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2009 - 2014

Committee on Agriculture and Rural Development

2011/0280(COD)

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COMPROMISE AMENDMENTS

1 - 38

Draft report

Luis Manuel Capoulas Santos

(PE474.052v01)

on the proposal for a Regulation of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy

Proposal for a regulation

(COM(2011)0625 – C7-0336/2011 – 2011/0280(COD))

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United in diversity

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Amendment 1

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 413, 430

Proposal for a regulation

Article 4 – paragraph 1 – point h

Text proposed by the Commission

(h) "permanent grassland" means land used to grow ***grasses or other*** herbaceous forage naturally (self-seeded) or through cultivation (sown) and that ***has not been*** included in the crop rotation of the holding for ***five*** years or longer; it may include other ***species suitable for grazing provided that the grasses and other herbaceous forage remain predominant;***

Amendment

(h) “permanent grassland ***and permanent pasture***” means land used to grow ***for*** forage ***herbaceous plants, shrubs and/or trees or any other species suitable for grazing,*** naturally (self-seeded) or through cultivation (sown), and that ***is not*** included in the crop rotation of the holding ***and not ploughed*** for ***seven*** years or longer; it may include other ***features of importance for the characterisation of the land as permanent pasture;***

Or. en

Amendment 2

Luis Manuel Capoulas Santos

Compromise amendment

Proposal for a regulation

Article 4 – paragraph 2 – point d

Text proposed by the Commission

(d) establishing the criteria to determine the predominance of grasses and other herbaceous forage for the purpose of point (h) of paragraph 1.

Amendment

deleted

Or. en

Amendment 3

Luis Manuel Capoulas Santos

Proposal for a regulation
Article 9

Text proposed by the Commission

Amendment

Article 9

Article 9

Active farmer

Active farmer

1. No direct payments shall be granted to natural or legal persons, or to groups of natural or legal persons, where one of the following applies:

1. Member States shall draw up a legal framework and definitions, based on objective and non-discriminatory criteria to ensure, where appropriate, that direct payments are only granted to farmers whose agricultural areas are mainly areas naturally kept in a state suitable for grazing or cultivation on condition that they carry out on those areas the minimum activity established by Member States in accordance with Article 4(1)(c).

(a) the annual amount of direct payments is less than 5 % of the total receipts they obtained from non-agricultural activities in the most recent fiscal year; or

(b) their agricultural areas are mainly areas naturally kept in a state suitable for grazing or cultivation and they do not carry out on those areas the minimum activity established by Member States in accordance with Article 4(1)(c).

Entities such as transport companies, airports, real estate companies, companies managing sport grounds, campsite operators and mining companies or other non-agricultural enterprises, to be defined accordingly by Member States on the basis of objective and non-discriminatory criteria, shall not, a priori, be regarded as active farmers nor shall they be the beneficiaries of any direct payments. Member States may decide that those entities can claim to be eligible if they can provide verifiable evidence that their agricultural activities form a significant part of their overall economic activities or

that the principal business or company objects consist of exercising an agricultural activity.

After having duly notified the Commission, Member States may decide to add and to withdraw other types of entities to or from those listed in the second subparagraph providing objective and non-discriminatory grounds of justification motivating their decision.

2. *Paragraph 1 shall not apply* to farmers who received less than EUR 5 000 of direct payments for the previous year.

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 for the purposes of laying down:

(a) criteria to establish the amount of direct payments relevant for the purpose of paragraphs 1 and 2, in particular in the first year of allocation of payment entitlements where the value of the payment entitlements is not yet definitively established as well as for new farmers;

(b) exceptions from the rule that the receipts during the most recent fiscal year are to be taken into account where those figures are not available; and

(c) criteria to establish when a farmer's agricultural area is to be considered as mainly areas naturally kept in a state suitable for grazing or cultivation.

2. *Member States may decide not to apply this Article* to farmers who received less than EUR 5 000 of direct payments for the previous year.

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 for the purposes of laying down *criteria to establish when a farmer's agricultural area is to be considered as mainly areas naturally kept in a state suitable for grazing or cultivation.*

Or. en

(Le point (b) du paragraphe 1 du COM est repris dans le paragraphe 1 de l'AM, et le point (c) du 3 du COM est placé en fin de 3 de l'AM .)

Amendment 4

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 43, 865, 866

Proposal for a regulation

Article 14

Text proposed by the Commission

Article 14

Flexibility between pillars

1. Before 1 August 2013, Member States may decide to make available as additional support for measures under rural development programming financed under the EAFRD as specified under Regulation (EU) No [...] [RDR], up to **10** % of their annual national ceilings for calendar years 2014 to 2019 as set out in Annex II to this Regulation. As a result, the corresponding amount shall no longer be available for granting direct payments.

The decision referred to in the first subparagraph shall be notified to the Commission by the date referred to in that subparagraph.

