the maximum combined support rate may not exceed 90%.

alternative sources of revenue including processing; for farmers or groups of farmers investing into agro-ecological production systems; for collective investments and integrated projects involving support under more than one measure; ***for*** investments in areas facing significant natural constraints as referred to in Article 33(3) and ***for*** operations supported in the framework of the EIP for agricultural productivity and sustainability in accordance with the support rates laid down in Annex I. However, the maximum combined support rate may not exceed 90%.

4. Paragraph 3 shall not apply to non-productive investments referred to in paragraph 1(d).

4. Paragraph 3 shall not apply to non-productive investments referred to in paragraph 1(d).

4a. Support may be granted in respect of investments made by farmers in order to comply with newly introduced Union standards in the fields of environmental protection, public health, animal and plant health, animal welfare and occupational safety adopted after the entry into force of this Regulation.

Or. en

Amendment 9

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 23-30, 928-930, 980, 967, 970, 985

Proposal for a regulation

Article 20

Text proposed by the Commission

Amendment

Article 20

Article 20

Farm and business development

Farm and business development

1. Support under this measure shall cover:

1. Support under this measure shall cover:

(a) business start-up aid for:

(a) business start-up aid for:

(i) young farmers;

(i) young farmers;

(ii) non-agricultural activities in rural areas;

(iii) the development of small farms;

(b) investments in non-agricultural activities;

(c) **annual** payments for farmers participating in the small farmers scheme established by Title V of Regulation (EU) No DP/2012 (hereafter "the small farmers scheme") who permanently transfer their holding to another farmer.

2. Support under paragraph 1(a)(i) shall be granted to young farmers.

Support under paragraph 1(a)(ii) shall be granted to farmers or members of **the** farm household **diversifying** into non-agricultural activities and to non-agricultural micro- and small- enterprises in rural areas.

Support under paragraph 1(a)(iii) shall be granted to small farms as defined by Member States.

Support under paragraph 1(b) shall be granted to non- agricultural micro- and small- enterprises in rural areas and to farmers or members of the farm household.

Support under paragraph 1(c) shall be granted to farmers participating in the small farmers scheme, at the time of submitting their application for support, for at least one year and who commit to permanently transfer their entire holding and the corresponding payment entitlements to another farmer. Support shall be **paid** from the date of the transfer until 31 December 2020.

(ii) non-agricultural activities **and the provision of agricultural services** in rural areas;

(iii) the development of small farms;

(b) investments in non-agricultural activities;

(c) **one-off** payments for farmers participating in the small farmers scheme established by Title V of Regulation (EU) No DP/2012 (hereafter "the small farmers scheme") who permanently transfer their holding to another farmer;

(ca) payments for farmers who permanently transfer their holding to another farmer with the intention of creating viable economic units.

2. Support under paragraph 1(a)(i) shall be granted to young farmers.

Support under paragraph 1(a)(ii) shall be granted to farmers or members of **a** farm household **who diversify** into non-agricultural activities and to non-agricultural micro- and small- enterprises in rural areas, **including to those engaged in tourism.**

Support under paragraph 1(a)(iii) shall be granted to small farms as defined by Member States.

Support under paragraph 1(b) shall be granted to non- agricultural micro- and small- enterprises in rural areas and to farmers or members of the farm household.

Support under paragraph 1(c) shall be granted to farmers participating in the small farmers scheme, at the time of submitting their application for support, for at least one year and who commit to permanently transfer their entire holding and the corresponding payment entitlements to another farmer. Support shall be **calculated** from the date of the transfer until 31 December 2020.

Support under paragraph 1(ca) shall be

granted to farmers on condition that they:

(a) have practised farming for at least 10 years,

(b) undertake to permanently transfer their entire holding and the corresponding payment entitlements to another farmer and

(c) stop all commercial farming activity definitively.

Member States shall lay down additional criteria for the viability of economic units, which may be subject to support under paragraph 1(ca).

2a. When support is provided under paragraphs 1(a)(ii) or 1(b), priority may be given to non-agricultural activities linked to agriculture and forestry as well as to activities developed by community-led local partnerships.

3. Any natural or legal person or a group of natural or legal persons, whatever legal status is granted to the group and its members by national law, may be considered as a member of a farm household, with the exception of farm workers. Where a legal person or a group of legal persons is considered as a member of the farm household, that member must exercise an agricultural activity on the farm at the time of the support application.

4. Support under paragraph 1(a) shall be conditional on the submission of a business plan. Implementation of the business plan has to start within six months from the date of the decision granting the aid.

Member States shall define upper and lower thresholds for allowing agricultural holdings access to support under paragraphs 1(a)(i) and 1(a)(iii) respectively. The lower threshold for support under paragraph 1(a)(i) shall be significantly higher than the upper threshold for support under paragraph 1(a)(iii). Support shall, however, be limited

3. Any natural or legal person or a group of natural or legal persons, whatever legal status is granted to the group and its members by national law, may be considered as a member of a farm household, with the exception of farm workers. Where a legal person or a group of legal persons is considered as a member of the farm household, that member must exercise an agricultural activity on the farm at the time of the support application.

4. Support under paragraph 1(a) shall be conditional on the submission of a business plan. Implementation of the business plan has to start within six months from the date of the decision granting the aid.

Member States shall define upper and lower thresholds for allowing agricultural holdings access to support under paragraphs 1(a)(i) and 1(a)(iii) respectively. The lower threshold for support under paragraph 1(a)(i) shall be significantly higher than the upper threshold for support under paragraph 1(a)(iii). Support shall, however, be limited

to holdings coming under the definition of micro- and small- enterprises.

5. Support under paragraph 1(a) shall be in the form of a flat rate payment, which may be paid in at least two instalments over a period of maximum five years. Instalments may be degressive. The payment of the last instalment, under paragraph 1(a)(i) and (ii) shall be conditional upon the correct implementation of the business plan.

6. The maximum amount of support for paragraph 1(a) is laid down in Annex I. Member States shall define the amount of support under paragraph 1(a)(i) and (ii) also taking into account the socio-economic situation of the programme area.

7. Support under paragraph 1(c) shall be equal to 120% of the annual payment that the beneficiary received under the small farmers scheme.

8. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the minimum content of business plans and the criteria to be used by Member States for setting the thresholds referred to in paragraph 4.

to holdings coming under the definition of micro- and small- enterprises.

Support under paragraph 1(a)(i) may also be targeted at land leasing for young farmers, and may take the form of a bank guarantee for land lease contracts and support for interest rates.

5. Support under paragraph 1(a) shall be in the form of a flat rate payment, which may be paid in at least two instalments over a period of maximum five years. Instalments may be degressive. The payment of the last instalment, under paragraph 1(a)(i) and (ii) shall be conditional upon the correct implementation of the business plan.

6. The maximum amount of support for paragraph 1(a) is laid down in Annex I. Member States shall define the amount of support under paragraph 1(a)(i) and (ii) also taking into account the socio-economic situation of the programme area.

7. Support under paragraph 1(c) shall be equal to 120% of the annual payment that the beneficiary received under the small farmers scheme, ***calculated for the period from the date of the transfer until 31 December 2020. The corresponding amount shall be paid in the form of a one-off payment.***

7a. Support under paragraph 1(ca) shall be granted in the form of a one-off payment up to the maximum amount laid down in Annex I.

8. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the minimum content of business plans and the criteria to be used by Member States for setting the thresholds referred to in paragraph 4.

Or. en

Amendment 10

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 31, 32, 1036, 1038, 1042

Proposal for a regulation

Article 21

Text proposed by the Commission

Article 21

Basic services and village renewal in rural areas

1. Support under this measure shall cover in particular:

(a) the drawing up and updating of plans for the development of municipalities in rural areas and their basic services and of protection and management plans relating to NATURA 2000 sites and other areas of high nature value;

(b) investments in the creation, improvement or expansion of all types of small scale infrastructure, including investments in renewable energy;

(c) broadband infrastructure, including its creation, improvement and expansion, passive broadband infrastructure and provision of access to broadband and public e-government solutions;

(d) investments in the setting-up, improvement or expansion of local basic services for the rural population, including leisure and culture, and the related infrastructure;

(e) investments *by* public *bodies* in recreational infrastructure, tourist information and sign-posting of touristic sites;

(f) studies and investments associated with the maintenance, restoration and upgrading

Amendment

Article 21

Basic services and village renewal in rural areas

1. Support under this measure shall cover in particular:

(a) the drawing up and updating of plans for the development of municipalities in rural areas and their basic services and of protection and management plans relating to NATURA 2000 sites and other areas of high nature value;

(b) investments in the creation, improvement or expansion of all types of small scale infrastructure, including *the development and expansion of local marketing and agro-tourism; and* investments in renewable energy, *energy saving systems and sustainable resource and waste management systems;*

(c) broadband infrastructure, including its creation, improvement and expansion, passive broadband infrastructure and provision of access to broadband and public e-government solutions;

(d) investments in the setting-up, improvement or expansion of local basic services for the rural population, including leisure and culture, and the related infrastructure;

(e) investments *for* public *benefit* in recreational infrastructure, tourist information, *small scale tourist infrastructure, marketing of rural tourism services* and sign-posting of touristic sites;

(f) studies and investments associated with the maintenance, restoration and upgrading

of the cultural and natural heritage of villages and rural landscapes, including related socio-economic aspects;

(g) investments targeting the relocation of activities and conversion of buildings or other facilities located close to rural settlements, with a view to improving the quality of life or increasing the environmental performance of the settlement.

2. Support under this measure shall only concern small-scale infrastructure, as defined by each Member State in the programme. However, rural development programmes may provide for specific derogations from this rule for investments in broadband and renewable energy. In this case, clear criteria ensuring complementarity with support under other Union instruments shall be provided.

3. Investments under paragraph 1 shall be eligible for support where the relevant operations are implemented in accordance with plans for the development of municipalities in rural areas and their basic services, where such plans exist and shall be consistent with any local development strategy where one exists.

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the definition of the types of renewable energy infrastructure that shall be eligible for support under this measure.

of the cultural and natural heritage of villages and rural landscapes, including related socio-economic aspects;

(g) investments targeting the relocation of activities and conversion of buildings or other facilities located close to rural settlements, with a view to improving the quality of life or increasing the environmental performance of the settlement.

Priority may be given to investment in community-led local development initiatives and investment projects that are subject to community ownership and control.

2. Support under this measure shall only concern small-scale infrastructure, as defined by each Member State in the programme. However, rural development programmes may provide for specific derogations from this rule for investments in broadband and renewable energy. In this case, clear criteria ensuring complementarity with support under other Union instruments shall be provided.

3. Investments under paragraph 1 shall be eligible for support where the relevant operations are implemented in accordance with plans for the development of municipalities in rural areas and their basic services, where such plans exist and shall be consistent with any local development strategy where one exists.

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the definition of the types of renewable energy infrastructure that shall be eligible for support under this measure.

Or. en

Amendment 11
Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 33, 1085, 1095

Proposal for a regulation

Article 22

Text proposed by the Commission

Article 22

Investments in forest area development and improvement of the viability of forests

1. Support under this measure shall concern:
- (a) afforestation and creation of woodland;
 - (b) establishment of agro-forestry systems;
 - (c) prevention and restoration of damage to forests from forest fires and natural disasters, including pest and disease outbreaks, catastrophic events and climate related threats;
 - (d) investments improving the resilience and environmental value as well as the mitigation potential of forest ecosystems;
 - (e) investments in *new* forestry technologies and in processing and marketing of forest products.

2. Limitations on ownership of forests provided for in Articles **36** to **40** shall not apply *for* the tropical or subtropical forests and *for* the wooded areas of the territories of the Azores, Madeira, the Canary islands, the smaller Aegean islands within the meaning of Council Regulation (EEC) No 2019/93 and the French overseas departments.

For holdings above a certain size, to be determined by the Member States in the programme, support shall be conditional on the *submission* of a forest management plan or equivalent instrument in line with

Amendment

Article 22

*Investments in **sustainable** forest area development and improvement of the viability of forests*

1. Support under this measure shall concern:
- (a) afforestation and creation of woodland;
 - (b) establishment of agro-forestry systems;
 - (c) prevention and restoration of damage to forests from forest fires and natural disasters, including pest and disease outbreaks, catastrophic events and climate related threats;
 - (d) investments improving the resilience and environmental value as well as the mitigation potential of forest ecosystems;
 - (e) investments in *improved* forestry technologies and in *the* processing, *mobilising* and marketing of forest products.