The percentage notified in accordance with the second subparagraph shall be the same for the years referred to in the first subparagraph.

2. Before 1 August 2013, Bulgaria, Estonia, Finland, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Spain, Sweden and the United-Kingdom may decide to make available as direct

Amendment

Article 14

Flexibility between pillars

1. Before 1 August 2013, Member States may decide to make available as additional support for measures under rural development programming financed under the EAFRD as specified under Regulation (EU) No [...] [RDR], up to **15**% of their annual national ceilings for calendar years 2014 to 2019 as set out in Annex II to this Regulation. As a result, the corresponding amount shall no longer be available for granting direct payments.

1a. Member States may add unallocated funds from the application of Article 33 to the transfers in favour of rural development measures referred to in the first paragraph in the form of Union support to agri-environment-climate measures under rural development programming financed under the EAFRD as specified in Regulation (EU) No [...] [RDR]

2. Before 1 August 2013, Bulgaria, Estonia, Finland, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Spain, Sweden and the United-Kingdom may decide to make available as direct

payments under this Regulation up to 5 % of the amount allocated to support for measures under rural development programming financed under the EAFRD in the period 2015-2020 as specified under Regulation (EU) No [...] [RDR]. As a result, the corresponding amount shall no longer be available for support measures under rural development programming.

The decision referred to in the first subparagraph shall be notified to the Commission by the date referred to in that subparagraph.

The percentage notified in accordance with the second subparagraph shall be the same for the years referred to in the first subparagraph of paragraph 1.

payments under this Regulation up to 10% of the amount allocated to support for measures under rural development programming financed under the EAFRD in the period 2015-2020 as specified under Regulation (EU) No [...] [RDR]. As a result, the corresponding amount shall no longer be available for support measures under rural development programming.

The decision referred to in the first subparagraph shall be notified to the Commission by the date referred to in that subparagraph.

2a. In the case of regional implementation, different percentage rates may be applied to each region.

2b. Member States may decide, by 1 August 2015 or 1 August 2017, to review their decisions referred to in this Article with effect from the subsequent year.

Or. en

Amendment 5

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 46

Proposal for a regulation

Article 18

Text proposed by the Commission

Article 18

Payment entitlements

1. Support under the basic payment scheme shall be available to farmers if they obtain payment entitlements under this Regulation through allocation pursuant to Article

Amendment

Article 18

Payment entitlements

1. Support under the basic payment scheme shall be available to farmers if they obtain payment entitlements under this Regulation through allocation pursuant to Article

17b(4), first allocation pursuant to Article 21, from the national reserve pursuant to Article 23 or by transfer pursuant to Article 27.

2. Payment entitlements obtained under the single payment scheme in accordance with Regulation (EC) No 1782/2003 and with Regulation (EC) No 73/2009 shall expire on 31 December 2013.

17b(4), first allocation pursuant to Article 21, from the national reserve pursuant to Article 23 or by transfer pursuant to Article 27.

2. By way of derogation from the first paragraph, Member States that, on 31 December 2013, are operating:

- the single payment scheme on the basis of the regional model laid down in Article 59 of Regulation (EC) N° 1782/2003 may decide, by 1 August 2013, to maintain the payment entitlements allocated in accordance with Regulation (EC) N° 1782/2003 and/or with Regulation (EC) N° 73/2009,

- the single area payment scheme may, by 1 August 2013, decide to keep their existing scheme as a transitional system until 31 December 2020.

Or. en

(Le début du paragraphe 2 du COM se retrouve dans le 1er alinéa du 2 de l'AM.)

Amendment 6

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 47

Proposal for a regulation

Article 19

Text proposed by the Commission

Article 19

Basic payment scheme ceiling

1. The Commission shall, **by means of** implementing acts, **set** the annual national ceiling for the basic payment scheme by deducting from the annual national ceiling established in Annex II the annual amounts to be set in accordance with Articles 33, 35, 37 and 39. Those implementing acts

Amendment

Article 19

Basic payment scheme ceiling

1. The Commission shall **adopt** implementing acts **setting for each Member State**, the annual national ceiling for the basic payment scheme by deducting from the annual national ceiling established in Annex II the annual amounts to be set in accordance with Articles 33, 35, 37 and 39.

shall be adopted in accordance with the examination procedure referred to in Article 56(2).

2. For each Member State and each year, the total value of all allocated payment entitlements and the national reserve shall equal the respective national ceiling adopted by the Commission pursuant to paragraph 1.

3. In case of modification of the ceiling adopted by the Commission pursuant to paragraph 1 as compared to the previous year, a Member State shall linearly reduce or increase the value of all payment entitlements in order to ensure compliance with paragraph 2.

The first subparagraph shall not apply where such a modification is due to the application of Article 17b(2).

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).

2. For each Member State and each year, the total value of all allocated payment entitlements and the national reserve shall equal the respective national ceiling adopted by the Commission pursuant to paragraph 1.

3. In case of modification of the ceiling adopted by the Commission pursuant to paragraph 1 as compared to the previous year, a Member State shall linearly reduce or increase the value of all payment entitlements in order to ensure compliance with paragraph 2.

The first subparagraph shall not apply where such a modification is due to the application of Article 17b(2).

Or. en

Amendment 7

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 48

Proposal for a regulation

Article 20

Text proposed by the Commission

Article 20

Regional allocation of the national ceilings

1. Member States may decide, before 1 August 2013, to apply the basic payment scheme at regional level. In that case they shall define the regions in accordance with objective and non-discriminatory criteria such as their agronomic and economic characteristics and their regional agricultural potential, or their institutional or administrative structure.

Amendment

Article 20

Regional allocation of the national ceilings

1. Member States may decide, before 1 August 2013, to apply the basic payment scheme at regional level. In that case they shall define the regions in accordance with objective and non-discriminatory criteria such as their agronomic, environmental and *socio*-economic characteristics and their regional agricultural potential, or their institutional or administrative structure.

2. Member States shall divide the national ceiling referred to in Article 19(1) between the regions in accordance with objective and non-discriminatory criteria.

3. Member States may decide that the regional ceilings shall be subject to annual progressive modifications in accordance with pre-established annual steps and objective and non-discriminatory criteria such as the agricultural potential or environmental criteria.

4. To the extent necessary to respect the applicable regional ceilings determined in accordance with paragraph 2 or 3, Member States shall make a linear reduction or increase in the value of the payment entitlements in each of their regions.

5. The Member States shall notify the Commission by 1 August 2013 of the decision referred to in paragraph 1, together with the measures taken for the application of paragraphs 2 and 3.

2. Member States shall divide the national ceiling referred to in Article 19(1) between the regions in accordance with objective and non-discriminatory criteria.

3. Member States may decide that the regional ceilings shall be subject to annual progressive modifications in accordance with pre-established annual steps and objective and non-discriminatory criteria such as the agricultural potential or environmental criteria.

4. To the extent necessary to respect the applicable regional ceilings determined in accordance with paragraph 2 or 3, Member States shall make a linear reduction or increase in the value of the payment entitlements in each of their regions.

5. The Member States shall notify the Commission by 1 August 2013 of the decision referred to in paragraph 1, together with the measures taken for the application of paragraphs 2 and 3.

Or. en

Amendment 8

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 49, 948, 962, 1004

Proposal for a regulation

Article 21

Text proposed by the Commission

Article 21

First allocation of payment entitlements

1. Subject to paragraph 2, payment entitlements shall be allocated to farmers if they apply for allocation of payment entitlements under the basic payment scheme by 15 May 2014 except in case of force majeure and exceptional circumstances.

Amendment

Article 21

First allocation of payment entitlements

1. Subject to paragraph 2 *of this Article, and without prejudice to Article 18(2)*, payment entitlements shall be allocated to farmers if they apply for allocation of payment entitlements under the basic payment scheme by 15 May 2014 except in case of force majeure and exceptional

2. Farmers who, *in 2011* or in the case of Croatia in 2013, activated at least one payment entitlement under the single payment scheme or claimed support under the single area payment scheme, both in accordance with Regulation (EC) No 73/2009, shall receive payment entitlements the first year of application of the basic payment scheme provided they are entitled to be granted direct payments in accordance with Article 9.

By way of derogation from the first subparagraph, farmers shall receive payment entitlements the first year of application of the basic payment scheme, provided they are entitled to be granted direct payments in accordance with Article 9 and that in 2011:

(a) under the single payment scheme, they did not activate any entitlement but produced exclusively fruits, vegetables and/or cultivate exclusively vineyard;

circumstances.

2. Farmers who:

- in any of one of the three years 2009, 2010 or 2011, to be chosen by Member States, or in the case of Croatia in 2013, activated at least one payment entitlement under the single payment scheme or claimed support under the single area payment scheme, both in accordance with Regulation (EC) No 73/2009, or

- in 2012 received payment entitlements under Article 41 and 63 of Regulation (EC) No 73/2009 or

- submitted evidence of active farm production and who reared or grew agricultural products including harvesting, milking, breeding animals or kept animals for farming purposes in 2011, shall receive payment entitlements the first year of application of the basic payment scheme provided they are entitled to be granted direct payments in accordance with Article 9.

By way of derogation from the first subparagraph, farmers shall receive payment entitlements the first year of application of the basic payment scheme, provided they are entitled to be granted direct payments in accordance with Article 9 and that in 2011:

(a) under the single payment scheme, they did not activate any entitlement but produced exclusively fruits, vegetables, ***seed and ware potatoes, ornamental crops*** and/or cultivated exclusively vineyard;

(b) under the single area payment scheme, they did not claim any support and had only agricultural land that was not in good agricultural conditions on 30 June 2003 as provided for in Article 124(1) of Regulation (EC) No 73/2009,

Except in the case of *force majeure* or exceptional circumstances, the number of payment entitlements allocated per farmer shall be equal to the number of eligible hectares, within the meaning of Article 25(2), the farmer declares in accordance with Article 26(1) for 2014.