2. Limitations on ownership of forests provided for in Articles **23** to **27** shall not apply *to* the tropical or subtropical forests and *to* the wooded areas of the territories of the Azores, Madeira, the Canary islands, the smaller Aegean islands within the meaning of Council Regulation (EEC) No 2019/93 *of 19 July 1993 introducing specific measures for the smaller Aegean islands concerning certain agricultural products* and the French overseas departments.

For holdings above a certain size, to be determined by the Member States in the programme, support shall be conditional on the *presentation of the relevant information from* a forest management

sustainable forest management as defined by the Ministerial Conference on the Protection of Forests in Europe of 1993 (hereinafter "sustainable forest management").

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the conditions for establishing the occurrence of a natural disaster or of pests and diseases outbreaks, and the definition of eligible types of preventive actions.

plan or equivalent instrument in line with sustainable forest management as defined by the Ministerial Conference on the Protection of Forests in Europe of 1993 (hereinafter "sustainable forest management").

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the conditions for establishing the occurrence of a natural disaster or of pests and diseases outbreaks, and the definition of eligible types of preventive actions.

Or. en

Amendment 12

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 34, ENVI 77-78

Proposal for a regulation

Article 23

Text proposed by the Commission

Article 23

Afforestation and creation of woodland

1. Support under Article 22(1)(a) shall be granted to private land-owners and tenants, municipalities and their associations and shall cover the costs of establishment and an annual premium per hectare to cover the costs of maintenance, including early and late cleanings, for a maximum period of **ten** years.

2. Both agricultural and non-agricultural land shall be eligible. Species planted shall be adapted to the environmental and climatic conditions of the area and **answer to** minimum environmental requirements. No support shall be granted for the planting of short rotation **coppice**, Christmas trees or fast growing trees for energy production. In areas where afforestation is made

Amendment

Article 23

Afforestation and creation of woodland

1. Support under Article 22(1)(a) shall be granted to private land-owners and tenants, municipalities and their associations and shall cover the costs of establishment and an annual premium per hectare to cover the costs of maintenance, including early and late cleanings, for a maximum period of **fifteen** years.

2. Both agricultural and non-agricultural land shall be eligible. Species planted shall be adapted to the environmental and climatic conditions of the area and **comply with** minimum environmental requirements. No support shall be granted for the planting of **trees for** short rotation **coppicing**, Christmas trees or fast growing trees for energy production. In areas where

difficult by severe pedo-climatic conditions support may be provided for planting other perennial woody species such as shrubs or bushes suitable to the local conditions.

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 **concerning** the definition of the minimum environmental requirements referred to in paragraph 2.

afforestation is made difficult by severe pedo-climatic conditions support may be provided for planting other perennial woody species such as shrubs or bushes suitable to the local conditions. ***In order to avoid detrimental impacts on the environment or biodiversity, Member States may designate areas as unsuitable for afforestation.***

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 **laying down** the definition of the minimum environmental requirements referred to in paragraph 2, ***which shall take into account the diversity of forest ecosystems throughout the Union.***

Or. en

Amendment 13

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 36, 1155, 1158

Proposal for a regulation

Article 24

Text proposed by the Commission

Article 24

Establishment of agro-forestry systems

1. Support under Article 22(1)(b) shall be granted to private landowners, tenants, municipalities and their associations and shall cover the costs of establishment and an annual premium per hectare to cover the costs of maintenance for a maximum period of **three** years.

2. "Agro-forestry systems" shall mean land use systems in which trees are grown in combination with extensive agriculture on the same land. **The** maximum number of trees to be planted per hectare **shall be determined by the Member States** taking account of local pedo-climatic conditions,

Amendment

Article 24

Establishment of agro-forestry systems

1. Support under Article 22(1)(b) shall be granted to private landowners, tenants, municipalities and their associations and shall cover the costs of establishment and an annual premium per hectare to cover the costs of maintenance for a maximum period of **five** years.

2. "Agro-forestry systems" shall mean land use systems in which trees are grown in combination with extensive agriculture on the same land. **Member States shall determine the minimum and** maximum number of trees to be planted **or preserved** per hectare, taking account of local pedo-

forestry species and the need to ensure agricultural use of the land.

3. Support shall be limited to the maximum support rate laid down in Annex I.

climatic **and environmental** conditions, forestry species and the need to ensure **sustainable** agricultural use of the land.

3. Support shall be limited to the maximum support rate laid down in Annex I.

Or. en

Amendment 14

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 1173, 1202, 1203

Proposal for a regulation

Article 25

Text proposed by the Commission

Article 25

Prevention and restoration of damage to forests from forest fires and natural disasters and catastrophic events

1. Support under Article 22(1)(c) shall be granted to private, semi public and public forest owners, municipalities, state forests and their associations and shall cover the costs for:

(a) the establishment of protective infrastructure. In the case of firebreaks support may also cover aid contributing to maintenance costs. No support shall be granted for agricultural related activities in areas covered by agri-environment commitments;

(b) local, small scale prevention activities against fire or other natural hazards;

(c) establishing and improving forest fire, pest and diseases monitoring facilities and communication equipment;

(d) restoring forest potential damaged from fires and other natural disasters including

Amendment

Article 25

Prevention and restoration of damage to forests from forest fires and natural disasters and catastrophic events

1. Support under Article 22(1)(c) shall be granted to private, semi public and public forest owners, municipalities, state forests and their associations and shall cover the costs for:

(a) the establishment of protective infrastructure. In the case of firebreaks support may also cover aid contributing to maintenance costs. No support shall be granted for agricultural related activities in areas covered by agri-environment commitments. ***Support may be given to livestock farmers whose grazing animals prevent fires through their grazing activity.***

(b) local, small scale prevention activities against fire or other natural hazards;

(c) establishing and improving forest fire, pest and diseases monitoring facilities and communication equipment; ***and***

(d) restoring forest potential damaged from fires and other natural disasters including

pests, diseases as well as catastrophic events and climate change related events.

2. In the case of preventive actions concerning pests and diseases, the risk of a relevant disaster occurrence must be supported by scientific evidence and acknowledged by scientific public organisations. Where relevant, the list of species of organisms harmful to plants which may cause a disaster must be provided in the programme.

Eligible operations shall be consistent with the forest protection plan established by the Member States. For holdings above a certain size, to be determined by the Member States in the programme, support shall be conditional on the submission of a forest management plan detailing the preventive objectives

Forest areas classified as medium to high forest fire risk according to the forest protection plan established by the Member States shall be eligible for support relating to forest fire prevention. Forest areas classified as medium to high forest fire risk according to the forest protection plan established by the Member States shall be eligible for support relating to forest fire prevention.

3. Support under paragraph 1(d) shall be subject to the formal recognition by the competent public authorities of Member States that a natural disaster has occurred and that this disaster, or measures adopted in accordance with Directive 2000/29/EC to eradicate or contain a plant disease or pest **has caused the destruction of at least 30%** of the relevant forest potential. **This percentage** shall be determined on the basis of either the average existing forest potential in the three-year period immediately preceding the disaster or on the average of the five-year period immediately preceding the disaster, excluding the highest and the lowest entry.

pests, diseases as well as catastrophic events and climate change related events.

2. In the case of preventive actions concerning pests and diseases, the risk of a relevant disaster occurrence must be supported by scientific evidence and acknowledged by scientific public organisations. Where relevant, the list of species of organisms harmful to plants which may cause a disaster must be provided in the programme.

Eligible operations shall be consistent with the forest protection plan established by the Member States. For holdings above a certain size, to be determined by the Member States in the programme, support shall be conditional on the submission of a forest management plan detailing the preventive objectives

Forest areas classified as medium to high forest fire risk according to the forest protection plan established by the Member States shall be eligible for support relating to forest fire prevention. Forest areas classified as medium to high forest fire risk according to the forest protection plan established by the Member States shall be eligible for support relating to forest fire prevention.

3. Support under paragraph 1(d) shall be subject to the formal recognition by the competent public authorities of Member States that a natural disaster has occurred and that this disaster, or measures adopted in accordance with Directive 2000/29/EC to eradicate or contain a plant disease or pest, **have caused significant** destruction of the relevant forest potential **with a threshold to be defined by Member States.** **The extent of the damage** shall be determined on the basis of either the average existing forest potential in the three-year period immediately preceding the disaster or on the average of the five-year period immediately preceding the disaster, excluding the highest and the

4. No support under this measure shall be granted for loss of income resulting from the natural disaster.

Member States shall ensure that overcompensation as a result of the combination of this measure and other national or Union support instruments or private insurance schemes is avoided.

lowest entry.

4. No support under this measure shall be granted for loss of income resulting from the natural disaster.

Member States shall ensure that overcompensation as a result of the combination of this measure and other national or Union support instruments or private insurance schemes is avoided.

Or. en

Amendment 15

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 1095, 1096

Proposal for a regulation

Article 27

Text proposed by the Commission

Article 27

*Investments in **new** forestry technologies and in processing and marketing of forest products*

1. Support under Article 22(1)(e) shall be granted to private forest owners, municipalities and their associations and to SMEs for investments enhancing forestry potential or relating to processing and marketing adding value to forest products. In the territories of the Azores, Madeira, the Canary islands, the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93 and the French overseas departments support may also be granted to enterprises that are not SMEs.

Amendment

Article 27

*Investments in **improved** forestry technologies and in processing, **mobilising** and marketing of forest products*

1. Support under Article 22(1)(e) shall be granted to private forest owners, municipalities and their associations and to SMEs for investments enhancing forestry potential or relating to processing, **mobilising** and marketing adding value to forest products. In the territories of the Azores, Madeira, the Canary islands, the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93 and the French overseas departments support may also be granted to enterprises that are not SMEs.

Support shall be granted only to investments and technologies that comply with Regulation No (EU) 995/2010 and that do not harm biodiversity or other forest ecosystem services.

2. Investments related to the improvement of the economic value of forests shall be at the level of the forest holding and may include investments for soil and resource friendly harvesting machinery and practices.

3. Investments related to the use of wood as a raw material or energy source shall be limited to all working operations prior to industrial processing.

4. Support shall be limited to the maximum support rates laid down in Annex I.

2. Investments related to the improvement of the economic value of forests shall be at the level of the forest holding and may include investments for soil and resource friendly harvesting machinery and practices.

3. Investments related to the use of wood as a raw material or energy source shall be limited to all working operations prior to industrial processing.

4. Support shall be limited to the maximum support rates laid down in Annex I.

Or. en

Amendment 16

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 40, 1250-1254, 1276

Proposal for a regulation

Article 28

Text proposed by the Commission

Article 28

Setting up of producer groups

1. Support under this measure shall be granted in order to facilitate the setting up of producer groups in the agriculture and forestry sectors for the purpose of:

(a) adapting the production and output of producers who are members of such groups to market requirements;

(b) jointly placing goods on the market, including preparation for sale, centralisation of sales and supply to bulk buyers;

(c) establishing common rules on production information, with particular regard to harvesting and availability; and

(d) other activities that may be carried out

Amendment

Article 28

*Setting up of producer groups **and organisations***

1. Support under this measure shall be granted in order to facilitate the setting up **and development** of producer groups **and organisations** in the agriculture and forestry sectors for the purpose of:

(a) adapting the production and output of producers who are members of such groups to market requirements;

(b) jointly placing goods on the market, including preparation for sale, centralisation of sales and supply to bulk buyers;

(c) establishing common rules on production information, with particular regard to harvesting and availability; and

(d) other activities that may be carried out

by producer groups, such as development of business and marketing skills and organisation and facilitation of innovation processes.

2. Support shall be granted to producer groups which are officially recognised by the Member States' competent authority on the basis of a business plan. ***It shall be limited*** to producer groups ***coming under*** the definition of SMEs.

Member States shall verify that the objectives of the business plan have been reached within five years after recognition of the producer group.

3. The support shall be paid as a flat rate aid in annual instalments for the first five years following the date on which the producer group was recognised on the basis of its business plan. It shall be calculated on the basis of the group's annual marketed production. Member States shall pay the last instalment only after having verified the correct implementation of the business plan.

In the first year Member States may pay support to the producer group calculated on the basis of the average annual value of the marketed production of its members over the three years before they entered the group. In the case of producer groups in the forestry sector, support shall be calculated on the basis of the average marketed production of the members of the group over the last five years before the recognition, excluding the highest and the lowest value.

4. Support shall be limited to the maximum rates and amounts laid down in Annex I.

by producer groups, such as development of business and marketing skills and organisation and facilitation of innovation processes.

2. Support shall be granted to producer groups which are officially recognised by the Member States' competent authority on the basis of a business plan. ***Priority may be given to producer groups of quality products covered by Article 17 as well as to micro-enterprises. No support shall be granted*** to producer groups ***which do not satisfy the criteria in*** the definition of SMEs.

Member States shall verify that the objectives of the business plan have been reached within five years after recognition of the producer group.

3. The support shall be paid as a flat rate aid in annual instalments for the first five years following the date on which the producer group was recognised on the basis of its business plan. It shall be calculated on the basis of the group's annual marketed production. Member States shall pay the last instalment only after having verified the correct implementation of the business plan.

In the first year Member States may pay support to the producer group calculated on the basis of the average annual value of the marketed production of its members over the three years before they entered the group. In the case of producer groups in the forestry sector, support shall be calculated on the basis of the average marketed production of the members of the group over the last five years before the recognition, excluding the highest and the lowest value.

4. Support shall be limited to the maximum rates and amounts laid down in Annex I.

Or. en

Amendment 17

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 1290, 1292, 1317-1320, 1324, 1326, 1329, 1333, 1334, 1340

Proposal for a regulation

Article 29

Text proposed by the Commission

Article 29

Agri-environment- climate

1. Member States shall make support under this measure available throughout their territories, in accordance with their national, regional or local specific needs and priorities. Inclusion *of* this measure in rural development programmes shall be compulsory.

2. Agri-environment-climate payments shall be granted to farmers, groups of farmers or groups of farmers and other land-managers who undertake, on a voluntary basis, to carry out operations consisting of one or more agri-environment-climate commitments on agricultural land. Where duly justified to achieve environmental objectives, agri-environment-climate payments may be granted to other land-managers or groups of other land-managers.

Amendment

Article 29

Agri-environment- climate

1. Member States shall make support under this measure available throughout their territories, in accordance with their national, regional or local specific needs and priorities. This measure ***shall be targeted to the preservation as well as the promotion of the necessary changes into agricultural practices that make a positive contribution to the environment and climate. Its*** inclusion in rural development programmes shall be compulsory.

2. Agri-environment-climate payments shall be granted to farmers, groups of farmers or groups of farmers and other land-managers who undertake, on a voluntary basis, to carry out operations consisting of one or more agri-environment-climate commitments on agricultural land ***or on land suitable for agriculture. Agri-environmental programmes shall target examples of best practice (according to the "forerunner principle"), including those relating to soil management, water management, biodiversity, nutrient recycling and ecosystem maintenance, and prioritise investment in these techniques. Programmes shall seek to spread best practice throughout the territory of the programme. Climate schemes may target the improvement of the greenhouse gas reduction performance of the entire agricultural holding or farm system.***

3. Agri-environment-climate payments cover only those commitments going beyond the relevant mandatory standards established pursuant to Chapter I of Title VI of Regulation (EU) No HR/2012 and **other** relevant obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012, relevant minimum requirements for fertiliser and plant protection products use as well as other relevant mandatory requirements established by national legislation. All such mandatory requirements shall be identified in the programme.

4. Member States shall endeavour to provide persons undertaking to carry out operations under this measure with the knowledge and information required to implement them, including by commitment-related expert advice and/or by making support under this measure conditional to relevant training.

5. Commitments under this measure shall be undertaken for a period of five to seven years. However, where necessary in order to achieve or maintain the environmental benefits sought, Member States may determine a longer period in their rural development programmes for particular types of commitments, including by means of providing for their annual extension after the termination of the initial period.

6. Payments shall be granted annually and shall compensate beneficiaries for all or part of the additional costs and income foregone resulting from the commitments

Where duly justified to achieve environmental objectives, agri-environment-climate payments may be granted to other land-managers or groups of other land-managers.

3. Agri-environment-climate payments cover only those commitments going beyond the relevant mandatory standards established pursuant to Chapter I of Title VI of Regulation (EU) No HR/2012 and **all** relevant obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012, relevant minimum requirements for fertiliser and plant protection products use as well as other relevant mandatory requirements established by national legislation. All such mandatory requirements shall be identified in the programme.

4. Member States shall endeavour to provide persons undertaking to carry out operations under this measure with the knowledge and information required to implement them, including by commitment-related expert advice and/or by making support under this measure conditional to relevant training.

5. Commitments under this measure shall be undertaken for a period of five to seven years. However, where necessary in order to achieve or maintain the environmental benefits sought, Member States may determine a longer period in their rural development programmes for particular types of commitments, including by means of providing for their annual extension after the termination of the initial period.

For new commitments directly following the commitment performed in the initial period, Member States may provide for a shorter period in their rural development programmes.

6. Payments shall be granted annually and shall compensate beneficiaries for all or part of the additional costs and income foregone resulting from the commitments

made. Where necessary they may also cover transaction costs to a value of up to 20% of the premium paid for the agri-environment-climate commitments. Where commitments are *undertaken by groups of farmers*, the maximum level shall be 30%.

7. Where required for ensuring the efficient application of the measure, Member States may use the procedure referred to in Article 49(3) for the selection of beneficiaries.

8. Support shall be limited to the maximum amounts laid down in Annex I.

No support under this measure may be granted for commitments that are covered under the organic farming measure.

9. Support may be provided for the conservation of genetic resources in agriculture for operations not covered by the provisions under paragraphs 1 to 8.

10. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the annual extension of the commitments after the initial period of the operation, conditions applicable to commitments to extensify or manage differently livestock farming, to limit fertilisers, plant protection products or other inputs, to rear local breeds in danger of being lost to farming or to preserve plant genetic resources as well as concerning

made. Where necessary they may also cover transaction costs to a value of up to 20% of the premium paid for the agri-environment-climate commitments. Where commitments are *part of a collective action*, the maximum level shall be 30%.

No support from EARDF shall be granted for commitments covered by Chapter 2 of Title III of Regulation (EU) No DP/2012.

6a. For operations concerning environmental conservation, Member States may, in duly justified cases, by way of derogation from paragraph 6, grant support as a flat rate or one-off payment per unit in respect of commitments to renounce commercial use of areas. Such support shall be calculated on the basis of additional costs incurred and income foregone.

7. Where required for ensuring the efficient application of the measure, Member States may use the procedure referred to in Article 49(3) for the selection of beneficiaries.

8. Support shall be limited to the maximum amounts laid down in Annex I.

No support under this measure may be granted for commitments that are covered under the organic farming measure.

9. Support may be provided for the conservation *and^{for the} sustainable use and development* of genetic resources in agriculture for operations not covered by the provisions under paragraphs 1 to 8.

10. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the annual extension of the commitments after the initial period of the operation, conditions applicable to commitments to extensify or manage differently livestock farming, to limit fertilisers, plant protection products or other inputs, to rear local breeds in danger of being lost to farming or to preserve plant genetic resources as well as concerning

definition of eligible operations under paragraph 9.

definition of eligible operations under paragraph 9.

Or. en

Amendment 18

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 1290, 1292, 1317-1320, 1324, 1326, 1329, 1333, 1334, 1340

Proposal for a regulation

Article 29

Text proposed by the Commission

Amendment

Article 29

Article 29

Agri-environment- climate

Agri-environment- climate

1. Member States shall make support under this measure available throughout their territories, in accordance with their national, regional or local specific needs and priorities. Inclusion *of* this measure in rural development programmes shall be compulsory.

1. Member States shall make support under this measure available throughout their territories, in accordance with their national, regional or local specific needs and priorities. This measure ***shall be targeted to the preservation as well as the promotion of the necessary changes into agricultural practices that make a positive contribution to the environment and climate. Its*** inclusion in rural development programmes shall be compulsory.

2. Agri-environment-climate payments shall be granted to farmers, groups of farmers or groups of farmers and other land-managers who undertake, on a voluntary basis, to carry out operations consisting of one or more agri-environment-climate commitments on agricultural land. Where duly justified to achieve environmental objectives, agri-environment-climate payments may be granted to other land-managers or groups of other land-managers.

2. Agri-environment-climate payments shall be granted to farmers, groups of farmers or groups of farmers and other land-managers who undertake, on a voluntary basis, to carry out operations consisting of one or more agri-environment-climate commitments on agricultural land ***or on land suitable for agriculture. Agri-environmental programmes shall target examples of best practice (according to the "forerunner principle"), including those relating to soil management, water management, biodiversity, nutrient recycling and ecosystem maintenance, and prioritise investment in these techniques. Programmes shall seek to spread best***

practice throughout the territory of the programme. Climate schemes may target the improvement of the greenhouse gas reduction performance of the entire agricultural holding or farm system.

Where duly justified to achieve environmental objectives, agri-environment-climate payments may be granted to other land-managers or groups of other land-managers.

3. Agri-environment-climate payments cover only those commitments going beyond the relevant mandatory standards established pursuant to Chapter I of Title VI of Regulation (EU) No HR/2012 and other relevant obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012, relevant minimum requirements for fertiliser and plant protection products use as well as other relevant mandatory requirements established by national legislation. All such mandatory requirements shall be identified in the programme.

3. Agri-environment-climate payments cover only those commitments going beyond the relevant mandatory standards established pursuant to Chapter I of Title VI of Regulation (EU) No HR/2012 and other relevant obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012, relevant minimum requirements for fertiliser and plant protection products use as well as other relevant mandatory requirements established by national legislation. All such mandatory requirements shall be identified in the programme.

By way of derogation from Article 129 of Regulation No (EU) 966/2012 on the financial rules applicable to the general budget of the Union, funding from the EAFRD may be used for commitments covered by Chapter 2 of Title III of Regulation (EU) No DP/(2012).

4. Member States shall endeavour to provide persons undertaking to carry out operations under this measure with the knowledge and information required to implement them, including by commitment-related expert advice and/or by making support under this measure conditional to relevant training.

4. Member States shall endeavour to provide persons undertaking to carry out operations under this measure with the knowledge and information required to implement them, including by commitment-related expert advice and/or by making support under this measure conditional to relevant training.

5. Commitments under this measure shall be undertaken for a period of five to seven years. However, where necessary in order to achieve or maintain the environmental benefits sought, Member States may determine a longer period in their rural development programmes for particular

5. Commitments under this measure shall be undertaken for a period of five to seven years. However, where necessary in order to achieve or maintain the environmental benefits sought, Member States may determine a longer period in their rural development programmes for particular

types of commitments, including by means of providing for their annual extension after the termination of the initial period.

6. Payments shall be granted annually and shall compensate beneficiaries for all or part of the additional costs and income foregone resulting from the commitments made. Where necessary they may also cover transaction costs to a value of up to 20% of the premium paid for the agri-environment-climate commitments. Where commitments are ***undertaken by groups of farmers***, the maximum level shall be 30%.

7. Where required for ensuring the efficient application of the measure, Member States may use the procedure referred to in Article 49(3) for the selection of beneficiaries.

8. Support shall be limited to the maximum amounts laid down in Annex I.

No support under this measure may be granted for commitments that are covered under the organic farming measure.

9. Support may be provided for the conservation of genetic resources in agriculture for operations not covered by the provisions under paragraphs 1 to 8.

10. The Commission shall be empowered to adopt delegated acts in accordance with

types of commitments, including by means of providing for their annual extension after the termination of the initial period.

For new commitments directly following the commitment performed in the initial period, Member States may provide for a shorter period in their rural development programmes.

6. Payments shall be granted annually and shall compensate beneficiaries for all or part of the additional costs and income foregone resulting from the commitments made. Where necessary they may also cover transaction costs to a value of up to 20% of the premium paid for the agri-environment-climate commitments. Where commitments are ***part of a collective action***, the maximum level shall be 30%.