3. In case of sale or lease of their holding or part of it, ***natural or legal persons*** complying with paragraph 2 may, by contract signed before 15 May 2014, transfer the right to receive payment entitlements as referred to in paragraph 1 to ***only one farmer*** provided that the latter ***complies*** with the conditions laid down in Article 9.

4. The Commission shall, by means of implementing acts, adopt rules on applications for allocation of payment entitlements submitted in the year of allocation of payment entitlements where those payment entitlements may not be definitively established yet and where that allocation is affected by specific circumstances. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).

(b) under the single area payment scheme, they did not claim any support and had only agricultural land that was not in good agricultural conditions on 30 June 2003 as provided for in Article 124(1) of Regulation (EC) No 73/2009,

Except in the case of *force majeure* or exceptional circumstances, the number of payment entitlements allocated per farmer shall be equal to the number of eligible hectares, within the meaning of Article 25(2), the farmer declares in accordance with Article 26(1) for 2014.

3. In case of sale, ***merger, scission*** or lease of their holding or part of it, ***farmers*** complying with paragraph 2 may, by contract signed before 15 May 2014, transfer the right to receive payment entitlements as referred to in paragraph 1 to ***the farmers receiving the holding or part of it*** provided that the latter ***comply*** with the conditions laid down in Article 9.

4. The Commission shall, by means of implementing acts, adopt rules on applications for allocation of payment entitlements submitted in the year of allocation of payment entitlements where those payment entitlements may not be definitively established yet and where that allocation is affected by specific circumstances. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).

Or. en

(Le premier paragraphe du paragraphe 2 du COM a été divisé dans l'amendement. Après la date 2011 jusqu'au Règlement (EC) n°73/2009, le texte se trouve dans le premier alinéa nouveau et la suite après le 2eme alinéa nouveau de l'amendement.)

Amendment 9

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 55, 56, 1047

Proposal for a regulation

Article 22

Text proposed by the Commission

Article 22

Value of payment entitlements and convergence

1. For each relevant year, the unit value of payment entitlements shall be calculated by dividing the national or regional ceiling established under Articles 19 or 20, after application of the linear reduction provided for in Article 23(1), by the number of payment entitlements allocated at national or regional level according to Article 21(2) for 2014.

2. Member States which applied the single payment scheme as provided for in Regulation (EC) No 73/2009, may limit the calculation of the unit value of payment entitlements provided for in paragraph 1 to an amount corresponding to no less than **40 %** of the national or regional ceiling established under Articles 19 or 20, after application of the linear reduction provided for in Article 23(1).

3. Member States making use of the possibility provided for in paragraph 2 shall use the part of the ceiling which remains after the application of that paragraph to increase the value of payment entitlements in cases where the total value of payment entitlements held by a farmers under the basic payment scheme calculated according to paragraph 2 is lower than the total value of payment entitlements, including special entitlements, he held on 31 December 2013 under the single payment scheme in accordance with Regulation (EC) No 73/2009. To this end, the national or regional unit value of each of the payment entitlement of the farmer concerned shall be increased by a share of the difference between the total value of the payment entitlements under the basic

Amendment

Article 22

Value of payment entitlements and convergence

1. For each relevant year, the unit value of payment entitlements shall be calculated by dividing the national or regional ceiling established under Articles 19 or 20, after application of the linear reduction provided for in Article 23(1), by the number of payment entitlements allocated at national or regional level according to Article 21(2) for 2014.

2. Member States which applied the single payment scheme as provided for in Regulation (EC) No 73/2009, may limit the calculation of the unit value of payment entitlements provided for in paragraph 1 to an amount corresponding to no less than **10 %** of the national or regional ceiling established under Articles 19 or 20, after application of the linear reduction provided for in Article 23(1).

3. Member States making use of the possibility provided for in paragraph 2 shall use the part of the ceiling which remains after the application of that paragraph to increase the value of payment entitlements in cases where the total value of payment entitlements held by a farmers under the basic payment scheme calculated according to paragraph 2 is lower than the total value of payment entitlements, including special entitlements, he held on 31 December 2013 under the single payment scheme in accordance with Regulation (EC) No 73/2009. To this end, the national or regional unit value of each of the payment entitlement of the farmer concerned shall be increased by a share of the difference between the total value of the payment entitlements under the basic

payment scheme calculated according to paragraph 2 and the total value of payment entitlements, including special entitlements, which the farmer held on 31 December 2013 under the single payment scheme in accordance with Regulation (EC) No 73/2009.