6a. For operations concerning environmental conservation, Member States may, in duly justified cases, by way of derogation from paragraph 6, grant support as a flat rate or one-off payment per unit in respect of commitments to renounce commercial use of areas. Such support shall be calculated on the basis of additional costs incurred and income foregone.

7. Where required for ensuring the efficient application of the measure, Member States may use the procedure referred to in Article 49(3) for the selection of beneficiaries.

8. Support shall be limited to the maximum amounts laid down in Annex I.

No support under this measure may be granted for commitments that are covered under the organic farming measure.

9. Support may be provided for the conservation ***and for the sustainable use and development*** of genetic resources in agriculture for operations not covered by the provisions under paragraphs 1 to 8.

10. The Commission shall be empowered to adopt delegated acts in accordance with

Article 90 concerning the annual extension of the commitments after the initial period of the operation, conditions applicable to commitments to extensify or manage differently livestock farming, to limit fertilisers, plant protection products or other inputs, to rear local breeds in danger of being lost to farming or to preserve plant genetic resources as well as concerning definition of eligible operations under paragraph 9.

Article 90 concerning the annual extension of the commitments after the initial period of the operation, conditions applicable to commitments to extensify or manage differently livestock farming, to limit fertilisers, plant protection products or other inputs, to rear local breeds in danger of being lost to farming or to preserve plant genetic resources as well as concerning definition of eligible operations under paragraph 9.

Or. en

Amendment 19

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 43, 1352, 1362-1364

Proposal for a regulation

Article 30

Text proposed by the Commission

Amendment

Article 30

Article 30

Organic farming

Organic farming

1. Support under this measure shall be granted, per hectare of UAA, to farmers or groups of farmers who undertake, on a voluntary basis to convert to or maintain organic farming practices and methods as defined in Council Regulation (EC) No 834/2007.

1. Support under this measure shall be granted, per hectare of UAA, to farmers or groups of farmers who undertake, on a voluntary basis to convert to or maintain organic farming practices and methods as defined in Council Regulation (EC) No 834/2007 ***of 28 June 2007 on organic production and labelling of organic products.***

2. Support shall only be granted for commitments going beyond the relevant mandatory standards established pursuant to Chapter I of Title VI of Regulation (EU) No HR/2012, relevant minimum requirements for fertiliser and plant protection products ***use*** as well as other relevant mandatory requirements established by national legislation. All such requirements shall be identified in the

Support shall only be granted for commitments going beyond the relevant mandatory standards established pursuant to Chapter I of Title VI of Regulation (EU) No HR/2012, ***the relevant obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012,*** relevant minimum requirements for ***the use of*** fertiliser and plant protection products as well as other relevant mandatory requirements established by national

programme.

3. Commitments under this measure shall be undertaken for a period of five to seven years. Where support is granted for the maintenance of organic farming, Member States may provide in their rural development programmes for annual extension after the termination of the initial period.

4. Payments shall be granted annually and shall compensate beneficiaries for all or part of the additional costs and income foregone resulting from the commitments made. Where necessary they may also cover transaction costs to a value of up to 20% of the premium paid for the commitments. Where commitments are undertaken by groups of farmers, the maximum level shall be 30%.

5. Support shall be limited to the maximum amounts laid down in Annex I.

legislation. All such requirements shall be identified in the programme.

3. Commitments under this measure shall be undertaken for a period of five to seven years. ***In order to encourage the uptake of this measure also after 2015, Member States may establish a mechanism to support farmers by a follow-up measure after 2020.*** Where support is granted for the maintenance of organic farming, Member States may provide in their rural development programmes for annual extension after the termination of the initial period.

4. Payments shall be granted annually and shall compensate beneficiaries for all or part of the additional costs and income foregone resulting from the commitments made. Where necessary they may also cover transaction costs to a value of up to 20% of the premium paid for the commitments. Where commitments are undertaken by groups of farmers ***or groups of other land managers***, the maximum level shall be 30%.

5. Support shall be limited to the maximum amounts laid down in Annex I.

5a. In their rural development programmes, Member States shall set out how this measure can be combined with other measures, and in particular with the measures laid down in Articles 17, 18, 28, 29, 31 and 36, in order to expand organic farming and to fulfil environment and rural economic objectives.

Or. en

Amendment 20

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 1368, 1393, 1394, ENVI 104-107

Proposal for a regulation
Article 31

Text proposed by the Commission

Article 31

*Natura 2000 and Water framework
directive payments*

1. Support under this measure shall be granted annually and per hectare of UAA or per hectare of forest in order to compensate beneficiaries for costs incurred and income foregone resulting from disadvantages in the areas concerned, related to the implementation of **Directives** , 92/43/EEC, 2009/147/EC and 2000/60/EC.

2. Support shall be granted to farmers and to private forest owners and associations of forest owners respectively. In duly justified

Amendment

Article 31

*Natura 2000 and Water **Framework
Directive** payments*

1. Support under this measure shall be granted annually and per hectare of UAA or per hectare of forest in order to compensate beneficiaries for costs incurred and income foregone resulting from disadvantages in the areas concerned, related to the implementation of **Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora¹**, **Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds²** and **Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy³**.

For requirements of a permanent nature the support may take the form of a lump sum payment per hectare of UAA or forest to cover full compensation. In this case the requirements shall be recorded as servitudes on the future use of the land in a national land register. In duly justified cases support may be granted based on unitary costs other than hectare unitary costs, such as the number of kilometres of water course.

The support may cover tangible and/or intangible non productive investments which are necessary to comply with requirements linked to Directives 2009/147/EC, 92/43/EEC and 2000/60/EC.

2. Support shall be granted to farmers and to private forest owners and associations of forest owners respectively. In duly justified

cases it may also be granted to other land managers.

3. Support to farmers, linked to Directives 92/43/EEC and 2009/147/EC shall only be granted in relation to disadvantages resulting from requirements that go beyond the good agricultural and environmental condition provided for in Article 94 and Annex II of Council Regulation (EU) No HR/2012.

4. Support to farmers, linked to Directive 2000/60/EC shall only be granted in relation to specific requirements that:

(a) were introduced by Directive 2000/60/EC, are in accordance with the programmes of measures of the river basin management plans for the purpose of achieving the environmental objectives of that Directive and go beyond the measures required to implement other Union legislation for the protection of water;

(b) go beyond the statutory management requirements and the good agricultural and environmental condition provided for in Chapter I of Title VI of Regulation (EU) No HR/2012 and the obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012;

(c) go beyond the level of protection of the Union legislation existing at the time Directive 2000/60/EC was adopted as laid down in Article 4(9) of Directive 2000/60/EC; and

(d) impose major changes in type of land use, and/or major restrictions in farming practice resulting in a significant loss of income.

5. The requirements referred to in

cases it may also be granted to other land managers.

3. Support to farmers, linked to Directives 92/43/EEC and 2009/147/EC shall only be granted in relation to disadvantages resulting from requirements that go beyond the good agricultural and environmental condition provided for in Article 94 and Annex II of Council Regulation (EU) No HR/2012 ***and the relevant obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012. Specific provisions may be foreseen in the rural development programme for cases where these obligations are incompatible in the holding concerned with the objectives of those Directives.***

4. Support to farmers, linked to Directive 2000/60/EC shall only be granted in relation to specific requirements that:

(a) were introduced by Directive 2000/60/EC, are in accordance with the programmes of measures of the river basin management plans for the purpose of achieving the environmental objectives of that Directive and go beyond the measures required to implement other Union legislation for the protection of water;

(b) go beyond the statutory management requirements and the good agricultural and environmental condition provided for in Chapter I of Title VI of Regulation (EU) No HR/2012 and the obligations established under Chapter 2 of Title III of Regulation (EU) No DP/2012;

(c) go beyond the level of protection of the Union legislation existing at the time Directive 2000/60/EC was adopted as laid down in Article 4(9) of Directive 2000/60/EC; and

(d) impose major changes in type of land use, and/or major restrictions in farming practice resulting in a significant loss of income.

5. The requirements referred to in

paragraphs 3 and 4 shall be identified in the programme.

6. The following areas shall be eligible for payments:

(a) Natura 2000 agricultural and forest areas designated pursuant to Directives 92/43/EEC and 2009/147/EC ;

(b) other delimited nature protection areas with environmental restrictions applicable to farming or forests which contribute to the implementation of Article 10 of Directive 92/43/EEC. These areas shall, per rural development programme, not exceed **5%** of the designated Natura 2000 areas covered by its territorial scope;

(c) agricultural areas included in river basin management plans according to Directive 2000/60/EC.

7. Support shall be limited to the maximum amounts laid down in Annex I.

paragraphs 3 and 4 shall be identified in the programme.

6. The following areas shall be eligible for payments:

(a) Natura 2000 agricultural and forest areas designated pursuant to Directives 92/43/EEC and 2009/147/EC ;

(b) other delimited nature protection areas with environmental restrictions applicable to farming or forests which contribute to ***the improvement of populations of species under Annex IV to Directive 92/43/EEC, to the implementation of Article 10 of Directive 92/43/EEC and to all bird species in accordance with Article 1 of Directive 2009/147/EC.*** These areas shall, per rural development programme, not exceed **7%** of the designated Natura 2000 areas covered by its territorial scope;

(c) agricultural ***and forest*** areas included in river basin management plans according to Directive 2000/60/EC.

7. Support shall be limited to the maximum amounts laid down in Annex I.

Member States may, in their financing plans, present separate budgets for payments under Natura 2000 agricultural areas, Natura 2000 forest areas and Water Framework Directive.

¹ OJ L 206, 22.7.1992, p.7.

² OJ L 20, 26.1.2010, p.7.

³ OJ L 327, 22.12.2000, p.1.

Or. en

Amendment 21

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 44, 45, 1405-1410, 1420, 1421

Proposal for a regulation

Article 32

Text proposed by the Commission

Article 32

Payments to areas facing natural or other specific constraints

1. Payments to farmers in mountain areas and other areas facing natural or other specific constraints shall be granted annually per hectare of UAA in order to compensate farmers for additional costs and income foregone related to the constraints for agricultural production in the area concerned.

Additional costs and income foregone shall be calculated in comparison to areas which are not affected by natural or other specific constraints, ***taking into account payments pursuant to Chapter 3 of Title III of Regulation (EU) No DP/2012.***

2. Payments shall be granted to farmers who undertake to pursue their farming activity in the areas designated pursuant to Article 33.

3. Payments shall be fixed between the minimum and maximum amount laid down in Annex I.

Amendment

Article 32

Payments to areas facing natural or other specific constraints

1. Payments to farmers in mountain areas and other areas facing natural or other specific constraints shall be granted annually per hectare of UAA in order to compensate farmers for additional costs and income foregone related to the constraints for agricultural production in the area concerned.

Additional costs and income foregone shall be calculated in comparison to areas which are not affected by natural or other specific constraints. ***Member States shall ensure that overcompensation as a result of the combination of this measure with other national or Union support instruments is avoided.***

When calculating additional costs and income forgone, Member States may, where duly justified, differentiate in order to take into account

- the situation and development objectives peculiar to a region;

- the severity of any permanent natural handicap affecting farming activities;

- the type of production and, where appropriate, the economic structure of the holding.

2. Payments shall be granted to farmers who undertake to pursue their farming activity in the areas designated pursuant to Article 33.

3. Payments shall be fixed between the minimum and maximum amount laid down in Annex I.

Member States may, when duly justified, grant individual payments above the

maximum amount laid down in Annex I, on condition that the maximum amount is respected on average at programming level.

4. Member States shall provide for degressivity of payments above a threshold level of area per holding, to be defined in the programme.

5. Member States may grant payments under this measure *between 2014 and 2017* to farmers in areas which were eligible under Article 36(a)(ii) of Regulation (EC) No 1698/2005 during the 2007-2013 programming period but are no longer eligible following *the* new delimitation referred to in Article 33(3). These payments shall be degressive starting in *2014* at 80% of the payment received *in 2013 and ending in 2017* at 20%.

6. In Member States which have not completed the delimitation referred to in Article 33(3) before 1 January 2014, paragraph 5 shall apply to farmers receiving payments in areas which were eligible for such payments during the 2007-2013 period. Following completion of the delimitation, farmers in areas that remain eligible shall receive full payments under this measure. Farmers in areas that are no longer eligible shall continue to receive payments in accordance with paragraph 5.