For the calculation of the increase, a Member State may also take into account the support granted in calendar year 2013 pursuant to Articles 52, 53(1), and 68(1)(b), of Regulation (EC) No 73/2009 provided that the Member State has decided not to apply the voluntary coupled support pursuant to Title IV of this Regulation to the relevant sectors.

For the purpose of the first subparagraph, a farmer is considered to hold payment entitlements on 31 December 2013 where payment entitlements were allocated or definitively transferred to him by that date.

4. For the purposes of paragraph 3, a Member State may, on the basis of objective criteria, provide that, in cases of sale or grant or expiry of all or part of a lease of agricultural areas after the date fixed pursuant to Article 35 of Regulation (EC) No 73/2009 and before the date fixed pursuant to Article 26 of this Regulation, the increase, or part of the increase, in the value of payment entitlements that would be allocated to the farmer concerned shall revert to the national reserve where the increase would lead to a windfall profit for the farmer concerned.

Those objective criteria shall be established in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions and shall include, at least, the following:

- (a) a minimum duration for the lease;
- (b) the proportion of the payment received which shall revert to the national reserve.

5. As of claim year 2019 at the latest, all payment entitlements in a Member State

payment scheme calculated according to paragraph 2 and the total value of payment entitlements, including special entitlements, which the farmer held on 31 December 2013 under the single payment scheme in accordance with Regulation (EC) No 73/2009.

For the calculation of the increase, a Member State may also take into account the support granted in calendar year 2013 pursuant to Articles 52, 53(1), and 68(1)(b), of Regulation (EC) No 73/2009 provided that the Member State has decided not to apply the voluntary coupled support pursuant to Title IV of this Regulation to the relevant sectors.

For the purpose of the first subparagraph, a farmer is considered to hold payment entitlements on 31 December 2013 where payment entitlements were allocated or definitively transferred to him by that date.

4. For the purposes of paragraph 3, a Member State may, on the basis of objective criteria, provide that, in cases of sale or grant or expiry of all or part of a lease of agricultural areas after the date fixed pursuant to Article 35 of Regulation (EC) No 73/2009 and before the date fixed pursuant to Article 26 of this Regulation, the increase, or part of the increase, in the value of payment entitlements that would be allocated to the farmer concerned shall revert to the national reserve where the increase would lead to a windfall profit for the farmer concerned.

Those objective criteria shall be established in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions and shall include, at least, the following:

- (a) a minimum duration for the lease;
- (b) the proportion of the payment received which shall revert to the national reserve.

5. As of claim year 2019 at the latest, all payment entitlements in a Member State

or, in case of application of Article 20, in a region, **shall have a uniform unit value.**

6. When applying paragraphs 2 and 3, Member States, acting in compliance with the general principles of Union law, shall move towards approximating the value of the payment entitlements at national or regional level. To this end, Member States shall fix the steps to be taken by 1 August 2013. Those steps shall include annual progressive modifications of the payment entitlements in accordance with objective and non-discriminatory criteria.

The steps referred to in the first subparagraph shall be notified to the Commission by the date referred to in that subparagraph.

or, in case of application of Article 20, in a region:

(a) shall have a uniform unit value;

(aa) may deviate from the average unit value by up to 20%.

When applying paragraphs 2, 3 and 5, Member States may take measures to ensure that, where payment entitlements at farm level are reduced, the level of those entitlements activated in 2019 is not more than 30% below that of 2014.

6. When applying paragraphs 2 and 3, Member States, acting in compliance with the general principles of Union law, shall move towards approximating the value of the payment entitlements at national or regional level. To this end, Member States shall fix the steps to be taken by 1 August 2013. Those steps shall include annual progressive modifications of the payment entitlements in accordance with objective and non-discriminatory criteria.

The steps referred to in the first subparagraph shall be notified to the Commission by the date referred to in that subparagraph.

Or. en

(La fin de la phrase du paragraphe 5 du COM est devenu (a) dans le paragraphe 5 de l'amendement.)

Amendment 10

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 1131

Proposal for a regulation

Article 22 a (new)

Text proposed by the Commission

Amendment

Article 22a

Internal convergence

1. By way of derogation from Article 22, Member States may approximate the value of the payment entitlements at national or regional level so that the unit value of entitlements moves part of, but not all, the way to uniform national or regional values as of claim year 2021. Member States may use the formula for external convergence between Member States when applying this option. This convergence shall be financed by the reduction of 2013 entitlement values above a threshold identified by Member States or above the national average.

2. Member States using the option referred to in paragraph 1 may determine that the payment for agricultural practises beneficial for the climate and the environment referred to in Chapter 2 of Title III, which shall represent 30% of the national envelope in accordance with Article 33(1), is payable to farmers as a percentage relative to their basic payment.