4. Member States shall provide for degressivity of payments above a threshold level of area per holding, to be defined in the programme.

5. Member States may grant payments under this measure *for a period of four years* to farmers in areas which were eligible under Article 36(a)(ii) of Regulation (EC) No 1698/2005 during the 2007-2013 programming period but are no longer eligible following *a* new delimitation referred to in Article 33(3). These payments shall be degressive starting, in *the first year*, at 80% of the payment received *during the 2007-2013 programming period and ending, in the fourth year*, at 20%.

Or. en

Amendment 22

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 46, 47, 1433, 1447, 1448

Proposal for a regulation

Article 33

Text proposed by the Commission

Article 33

Designation of areas facing natural and other specific constraints

1. Member States shall, on the basis of paragraphs 2, 3 and 4, designate areas eligible for payments provided for in Article 32 under the following categories:

- (a) mountain areas;
- (b) areas, other than mountain areas, facing significant natural constraints; and
- (c) other areas affected by specific constraints.

2. In order to be eligible for payments under Article 32, mountain areas shall be characterized by a considerable limitation of the possibilities for using the land and by an appreciable increase in production costs due to:

- (a) the existence, because of altitude, of very difficult climatic conditions, the effect of which is substantially to shorten the growing season;
- (b) at a lower altitude, the presence over the greater part of the area in question of slopes too steep for the use of machinery or requiring the use of very expensive special equipment, or a combination of these two factors, where the constraints resulting from each taken separately *is* less acute but the combination of the two gives rise to an equivalent constraints.

Areas north of the *62nd* parallel and certain adjacent areas shall be regarded as mountain areas.

3. In order to be eligible for payments under Article 32, areas, other than mountain areas, shall be considered as facing significant natural constraints if at least 66% of the UAA meets at least one of

Amendment

Article 33

Designation of areas facing natural and other specific constraints

1. Member States shall, on the basis of paragraphs 2, 3 and 4, designate areas eligible for payments provided for in Article 32 under the following categories:

- (a) mountain areas;
- (b) areas, other than mountain areas, facing significant natural constraints; and
- (c) other areas affected by specific constraints.

2. In order to be eligible for payments under Article 32, mountain areas shall be characterized by a considerable limitation of the possibilities for using the land and by an appreciable increase in production costs due to:

- (a) the existence, because of altitude, of very difficult climatic conditions, the effect of which is substantially to shorten the growing season;
- (b) at a lower altitude, the presence over the greater part of the area in question of slopes too steep for the use of machinery or requiring the use of very expensive special equipment, or a combination of these two factors, where the constraints resulting from each taken separately *are* less acute but the combination of the two gives rise to an equivalent constraints.

Areas north of the *62nd* parallel and certain adjacent areas shall be regarded as mountain areas.

3. Member States shall designate areas, other than mountain areas, facing significant natural constraints, as eligible for payments under Article 32. These areas shall be characterised by significant

the criteria listed in Annex II at the threshold value indicated. Respect of this condition shall be ensured at the appropriate level of local administrative units ("LAU 2" level).

When delimiting the areas concerned by this paragraph, Member States shall undertake a fine-tuning exercise, based on objective criteria, with the ^{purpose} of excluding areas in which significant natural constraints in accordance with the first subparagraph have been documented but have been overcome by investments or by economic activity.

4. Areas other than those referred to in paragraphs 2 and 3 shall be eligible for payments under Article 32 if they are affected by specific constraints and where land management should be continued in order to conserve or improve the environment, maintain the countryside and preserve the tourist potential of the area or in order to protect the coastline.

Areas affected by specific constraints shall comprise farming areas which are homogeneous from the point of view of natural protection conditions and their total extent shall not exceed 10% of the area of the Member State concerned.

5. Member States shall attach to their rural development programmes:

(a) the existing or amended delimitation pursuant to paragraphs 2 and 4;

(b) the new delimitation of the areas referred to in paragraph 3.

natural constraints, notably low soil productivity or poor climate conditions and by the fact that maintaining extensive farming activity is important for the management of the land.

By 31 December 2014, the Commission shall present a legislative proposal for mandatory bio-physical criteria and the corresponding threshold values to be applied for the future delimitation, as well as appropriate rules for fine-tuning and transitional arrangements.

4. Areas other than those referred to in paragraphs 2 and 3 shall be eligible for payments under Article 32 if they are affected by specific constraints, **including very low population density**, and where land management should be continued in order to conserve or improve the environment, maintain the countryside and preserve the tourist potential of the area or in order to protect the coastline.

Areas affected by specific constraints shall comprise farming areas which are homogeneous from the point of view of natural protection conditions and their total extent shall not exceed 10% of the area of the Member State concerned.

5. Member States shall attach to their rural development programmes the existing or amended delimitation pursuant to paragraphs 2, 3 and 4.

Or. en

Amendment 23
Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 50, 51, 1486, 1488, 1491, 1494, 1496-1498, 1503, 1504, 1507, 1509, 1511-1513, 1517, 1519-1523, 1537, 1538, 1540

Proposal for a regulation

Article 36

Text proposed by the Commission

Article 36

Co-operation

1. Support under this measure shall promote forms of co-operation involving at least two entities and in particular:

(a) co-operation approaches among different actors in the Union agriculture and food chain, forestry sector and among other actors that contribute to achieving the objectives and priorities of rural development policy, including inter-branch organisations;

(b) the creation of clusters and networks;

(c) the establishment and operation of operational groups of the EIP for agricultural productivity and sustainability as referred to in Article 62.

2. Co-operation under paragraph 1 shall relate in particular to the following:

(a) pilot projects;

(b) the development of new products, practices, processes and technologies in the agriculture, food and forestry sectors

(c) co-operation among small operators in organising joint work processes, sharing facilities and resources;

(d) horizontal and vertical co-operation among supply chain actors for the establishment of logistic platforms to promote short supply chains and local

Amendment

Article 36

Co-operation

1. Support under this measure shall promote forms of co-operation involving at least two entities and in particular:

(a) co-operation approaches among different actors in the Union agriculture and food chain, forestry sector and among other actors that contribute to achieving the objectives and priorities of rural development policy, including ***producer groups, cooperatives and*** inter-branch organisations;

(b) the creation of clusters and networks ***and coordination points***;

(c) the establishment and operation of operational groups of the EIP for agricultural productivity and sustainability as referred to in Article 62.

2. Co-operation under paragraph 1 shall relate in particular to the following:

(a) pilot projects, ***demonstration and flagship projects***;

(b) the development of new products, practices, processes and technologies in the agriculture, food and forestry sectors ***including those for the reduction of waste***;

(c) co-operation among small operators in organising joint work processes, sharing facilities and resources;

(d) horizontal and vertical co-operation among supply chain actors for the establishment of logistic platforms to promote short supply chains and local ***and***

markets;

(e) promotion activities in a local context relating to the development of short supply chains and local markets;

(f) joint action undertaken with a view to mitigating or adapting to climate change;

(g) *collective* approaches to environmental projects and ongoing environmental practices;

(h) horizontal and vertical cooperation among supply chain actors in the sustainable production of biomass for use in food, energy production and industrial processes.

(i) implementation, in particular by public-private partnerships other than those defined in Article 28(1)(b) of Regulation (EU) No [CSF/2012], of local development strategies addressing one or more of the Union priorities for rural development;

(j) drawing up of forest management plans or equivalent instruments.

3. Support under paragraph 1(b) shall be granted only to newly formed clusters and networks and those commencing an activity that is new to them.

Support for operations under paragraph 2(b) may be granted also to individual actors where this possibility is provided for in the rural development programme.

4. The results of pilot projects and

regional markets;

(e) promotion activities in a local context relating to the development of short supply chains and local *and regional* markets *and of products under quality schemes*;

(f) joint action undertaken with a view to mitigating or adapting to climate change;

(g) *co-ordinated* approaches to environmental projects and ongoing environmental practices; *including efficient water management, the use of renewable energy and the preservation of agricultural landscape*;

(h) horizontal and vertical cooperation among supply chain actors in the sustainable production of biomass for use in food, energy production and industrial processes.

(i) implementation, in particular by public-private partnerships other than those defined in Article 28(1)(b) of Regulation (EU) No [CSF/2012], of local development strategies addressing one or more of the Union priorities for rural development;

(j) drawing up of forest management plans or equivalent instruments.

(ja) the development, including the marketing, of tourism services relating to rural tourism;

(jb) development of ‘social agriculture’ projects.

2a. When allocating support, priority may be given to cooperation among entities involving primary producers.

3. Support for operations under paragraph 2(b) may be granted also to individual actors where this possibility is provided for in the rural development programme.

4. The results of pilot projects and

operations by individual actors under paragraph 2(b) shall be disseminated.

5. The following costs, linked to the forms of co-operation referred to in paragraph 1 shall be eligible for support under this measure:

(a) studies of the area concerned, feasibility studies, and costs for the drawing up of a business plan or a forest management plan or equivalent, or local development strategy other than the one referred to in Article 29 of Regulation EU (No) [CSF/2012];

(b) animation of the area concerned in order to make a collective territorial project feasible. In the case of clusters, animation may also concern the organisation of training, networking between members and the recruitment of new members;

(c) running costs of the co-operation;

(d) direct costs of specific projects linked to the implementation of a business plan, a local development strategy other than the one referred to in Article 29 of Regulation (EU) No [CSF/2012] or an action targeted towards innovation;

(e) costs of promotion activities.

6. Where a business plan or a forest management plan or equivalent or a development strategy is implemented, Member States may grant the aid either as a global amount covering the costs of co-operation and the costs of the projects implemented or cover only the costs of the co-operation and use funds from other measures or other Union Funds for project implementation.

7. Co-operation among actors located in different regions or Member States shall also be eligible for support.

8. Support shall be limited to a maximum period of seven years except for collective environmental action in duly justified

operations by individual actors under paragraph 2(b) shall be disseminated.

5. The following costs, linked to the forms of co-operation referred to in paragraph 1 shall be eligible for support under this measure:

(a) studies of the area concerned, feasibility studies, and costs for the drawing up of a business plan or a forest management plan or equivalent, or local development strategy other than the one referred to in Article 29 of Regulation EU (No) [CSF/2012];

(b) animation of the area concerned in order to make a collective territorial project feasible. In the case of clusters, animation may also concern the organisation of training, networking between members and the recruitment of new members;

(c) running costs of the co-operation;

(d) direct costs of specific projects linked to the implementation of a business plan, a local development strategy other than the one referred to in Article 29 of Regulation (EU) No [CSF/2012] or an action targeted towards innovation;

(e) costs of promotion activities.

6. Where a business plan or a forest management plan or equivalent or a development strategy is implemented, Member States may grant the aid either as a global amount covering the costs of co-operation and the costs of the projects implemented or cover only the costs of the co-operation and use funds from other measures or other Union Funds for project implementation.

7. Co-operation among actors located in different regions or Member States shall also be eligible for support.

8. Support shall be limited to a maximum period of seven years except for collective environmental action in duly justified

cases.

9. Co-operation under this measure may be combined with projects supported by Union funds other than the EAFRD in the same territory. Member States shall ensure that overcompensation as a result of the combination of this measure with other national or Union support instruments is avoided.

10. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the further specification of the characteristics of pilot projects, clusters, networks, short supply chains and local markets that will be eligible for support, as well as concerning the conditions for granting aid to the types of *operation* listed in paragraph 2.

cases.

9. Co-operation under this measure may be combined with projects supported by Union funds other than the EAFRD in the same territory. Member States shall ensure that overcompensation as a result of the combination of this measure with other national or Union support instruments is avoided.

10. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the further specification of the characteristics of pilot projects, clusters, networks, short supply chains and local markets that will be eligible for support, as well as concerning the conditions for granting aid to the types of *co-operation* listed in paragraph 2.