3. When applying paragraph 1, Member States, acting in compliance with the general principles of Union law, shall fix by 1 August 2013 the steps to be taken. These steps shall include progressive modifications of the payment entitlements in accordance with objective and non-discriminatory criteria. Those steps referred to in the first subparagraph shall be notified to the Commission by 1 August 2013.

Or. en

Amendment 11

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 57, 58, 59, 1160, 1196

Proposal for a regulation
Article 23

Text proposed by the Commission

Article 23

Establishment and use of the national reserve

1. Each Member State shall establish a national reserve. For that purpose, in the first year of application of the basic payment scheme, Member States shall proceed to a linear percentage reduction of the basic payment scheme ceiling at national level in order to constitute the national reserve. This reduction shall not be higher than 3 % except, if required, to cover the allocation needs laid down in paragraph 4 *for the year 2014*.

2. Member States may administer the national reserve at regional level.

3. Member States shall establish payment entitlements from the national reserve in accordance with objective criteria and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions.

4. Member States shall use the national reserve to allocate payment entitlements, as a matter of priority, to young farmers who commence their agricultural activity.

For the purposes of the first subparagraph, ‘young farmers who commence their agricultural activity’ means farmers fulfilling the conditions laid down in Article 36(2) that did not have any agricultural activity in their own name and at their own risk or did not have the control of a legal person exercising an agricultural activity in the 5 years preceding the start of the new agricultural activity. In case of a

Amendment

Article 23

Establishment and use of the national reserve

1. Each Member State shall establish a national reserve. For that purpose, in the first year of application of the basic payment scheme, Member States shall proceed to a linear percentage reduction of the basic payment scheme ceiling at national level in order to constitute the national reserve. *For the year 2014*, this reduction shall not be higher than 3% except, if required, to cover the allocation needs laid down in paragraph 4. *For further years, Member States may set every year the ceiling of reduction on the basis of the allocation needs.*

2. Member States may administer the national reserve at regional level.

3. Member States shall establish payment entitlements from the national reserve in accordance with objective criteria and in such a way as to ensure equal treatment between farmers and to avoid market and competition distortions.

4. Member States shall use the national reserve to allocate payment entitlements, as a matter of priority, to young farmers *and new farmers* who commence their agricultural activity.

For the purposes of the first subparagraph, ‘young farmers who commence their agricultural activity’ means farmers fulfilling the conditions laid down in Article 36(2) that did not have any agricultural activity in their own name and at their own risk or did not have the control of a legal person exercising an agricultural activity in the 5 years preceding the start of the new agricultural activity. In case of a

legal person, the natural person(s) who has the control of the legal person must not have had any agricultural activity in his own name and at his own risk or must not have had the control of a legal person exercising an agricultural activity in the 5 years preceding the start of the agricultural activity by the legal person.

5. Member States may use the national reserve to:

(a) allocate payment entitlements to farmers in areas subject to restructuring and/or development programmes relating to a form of public intervention in order to prevent land from being abandoned and/or to compensate farmers for specific disadvantages in those areas;

legal person, the natural person(s) who has the control of the legal person must not have had any agricultural activity in his own name and at his own risk or must not have had the control of a legal person exercising an agricultural activity in the 5 years preceding the start of the agricultural activity by the legal person.

For the purposes of the first subparagraph, 'new farmers who commence their agricultural activity' means natural persons who have never been attributed entitlements. Member States may determine additional objective and non-discriminatory criteria that new farmers shall fulfil as regards, in particular, appropriate skills, experience and/or training requirements.

5. Member States may use the national reserve to:

(a) allocate payment entitlements to farmers in areas subject to restructuring and/or development programmes relating to a form of public intervention in order to prevent land from being abandoned and/or to compensate farmers for specific disadvantages in those areas;

(aa) allocate payment entitlements to farmers whose holding is situated in a Member State which has decided to use the option laid down in Article 18(2) and who did not obtain a payment entitlement in accordance with Regulation (EC) N° 1782/2003 or Regulation (EC) N° 73/2009 or both of them, when they declare eligible agricultural areas for the year 2014;

(ab) allocate payment entitlements to farmers who began their agricultural activity after 2011 and who operate in specific agricultural sectors to be defined by Member States on the basis of objective and non-discriminatory criteria;

(ac) increase the value of payment entitlements under the basic payment

scheme up to the national or regional average unit value of payment entitlements to farmers who as a result of the transition to the basic payment scheme are placed in a special situation by virtue of the low value of their historical payment entitlements held under the single payment scheme in accordance with Regulation (EC) No 73/2009, or who held special entitlements on 31 December 2013;

(ad) grant farmers, on an annual basis, compensation – which may be increased by an additional payment for small farmers – for the removal of the EUR 5000 allowance provided for in Article 7(1) of Regulation (EC) No 73/2009.