Or. en

Amendment 24

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 52-56, 1552, 1556, 1560-1565, 1580, 1584, 1585, 1587

Proposal for a regulation

Article 37

Text proposed by the Commission

Article 37

Risk management

1. Support under this measure shall cover:
- (a) financial contributions, paid directly to farmers, to premiums for crop, animal and plant insurance against economic losses caused by adverse climatic events and animal or plant diseases or pest infestation;
 - (b) financial contributions to mutual funds to pay financial compensations to farmers, for economic losses caused by the outbreak

Amendment

Article 37

Risk management

1. Support under this measure shall cover:
- (a) financial contributions, paid directly to farmers *or to groups of farmers* , to premiums for crop, animal and plant insurance against economic losses caused by adverse climatic events and animal or plant diseases or pest infestation;
 - (b) financial contributions to mutual funds to pay financial compensations to farmers, for economic losses caused by the outbreak

of an animal or plant disease *or* an environmental incident;

(c) an income stabilisation tool, in the form of financial contributions to mutual funds, providing compensation to farmers who experience a severe drop in their income.

2. For the purpose of paragraph 1 points (b) and (c), ‘mutual fund’ shall mean a scheme accredited by the Member State in accordance with its national law for affiliated farmers to insure themselves, whereby compensation payments are made to affiliated farmers affected by economic losses caused by the outbreak of an animal or plant disease *or* an environmental incident or experiencing a severe drop in their income.

3. Member States shall ensure that overcompensation as a result of the combination of this measure with other national or Union support instruments or private insurance schemes is avoided.
Direct income support received under the European Globalisation Adjustment Fund³⁶ (hereinafter "EGF") shall also be taken into consideration when estimating the income levels of farmers.

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the minimum and maximum duration of the commercial loans to mutual funds referred to in Articles 39(3)(b) and 40(4).

of an animal or plant disease, ***harmful organisms***, an environmental incident *or adverse climatic events, including draughts*;

(c) an income stabilisation tool, in the form of financial contributions to mutual funds ***or insurance***, providing compensation to farmers who experience a severe drop in their income ***or of financial contributions paid directly to farmers for the payment of insurance premiums to cover the risk of a severe drop in income.***

2. For the purpose of paragraph 1 points (b) and (c), ‘mutual fund’ shall mean a scheme accredited by the Member State in accordance with its national law for affiliated farmers to insure themselves, whereby compensation payments are made to affiliated farmers affected by economic losses caused by the outbreak of an animal or plant disease, ***harmful organisms***, an environmental incident ***or adverse climatic events*** or experiencing a severe drop in their income.

3. Member States shall ensure that overcompensation as a result of the combination of this measure with other national or Union support instruments or private insurance schemes is avoided.

4. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the minimum and maximum duration of the commercial loans to mutual funds referred to in Articles 39(3)(b) and 40(4).

The Commission shall carry out a mid-term review concerning the implementation of the risk management measure and shall subsequently submit a report to the European Parliament and the Council. The report shall be

accompanied, where necessary, by appropriate legislative proposals for improvement of the implementation of the risk management measure.

Or. en

Amendment 25

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 57, 1600, 1601

Proposal for a regulation

Article 38

Text proposed by the Commission

Article 38

Crop, animal, and plant insurance

1. Support under Article 37(1)(a) shall only be granted for insurance contracts which cover for loss caused by an adverse climatic event or by an animal or plant disease or a pest infestation or a measure adopted in accordance with Directive 2000/29/EC to eradicate or contain a plant disease or pest which **destroys** more than 30 % **of** the average annual production of the farmer **in** the preceding **three-year period** or **a three-year average based on** the preceding **five-year period**, excluding the highest and lowest **entry**.

Amendment

Article 38

Crop, animal, and plant insurance

1. Support under Article 37(1)(a) shall only be granted for insurance contracts which cover loss caused by an adverse climatic event or by an animal or plant disease or a pest infestation or **for** a measure adopted in accordance with Directive 2000/29/EC to eradicate or contain a plant disease or pest which **results in a reduction of annual production of** more than 30 % **as compared to** the average annual production of the farmer. **That average annual production shall be calculated by taking the figures for** the preceding **three years** or **for** the preceding **five years and** excluding the highest and lowest **figures, or, in duly justified exceptional circumstances, by taking the figures for a specific year in the preceding five years.**

The measurement of the extent of the loss caused may be tailored to the specific characteristics of each type of product using

(a) biological indexes (quantity of biomass loss) or equivalent yield loss indexes established at farm, local, regional or national level, or

2. The occurrence of an adverse climatic event or the outbreak of an animal or plant disease or pest infestation has to be formally recognised as such by the competent authority of the Member State concerned.

Member States may, where appropriate, establish in advance criteria on the basis of which such formal recognition shall be deemed to be granted.

3. Insurance payments shall compensate for not more than the total of the cost of replacing the losses referred to in Article 37(1)(a) and shall not require or specify the type or quantity of future production.

Member States may limit the amount of the premium that is eligible for support by applying appropriate ceilings.

4. Support shall be limited to the maximum rate laid down in Annex I.

(b) weather indexes (including quantity of rainfall and temperature) established at local, regional or national level.

2. The occurrence of an adverse climatic event or the outbreak of an animal or plant disease or pest infestation has to be formally recognised as such by the competent authority of the Member State concerned.

Member States may, where appropriate, establish in advance criteria on the basis of which such formal recognition shall be deemed to be granted.

3. Insurance payments shall compensate for not more than the total of the cost of replacing the losses referred to in Article 37(1)(a) and shall not require or specify the type or quantity of future production.

Member States may limit the amount of the premium that is eligible for support by applying appropriate ceilings.

4. Support shall be limited to the maximum rate laid down in Annex I.

Or. en

Amendment 26

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 58-60, 1607, 1610, 1614, 1616, 1623

Proposal for a regulation

Article 39

Text proposed by the Commission

Article 39

Mutual funds for animal and plant diseases and environmental incidents

1. In order to be eligible for support the mutual fund concerned shall:

(a) be accredited by the competent

Amendment

Article 39

*Mutual funds for animal and plant diseases, **harmful organisms**, and environmental incidents **and adverse climatic events***

1. In order to be eligible for support the mutual fund concerned shall:

(a) be accredited by the competent

authority in accordance with national law;

(b) have a transparent policy towards payments into and withdrawals from the fund;

(c) have clear rules attributing responsibilities for any debts incurred.

2. Member States shall define the rules for the constitution and management of the mutual funds, in particular for the granting of compensation payments to farmers in the event of crisis and for the administration and monitoring of compliance with these rules.

3. The financial contributions referred to in Article 37(1)(b) may only relate to:

(a) the administrative costs of setting up the mutual fund, spread over a maximum of three years in a degressive manner;

(b) the amounts paid by the mutual fund as financial compensation to farmers. In addition, the financial contribution may relate to interest on commercial loans taken out by the mutual fund for the purpose of paying the financial compensation to farmers in case of crisis.

No contribution by public funds shall be made to initial capital stock.

4. As regards animal diseases, financial compensation under Article 37(1)(b) may **only** be granted in respect of diseases mentioned in the list of animal diseases established by the World Organisation for Animal Health **and/or** in the Annex to Decision 90/424/EEC.

5. Support shall be limited to the maximum support rate laid down in Annex I.

authority in accordance with national law;

(b) have a transparent policy towards payments into and withdrawals from the fund;

(c) have clear rules attributing responsibilities for any debts incurred.

2. Member States shall define the rules for the constitution and management of the mutual funds, in particular for the granting of compensation payments to farmers in the event of crisis and for the administration and monitoring of compliance with these rules.

Farmers shall only be eligible for compensation payments if they have taken all necessary precautionary measures to improve the resilience of their holding against environmental degradation, animal and plant diseases, harmful organisms and climate change events.

3. The financial contributions referred to in Article 37(1)(b) may only relate to:

(a) the administrative costs of setting up the mutual fund, spread over a maximum of three years in a degressive manner;

(b) the amounts paid by the mutual fund as financial compensation to farmers. In addition, the financial contribution may relate to interest on commercial loans taken out by the mutual fund for the purpose of paying the financial compensation to farmers in case of crisis.

No contribution by public funds shall be made to initial capital stock.

4. As regards animal diseases, financial compensation under Article 37(1)(b) may be granted in respect of diseases mentioned in the list of animal diseases established by the World Organisation for Animal Health **or** in the Annex to Decision 90/424/EEC **and in respect of bee diseases.**

5. Support shall be limited to the maximum support rate laid down in Annex I.

Member States may limit the costs that are eligible for support by applying:

- (a) ceilings per fund;
- (b) appropriate per unit ceilings.

Member States may limit the costs that are eligible for support by applying:

- (a) ceilings per fund;
- (b) appropriate per unit ceilings.

Or. en

Amendment 27

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 61, 1636, 1637, 1639, 1652

Proposal for a regulation

Article 40

Text proposed by the Commission

Article 40

Income stabilisation tool

1. Support under Article 37(1)(c) may only be granted where the drop of income exceeds 30% of the average annual income of the individual farmer in the preceding three-year period or a three-year average based on the preceding five-year period excluding the highest and lowest entry. Income for the purposes of Article 37(1)(c) shall refer to the sum of revenues the farmer receives from the market, including any form of public support, deducting input costs. Payments by the mutual fund to farmers shall compensate for not more than 70% of the income lost.

2. In order to be eligible for support the mutual fund concerned shall:

- (a) be accredited by the competent authority in accordance with national law;
- (b) have a transparent policy towards payments into and withdrawals from the fund;
- (c) have clear rules attributing responsibilities for any debts incurred.

3. Member States shall define the rules for

Amendment

Article 40

Income stabilisation tool

1. Support under Article 37(1)(c) may only be granted where the drop of income exceeds 30% of the average annual income of the individual farmer in the preceding three-year period or a three-year average based on the preceding five-year period excluding the highest and lowest entry. Income for the purposes of Article 37(1)(c) shall refer to the sum of revenues the farmer receives from the market, including any form of public support, deducting input costs. Payments by the mutual fund **or insurance** to farmers shall compensate for not more than 70% of the income lost.

2. In order to be eligible for support the mutual fund concerned shall:

- (a) be accredited by the competent authority in accordance with national law;
- (b) have a transparent policy towards payments into and withdrawals from the fund;
- (c) have clear rules attributing responsibilities for any debts incurred.

3. Member States shall define the rules for

the constitution and management of the mutual funds, in particular for the granting of compensation payments to farmers in the event of crisis and for the administration and monitoring of compliance with these rules.

4. The financial contributions referred to in Article 37(1)(c) *may* only relate to the amounts paid by the mutual fund as financial compensation to farmers. In addition, the financial contribution may relate to interest on commercial loans taken out by the mutual fund for the purpose of paying the financial compensation to farmers in case of crisis.

No contribution by public funds shall be made to initial capital stock.

5. Support shall be limited to the maximum rate laid down in Annex I.

the constitution and management of the mutual funds, in particular for the granting of compensation payments to farmers in the event of crisis and for the administration and monitoring of compliance with these rules.

The financial contributions referred to in Article 37(1)(c) ***shall only be granted for insurance policies covering the losses of income referred to in paragraph 1 or, alternatively, shall*** only relate to the amounts paid by the mutual fund as financial compensation to farmers. In addition, the financial contribution may relate to interest on commercial loans taken out by the mutual fund for the purpose of paying the financial compensation to farmers in case of crisis.

No contribution by public funds shall be made to initial capital stock.

5. Support shall be limited to the maximum rate laid down in Annex I.

Or. en

Amendment 28

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 62, 1690, 1712

Proposal for a regulation

Article 46

Text proposed by the Commission

Article 46

Investments

1. ***In order to be eligible for EAFRD support investment operations shall be preceded by an*** assessment of the expected environmental impact in accordance with legislation specific to that kind of investment ***where the investment is likely to have negative effects on the***

Amendment

Article 46

Investments

1. ***Member States may make the eligibility of investment operations conditional on a prior*** assessment of the expected environmental impact in accordance with ***national and Union*** legislation specific to that kind of investment. ***Member States may give priority to investments which:***

environment.

2. Eligible expenditure shall be limited to:

- (a) the construction, acquisition, including leasing, or improvement of immovable property;
- (b) the purchase or lease purchase of new machinery and equipment including computing software up to the market value of the asset;
- (c) general costs linked to expenditure referred to in points (a) and (b), such as architect, engineer and consultation fees, feasibility studies, the acquisition of patents or licenses.