(b) linearly increase the value of payment entitlements under the basic payment scheme at national or regional level if the national reserve exceeds 3 % in any given year, provided that sufficient amounts remain available for allocations under paragraph 4, under point (a) of this paragraph and under paragraph 7.

(b) linearly increase the value of payment entitlements under the basic payment scheme at national or regional level if the national reserve exceeds 3 % in any given year, provided that sufficient amounts remain available for allocations under paragraph 4, under point (a) of this paragraph and under paragraph 7.

However, when increasing the value of payment entitlements under this point. Member States may decide to apply an alternative method to the linear method.

6. When applying paragraphs 4 and 5(a), Member States shall establish the value of payment entitlements allocated to farmers on the basis of the national or regional average value of payment entitlements in the year of allocation.

6. When applying paragraphs 4 and 5(a), Member States shall establish the value of payment entitlements allocated to farmers on the basis of the national or regional average value of payment entitlements in the year of allocation.

7. Where a farmer is entitled to receive payment entitlements or increase the value of the existing ones by virtue of a definitive court's ruling or by virtue of a definitive administrative act of the competent authority of a Member State, the farmer shall receive the number and value of payment entitlements established in that ruling or act at a date to be fixed by the Member State. However, this date shall not be later than the latest date for lodging an

7. Where a farmer is entitled to receive payment entitlements or increase the value of the existing ones by virtue of a definitive court's ruling or by virtue of a definitive administrative act of the competent authority of a Member State, the farmer shall receive the number and value of payment entitlements established in that ruling or act at a date to be fixed by the Member State. However, this date shall not be later than the latest date for lodging an

application under the basic payment scheme following the date of the court's ruling or the administrative act, taking into account the application of Articles 25 and 26.

application under the basic payment scheme following the date of the court's ruling or the administrative act, taking into account the application of Articles 25 and 26.

Or. en

Amendment 12
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Article 25 – paragraph 2 – subparagraph 3 a (new)

Text proposed by the Commission

Amendment

For the purposes of point (a) of the first subparagraph, Member States may apply, according to objective and non-discriminatory criteria, a reduction coefficient for areas with lower yield potential or specific productions when determining the size of the area.

Or. en

Amendment 13
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Chapter 1 a (new)

Text proposed by the Commission

Amendment

CHAPTER 1A
COMPLEMENTARY PAYMENT FOR
THE FIRST HECTARES

Article 28a

General rules

1. Member States may decide to grant a complementary annual payment to

farmers who are entitled to a payment under the basic payment scheme referred to in Chapter 1.

2. Member States shall determine the number of first hectares eligible for this provision, which shall correspond to the number of entitlements activated by the farmer in accordance with Article 26(1), up to a limit of 50 ha.

3. In order to finance this provision, Member States shall use an amount up to a maximum of 30% of their annual national ceiling set out in Annex II.

4. Member States shall calculate each year the amount of complementary payment for the first hectares by dividing the amount referred to in paragraph 3 by the total number of hectares benefiting from this payment.

5 Member States shall ensure that no payment is made to farmers for whom it is established that, as from the date of publication of the Commission proposal for this Regulation, they artificially created the conditions to benefit from the payment referred to in this Article.

6. Member States shall notify the Commission, by 1 August 2013, of their decisions referred to in paragraphs 1, 2 and 3.

Or. en

Amendment 14

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 68, 69, 70, 71, 1264, 1277, 1412, 1345, 1353, 1357, 1371, 1374, 1376

Proposal for a regulation

Article 29

Text proposed by the Commission

Amendment

General rules

1. Farmers entitled to a payment under the basic payment scheme referred to in Chapter 1 shall **observe** on their eligible hectares as defined in Article 25(2) the following **agricultural** practises **beneficial for the climate and the environment**:

(a) **to have three different crops on their arable land where the arable land of the farmer covers more than 3 hectares and is not entirely used for grass production (sown or natural), entirely left fallow or entirely cultivated with crops under water for a significant part of the year;**

(b) **to maintain** existing permanent grassland on their holding; and

(c) **to have** ecological focus area on their agricultural area.

2. Without prejudice to paragraphs 3 **and** 4 and to the application of financial discipline, linear reductions in accordance with Article 7, **and any reductions and penalties imposed pursuant to Regulation (EU) No [...] [HZR]**, Member States shall grant the payment referred to in this Chapter to farmers observing those of the **three** practises referred to in paragraph 1 that are **relevant for them**, and in function of their compliance with Articles 30, 31 and 32.

3. **Farmers whose holdings are fully or partly situated in areas covered by Directives 92/43/EEC or 2009/147/EC shall be entitled to the payment referred to in this Chapter provided that they observe the practises referred to in this Chapter to the extent that those practises are compatible in the holding concerned with the objectives of those Directives.**

General rules

1. Farmers entitled to a payment under the basic payment scheme referred to in Chapter 1 shall **be granted an additional annual payment for agricultural practices beneficial for the climate and the environment when they observe, as appropriate**, on their eligible hectares as defined in Article 25(2) the following practices:

(a) **crop diversification;**

(b) **maintaining** existing permanent grassland and permanent pasture;

(c) **having** ecological focus area on their agricultural area.