3. In the case of irrigation, *only* investments *that lead to a reduction of previous water use by at least 25%* shall be considered as eligible expenditure. *By way of derogation, in the Member States that adhered to the Union from 2004 onwards investments in new irrigation installations can be considered eligible expenditure in cases where an environmental analysis provides evidence that the investment concerned is sustainable and has no negative environmental impact.*

4. In the case of agricultural investments, the purchase of agricultural production rights, payment entitlements, animals, annual plants and their planting shall not be eligible for investment support. However, in case of restoration of agricultural production potential damaged by natural disasters in accordance with Article 19(1)(b), expenditure for the purchase of

(a) substantially improve the environmental, climate and animal welfare performance of the holdings;

(b) help to diversify the income sources of farmers; or

(c) consist of joint activities.

2. Eligible expenditure shall be limited to:

- (a) the construction, acquisition, including leasing, or improvement of immovable property;
- (b) the purchase or lease purchase of new machinery and equipment including computing software up to the market value of the asset;
- (c) general costs linked to expenditure referred to in points (a) and (b), such as architect, engineer and consultation fees, *environmental sustainability and economic advice, including* feasibility studies, the acquisition of patents or licenses.

3. In the case of irrigation, *new* investments, *including the modernisation of existing systems for the improvement of water use efficiency and energy efficiency*, shall be considered as eligible expenditure. *In areas where river basin management plans, with associated implementation programmes, have been drawn up under Directive 2000/60/EC, those investments must comply with the environmental objectives of such plans.*

4. In the case of agricultural investments, the purchase of agricultural production rights, payment entitlements, animals, annual plants and their planting shall not be eligible for investment support. However, in case of restoration of agricultural production potential damaged by natural disasters in accordance with Article 19(1)(b), expenditure for the purchase of

animals may be eligible expenditure.

5. Beneficiaries of investment related support may request the payment of an advance of up to 50% of the public aid related to the investment from the competent paying agencies if that option is included in the rural development programme.

6. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the conditions under which other costs connected with leasing contracts, second hand equipment and simple replacement investments may be considered as eligible expenditure.

animals may be eligible expenditure.

5. Beneficiaries of investment related support may request the payment of an advance of up to 50% of the public aid related to the investment from the competent paying agencies if that option is included in the rural development programme.

6. The Commission shall be empowered to adopt delegated acts in accordance with Article 90 concerning the conditions under which other costs connected with leasing contracts, second hand equipment and simple replacement investments may be considered as eligible expenditure.

Or. en

Amendment 29

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 1849-1853, 1858-1862, 1864-1867, 1875-1878

Proposal for a regulation

Article 61

Text proposed by the Commission

Article 61

Aims

1. The EIP for agricultural productivity and sustainability shall:

(a) promote a resource efficient, productive, low emission, climate friendly and resilient agricultural sector, working in harmony with the essential natural resources on which farming *depends*;

(b) help deliver a steady supply of food, feed and biomaterials, both existing and new ones;

(c) improve processes to preserve the

Amendment

Article 61

Aims

1. The EIP for agricultural productivity and sustainability shall:

(a) promote a resource efficient, productive, **competitive** low emission, climate friendly and resilient agricultural **and forestry** sector, working in harmony with the essential natural resources on which farming **and forestry depend**;

(b) help **to sustainably increase productivity of European agriculture and** deliver a steady supply of food, feed and biomaterials, both existing and new ones;

(c) improve processes to preserve the

environment, adapt to climate change and mitigate it;

(d) build bridges between cutting-edge research knowledge and technology and farmers, businesses and advisory services.

2. The EIP for agricultural productivity and sustainability shall seek to achieve its aims by:

(a) creating added value by better linking research and farming practice and encouraging the wider use of available innovation measures;

(b) promoting the faster and wider transposition of innovative solutions into practice; **and**

(c) informing the scientific community about the research needs of farming practice.

3. The EAFRD shall contribute to the aims of the EIP for agricultural productivity and sustainability through support, in accordance with Article 36, of the EIP operational groups referred to in Article 62 and the EIP Network referred to in Article 53.

environment, ***promote agro-ecological production systems*** adapt to climate change and mitigate it; **and**

(d) build bridges between cutting-edge research knowledge and technology and farmers, ***forest managers, rural communities***, businesses, ***NGOs*** and advisory services.

2. The EIP for agricultural productivity and sustainability shall seek to achieve its aims by:

(a) creating added value by better linking research and farming practice and encouraging the wider use of available innovation measures ***through a participatory approach on the part of stakeholders***;

(b) promoting the faster and wider transposition of innovative solutions into practice;

(c) informing the scientific community about the research needs of farming practice; **and**

(ca) identifying regulatory bottlenecks impeding innovation and investment in research and development, in accordance with the principles established in the Commission Communications on ‘Better regulation for growth and jobs in the European Union’¹ and on ‘Smart regulation in the European Union’².

3. The EAFRD shall contribute to the aims of the EIP for agricultural productivity and sustainability through support, in accordance with Article 36, of the EIP operational groups referred to in Article 62 and the EIP Network referred to in Article 53.

¹ ***COM(2005)97.***

² ***COM(2010)543.***

Or. en

Amendment 29

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 1887, 1888

Proposal for a regulation

Article 62

Text proposed by the Commission

Article 62

Operational groups

1. EIP operational groups shall form part of the EIP for agricultural productivity and sustainability. They shall be set up by interested actors such as farmers, researchers, advisors and businesses involved in the agriculture and food sector.

2. EIP operational groups shall establish internal procedures that ensure transparency in their operation and avoid situations of conflict of interest.

Amendment

Article 62

Operational groups

1. EIP operational groups shall form part of the EIP for agricultural productivity and sustainability. They shall be set up by interested actors such as farmers, researchers, advisors and businesses involved in the agriculture and food sector. ***The formation of an operational group shall be determined by a consensus on the part of stakeholders representing the broad spectrum of interests across the fields of agriculture rural development and research. Operational groups shall not be set up by a single stakeholder or by a group of stakeholders representing only one set of interests. Operational groups can operate within the borders of a Member State, have members in more than one Member State and in third countries.***

2. EIP operational groups shall establish internal procedures that ensure transparency in their operation and avoid situations of conflict of interest.

Or. en

Amendment 30

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 1899

Proposal for a regulation

Article 63

Text proposed by the Commission

Article 63

Tasks of operational groups

1. EIP operational groups shall draw up a plan that contains the following:
 - (a) a description of the innovative project to be developed, tested, adapted or implemented;
 - (b) a description of the expected results and the contribution to the EIP objective of enhancing productivity and sustainable resource management.
2. In implementing their innovative projects operational groups shall:
 - (a) make decisions on the elaboration and implementation of innovative actions; and
 - (b) implement innovative actions through measures financed through the rural development programmes.
3. Operational groups shall disseminate the results of their project, in particular through the EIP network.

Amendment

Article 63

Tasks of operational groups

1. EIP operational groups shall draw up a plan that contains the following:
 - (a) a description of the innovative project to be developed, tested, adapted or implemented;
 - (b) a description of the expected results and the contribution to the EIP objective of enhancing productivity and sustainable resource management.
2. In implementing their innovative projects operational groups shall:
 - (a) make decisions on the elaboration and implementation of innovative actions; and
 - (b) implement innovative actions through measures financed through the rural development programmes, **or the Horizon 2020 and other Union research programmes, facilitating the application of research results in practice by farmers.**
3. Operational groups shall disseminate the results of their project, in particular through the EIP network.

Or. en

Amendment 31

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 63-65, 72, 1920, 1906, 1907, 1910-1914

Proposal for a regulation

Article 64

Text proposed by the Commission

Article 64

Amendment

Article 64

Resources and their distribution

1. The total amount of Union support for rural development under this Regulation for the period from 1 January 2014 to 31 December 2020, its annual breakdown and the minimum amount to be concentrated in less developed regions shall be fixed by the European Parliament and the Council, on a proposal from the Commission in accordance with the multiannual financial framework for the years 2014 to 2020 and the Interinstitutional Agreement on cooperation in budgetary matters and on sound financial management for the same period.

2. 0,25% of the resources referred to in paragraph 1 shall be devoted to technical assistance for the Commission as referred to in Article 51(1).

3. For the purpose of their programming and subsequent inclusion in the general budget of the Union, the amounts referred to in paragraph 1 shall be indexed at 2% per year.

4. The **Commission shall, by means of an implementing act, make an** annual breakdown by Member State of the amounts referred to in paragraph 1, after deduction of the amount referred to in paragraph 2 and taking into account the transfer of funds referred to in Article 14(2) of Regulation (EU) No DP/2012. **In making the annual breakdown the Commission shall take into account:**

(a) objective criteria linked to the objectives referred to in Article 4; and

(b) past performance.

Resources and their distribution

1. The total amount of Union support for rural development under this Regulation for the period from 1 January 2014 to 31 December 2020, its annual breakdown and the minimum amount to be concentrated in less developed regions shall be fixed by the European Parliament and the Council, on a proposal from the Commission in accordance with the multiannual financial framework for the years 2014 to 2020 and the Interinstitutional Agreement on cooperation in budgetary matters and on sound financial management for the same period.

2. 0,25% of the resources referred to in paragraph 1 shall be devoted to technical assistance for the Commission as referred to in Article 51(1).

3. For the purpose of their programming and subsequent inclusion in the general budget of the Union, the amounts referred to in paragraph 1 shall be indexed at 2% per year.

4. The annual breakdown by Member State of the amounts referred to in paragraph 1, after deduction of the amount referred to in paragraph 2 and taking into account the transfer of funds referred to in Article 14(2) of Regulation (EU) No DP/2012 **is set out in Annex Ia.**

4a. The Commission shall be empowered to adopt delegated acts, in accordance with Article 90, modifying, where necessary, Annex Ia in order to include the funds transferred to the EAFRD pursuant to Articles 7(2) and 14 of Regulation (EU) No DP/2012.

5. In addition to the amounts referred to in paragraph 4, the implementing act referred to in the same paragraph shall also include the funds transferred to the EAFRD in application of Articles 7(2) and 14(1) of Regulation (EU) No DP/2012 and the funds transferred to the EAFRD in application of Articles 10b and 136 of Council Regulation (EC) No 73/2009 in respect of calendar year 2013.

6. For the purposes of the allocation of the performance reserve referred to in Article 20(2) of Regulation (EU) No [CSF/2012], available assigned revenue collected in accordance with Article 45 of Regulation (EU) No HR/2012 for the EAFRD shall be added to the amounts referred to in Article 18 of Regulation (EU) No [CSF/2012]. It shall be allocated to Member States proportionally to their share of the total amount of support from the EAFRD.

6. The available assigned revenue collected in accordance with Article 45 of Regulation (EU) No HR/2012 for the EAFRD shall be allocated to Member States proportionally to their share of the total amount of support from the EAFRD.

(Commission text in paragraph 5 of Article 64 replaced with text from COM(2012)0553))

Or. en

Amendment 32

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 66-69, 1960, 1961, 1963, 1964, 1904, 1979, 1980, 1987

Proposal for a regulation

Article 65

Text proposed by the Commission

Article 65

Fund contribution

1. The decision approving a rural development programme shall set the maximum contribution from the EAFRD to the programme. The decision shall clearly identify, where necessary, the appropriations allocated to the less

Amendment

Article 65

Fund contribution

1. The decision approving a rural development programme shall set the maximum contribution from the EAFRD to the programme. The decision shall clearly identify, where necessary, the appropriations allocated to the less

developed regions.

2. The EAFRD contribution shall be calculated on the basis of the amount of eligible public expenditure.

3. The rural development programmes shall establish a single EAFRD contribution rate applicable to all measures. Where applicable, a separate EAFRD contribution rate shall be established for less developed regions, and for outermost regions and the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93. The maximum EAFRD contribution rate shall be:

(a) 85% of the eligible public expenditure in the less developed regions, the outermost regions and the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93 ;

(b) 50% of the eligible public expenditure in the other regions.

The minimum EAFRD contribution rate shall be 20%.

4. By way of derogation from paragraph 3, the maximum EAFRD contribution shall be:

(a) 80% for the measures referred to in Articles 15, 28 and 36, for the LEADER local development referred to in Article 28 of Regulation (EU) No [CSF/2012] and for operations under Article 20(1)(a)(i). It may be increased to 90% for the programmes of less developed regions, the outermost regions and the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93;

(b) 100% for operations receiving funding under Article 66.

developed regions.

2. The EAFRD contribution shall be calculated on the basis of the amount of eligible public expenditure.

3. The rural development programmes shall establish a single EAFRD contribution rate applicable to all measures. Where applicable, a separate EAFRD contribution rate shall be established for less developed regions, and for outermost regions and the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93. The maximum EAFRD contribution rate shall be:

(a) 85% of the eligible public expenditure in the less developed regions, the outermost regions and the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93 ;

(b) 50% of the eligible public expenditure in the other regions.

The minimum EAFRD contribution rate shall be 20%.

4. By way of derogation from paragraph 3, the maximum EAFRD contribution shall be:

(a) 80% for the measures referred to in Articles 15, 28 and 36, for the LEADER local development referred to in Article 28 of Regulation (EU) No [CSF/2012] and for operations under Article 20(1)(a)(i). It may be increased to 90% for the programmes of less developed regions, the outermost regions and the smaller Aegean islands within the meaning of Regulation (EEC) No 2019/93;

(b) 100% for operations receiving funding under Article 66.

(c) 55 % for the agri-environment-climate measures referred to in Article 29. It may be increased to 90 % for the programmes of less developed regions, outermost regions and smaller Aegean islands

within the meaning of Regulation (EEC) No 2019/93.

By way of derogation from paragraph 3 (b), in order to ensure coherence with the level of co-financing rates of other CSF-Funds in transition regions, Member States may increase the maximum EAFRD contribution for measures run under the multi-funds approach in programmes implemented in transition regions as defined in Article 82(2) of Regulation (CPR).

By way of derogation from paragraph 3, the funds transferred to the EAFRD in application of Article 14 of Regulation (EU) No DP/2012 may be subject to a 95 % EAFRD contribution rate if a Member State fulfils one of the following conditions:

(i) Union financial assistance is made available to it under Council Regulation (EU) No 407/2010 of 11 May 2010 establishing a European financial stabilisation mechanism¹;

(ii) medium-term financial assistance is made available to it in accordance with Council Regulation (EC) No 332/2002 of 18 February 2002 establishing a facility providing medium-term financial assistance for Member States' balances of payments²; or

(iii) financial assistance in the form of an ESM loan is made available to it in accordance with the Treaty establishing the European Stability Mechanism.

4a. The funds derived from the application of Article 14(1a) of Regulation (EU) No DP/2012 shall be reserved for measures under Article 29.

5. At least 5%, and in the case of Croatia 2,5%, of the total EAFRD contribution to the rural development programme shall be reserved for Leader.

5. At least 5%, and in the case of Croatia 2,5%, of the total EAFRD contribution to the rural development programme shall be reserved for Leader.

5a. At least 25% of the total EAFRD

contribution to the rural development programme shall be reserved for measures under Articles 29 and 30.

6. An expenditure co-financed by the EAFRD shall not be co-financed by way of a contribution from the Structural Funds, the Cohesion Fund or any other Union financial instrument.

6. An expenditure co-financed by the EAFRD shall not be co-financed by way of a contribution from the Structural Funds, the Cohesion Fund or any other Union financial instrument. ***This shall not restrict or prevent programming that combines, in a coherent, integrated way, the support by different CSF funds which may be necessary to achieve the thematic objectives in Article 9 of Regulation [CSF/2012].***

6a. The national contribution to the eligible public expenditure may be replaced by non-commercial private contributions.

7. Public expenditure on aid to enterprises shall comply with the aid limits laid down in respect of State aid, unless this Regulation provides otherwise.

7. Public expenditure on aid to enterprises shall comply with the aid limits laid down in respect of state aid, unless this Regulation provides otherwise.

¹ *OJ L 118, 12.5.2010, p.1.*

² *OJ L 53, 23.2.2002, p. 1.*

(Commission text in paragraph 5 of Article 65 replaced with text from COM(2012)0553))

Or. en

Amendment 33

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 72

Proposal for a regulation

Annex I a

Text proposed by the Commission

Amendment

ANNEX Ia

National envelopes referred to in Article 64

(in million EUR)

	2014	2015	2016	2017	2018	2019	2020
<i>Belgium</i>	73.838	73.838	73.838	73.838	73.838	73.838	73.838
<i>Bulgaria</i>	400.215	400.215	400.215	400.215	400.215	400.215	400.215
<i>Czech Republic</i>	432.820	432.820	432.820	432.820	432.820	432.820	432.820
<i>Denmark</i>	87.536	87.536	87.536	87.536	87.536	87.536	87.536
<i>Germany</i>	1.355.922	1.355.922	1.355.922	1.355.922	1.355.922	1.355.922	1.355.922
<i>Estonia</i>	109.623	109.623	109.623	109.623	109.623	109.623	109.623
<i>Ireland</i>	377.842	377.842	377.842	377.842	377.842	377.842	377.842
<i>Greece</i>	595.667	595.667	595.667	595.667	595.667	595.667	595.667
<i>Spain</i>	1.219.781	1.219.781	1.219.781	1.219.781	1.219.781	1.219.781	1.219.781
<i>France</i>	1.148.806	1.148.806	1.148.806	1.148.806	1.148.806	1.148.806	1.148.806
<i>Italy</i>	1.361.055	1.361.055	1.361.055	1.361.055	1.361.055	1.361.055	1.361.055
<i>Cyprus</i>	24.926	24.926	24.926	24.926	24.926	24.926	24.926
<i>Latvia</i>	159.703	159.703	159.703	159.703	159.703	159.703	159.703
<i>Lithuania</i>	267.461	267.461	267.461	267.461	267.461	267.461	267.461
<i>Luxembourg</i>	14.383	14.383	14.383	14.383	14.383	14.383	14.383
<i>Hungary</i>	584.679	584.679	584.679	584.679	584.679	584.679	584.679
<i>Malta</i>	11.762	11.762	11.762	11.762	11.762	11.762	11.762
<i>Netherlands</i>	89.850	89.850	89.850	89.850	89.850	89.850	89.850
<i>Austria</i>	609.744	609.744	609.744	609.744	609.744	609.744	609.744
<i>Poland</i>	2.029.504	2.029.504	2.029.504	2.029.504	2.029.504	2.029.504	2.029.504
<i>Portugal</i>	614.811	614.811	614.811	614.811	614.811	614.811	614.811
<i>Romania</i>	1.435.645	1.435.645	1.435.645	1.435.645	1.435.645	1.435.645	1.435.645
<i>Slovenia</i>	138.743	138.743	138.743	138.743	138.743	138.743	138.743
<i>Slovakia</i>	302.467	302.467	302.467	302.467	302.467	302.467	302.467
<i>Finland</i>	326.416	326.416	326.416	326.416	326.416	326.416	326.416
<i>Sweden</i>	291.736	291.736	291.736	291.736	291.736	291.736	291.736
<i>United-Kingdom</i>	362.465	362.465	362.465	362.465	362.465	362.465	362.465

Or. en

Amendment 34
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Annex II

Text proposed by the Commission

Amendment

Annex deleted

Or. en

Amendment 35
Luis Manuel Capoulas Santos
Compromise amendment replacing Amendment 84

Proposal for a regulation
Recital 8

Text proposed by the Commission

Amendment

(8) In order to ensure the immediate start and efficient implementation of rural development programmes, support from the EAFRD should be based on the existence of sound administrative framework conditions. Member States should therefore assess compliance with certain ex ante conditionalities. Each Member State should prepare either a national rural development programme for its entire territory or a set of regional programmes. Each programme should identify a strategy for meeting targets in relation to the Union priorities for rural development and a selection of measures. Programming should comply with Union priorities for rural development, while being adapted to national contexts and complement the other Union policies, in particular the agricultural market policy, cohesion policy and the common fisheries policy. Member States which opt for a set of regional programme should be able to also prepare a national framework, ***without a separate budgetary allocation***, in order to facilitate co-ordination among the regions in addressing nation-wide challenges.

(8) In order to ensure the immediate start and efficient implementation of rural development programmes, support from the EAFRD should be based on the existence of sound administrative framework conditions. Member States should therefore assess compliance with certain ex ante conditionalities. Each Member State should prepare either a national rural development programme for its entire territory or a set of regional programmes. Each programme should identify a strategy for meeting targets in relation to the Union priorities for rural development and a selection of measures. Programming should comply with Union priorities for rural development, while being adapted to national contexts and complement the other Union policies, in particular the agricultural market policy, cohesion policy and the common fisheries policy. Member States which opt for a set of regional programme should be able to also prepare ***a national programme for the implementation of specific measures at national level or*** a national framework, in order to facilitate co-ordination among the regions in addressing nation-wide

challenges.

Or. en

Amendment 36

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments x

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) Farm advisory services help farmers, forest holders and SMEs in rural areas to improve the sustainable management and overall performance of their holding or business. Therefore both the setting up of such services and the use of advice by farmers, forest holders and SMEs should be encouraged. In order to enhance the quality and effectiveness of the advice offered, provision should be made for the minimum qualifications and regular training of advisors. Farm advisory services, as provided for in Regulation of the European Parliament and of the Council (EU) No HR/2012 of [...] should help farmers assess the performance of their agricultural holding and identify the necessary improvements as regards the statutory management requirements, good agricultural and environmental conditions, agricultural practices beneficial to the climate and the environment set out in Regulation of the European Parliament and of the Council (EU) No DP/2012 of [...], requirements or actions related to climate change mitigation and adaptation, biodiversity, protection of water, animal disease notification and innovation at least as laid down in Annex I to Regulation (EU) No HR/2012. Where relevant, advice should also cover occupational safety standards. Advice may also cover issues linked to the economic, agricultural and

Amendment

(16) Farm advisory services help farmers, forest holders and SMEs in rural areas to improve the sustainable management and overall performance of their holding or business. Therefore both the setting up of such services and the use of advice by farmers, forest holders and SMEs should be encouraged. In order to enhance the quality and effectiveness of the advice offered, provision should be made for the minimum qualifications and regular training of advisors. Farm advisory services, as provided for in Regulation of the European Parliament and of the Council (EU) No HR/2012 of [...] should help farmers assess the performance of their agricultural holding and identify the necessary improvements as regards the statutory management requirements, good agricultural and environmental conditions, agricultural practices beneficial to the climate and the environment set out in Regulation of the European Parliament and of the Council (EU) No DP/2012 of [...], requirements or actions related to climate change mitigation and adaptation, biodiversity, protection of water, animal disease notification and innovation at least as laid down in Annex I to Regulation (EU) No HR/2012. Where relevant, advice should also cover occupational **or farm** safety standards. Advice may also cover **support for setting up of young farmers,**

environmental performance of the holding or enterprise. Farm management and farm relief services should help farmers improve and facilitate management of their holding.

sustainable development of the economic activities of the holding, local processing and marketing issues linked to the economic, agricultural and environmental performance of the holding or enterprise. Farm management and farm relief services should help farmers improve and facilitate management of their holding.

Or. en

Amendment 37

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments x

Proposal for a regulation

Recital 27

Text proposed by the Commission

(27) Producer groups help farmers to face jointly the challenges posed by increased competition and consolidation of downstream markets in relation to the marketing of their products including in local markets. The setting up of producer groups should therefore be encouraged. In order to ensure the best use of limited financial resources only producer groups that qualify as SMEs should benefit from support. In order to ensure that the producer group becomes a viable entity, a business plan should be submitted as a condition for the recognition of a producer group by Member States. To avoid providing operating aid and maintain the incentive role of support, its maximum duration should be limited to five years.

Amendment

(27) Producer groups ***and organisations*** help farmers to face jointly the challenges posed by increased competition and consolidation of downstream markets in relation to the marketing of their products including in local markets. The setting up ***and development*** of producer groups should therefore be encouraged. In order to ensure the best use of limited financial resources only producer groups that qualify as SMEs should benefit from support. In order to ensure that the producer group becomes a viable entity, a business plan should be submitted as a condition for the recognition of a producer group by Member States. To avoid providing operating aid and maintain the incentive role of support, its maximum duration should be limited to five years.

Or. en