2. Without prejudice to paragraphs 3, 4 **and 4a** and to the application of financial discipline and linear reductions in accordance with Article 7, Member States shall grant the payment referred to in this Chapter to farmers observing those of the practices referred to in paragraph 1 that are **applicable to their holding**, and in function of their compliance with Articles 30, 31, and 32.

3. **Farmers shall be entitled ipso facto to the payment referred to in this Chapter when they fall within the following categories:**

- farmers complying with the

requirements laid down in Article 29 (1) of Regulation (EC) N° 834/2007 as regards organic farming, or

- beneficiaries of agri-environment-climatic payments established pursuant to Article 29 of Regulation (EU) N° [...] [RDR], or

- farmers whose holdings are situated in areas situated under the Natura 2000 network covered by Directives 92/43/EEC or 2009/147/EC.

The first subparagraph shall apply only to the units of a holding that are used for organic production in accordance with Article 11 of Regulation (EC) No 834/2007, are covered by agri-environment-climate measures in accordance with Article 29 of Regulation (EU) N° [...] [RDR] or are situated in areas covered by Directives 92/43/EEC or 2009/147/EC.

4. Farmers complying with the requirements laid down in Article 29(1) of Regulation (EC) No 834/2007 as regards organic farming shall be entitled ipso facto to the payment referred to in this Chapter.

4. Farmers where more than 75% of their eligible agricultural area of the holding is permanent grassland or permanent pasture or used for the production of grass or other herbaceous forage or cultivated with crops under water for a significant part of the year and where the remaining eligible agricultural land does not exceed 50 hectares are exempt from the obligations in Article 30 and 32.

The first subparagraph shall apply only to the units of a holding that are used for organic production in accordance with Article 11 of Regulation (EC) No 834/2007.

4a. Farmers whose holding is certified under national or regional environmental certification schemes shall be considered to be complying with the relevant agricultural practices referred to in paragraph 1 provided that these schemes fulfil the following conditions:

- they shall cover the part of the holding of the farmer which is subject to the

5. The payment referred to in paragraph 1 shall take the form of an annual payment per eligible hectare declared according to Article 26(1), the amount of which shall be calculated annually by dividing the amount resulting from the application of Article 33(1) by the total number of eligible hectares declared in the Member State concerned according to Article 26.

relevant practices referred to in paragraph 1; and

- they shall have at least an equivalent impact as the relevant practices referred to in paragraph 1.

5. The payment referred to in paragraph 1 shall take the form of an annual payment per eligible hectare declared according to Article 26(1), the amount of which shall be calculated annually by dividing the amount resulting from the application of Article 33(1) by the total number of eligible hectares declared in the Member State concerned according to Article 26.

5a. By way of derogation from paragraph 5 of this Article, for Member States applying Article 22a, the payment referred to in paragraph 1 of this Article, which shall represent 30% of the national envelope in accordance with Article 33(1), is payable to farmers as a percentage relative to their basic payment.

5b. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 in order to validate the certification schemes referred to in paragraph 4a, in order to guarantee that these schemes will have at least an equivalent impact as the relevant practices referred to in paragraph 1.

These certification schemes may include the following measures:

- an on-farm nutrient management plan;*
- an on-farm energy efficiency plan on their holding, including optimisation of the use of effluents;*
- a biodiversity action plan, including creation or maintenance of biodiversity corridors;*
- a water management plan;*
- soil cover;*
- integrated pest management.*

(Le 2eme paragraphe du paragraphe 4 du COM est déplacé comme dernier paragraphe du paragraphe 3 de l'amendement.)

Amendment 15

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 68, 69, 70, 71, 1264, 1277, 1412, 1345, 1353, 1357, 1371, 1374, 1376

Proposal for a regulation

Article 29

Text proposed by the Commission

1. Farmers entitled to a payment under the basic payment scheme referred to in Chapter 1 shall **observe** on their eligible hectares as defined in Article 25(2) the following **agricultural** practises **beneficial for the climate and the environment**.

(a) **to have three different crops on their arable land where the arable land of the farmer covers more than 3 hectares and is not entirely used for grass production (sown or natural), entirely left fallow or entirely cultivated with crops under water for a significant part of the year;**

(b) **to maintain** existing permanent grassland on their holding; and

(c) **to have** ecological focus area on their agricultural area.

2. Without prejudice to paragraphs 3 **and** 4 and to the application of financial discipline, linear reductions in accordance with Article 7, **and any reductions and penalties imposed pursuant to Regulation (EU) No [...] [HZR]**, Member States shall grant the payment referred to in this Chapter to farmers observing those of the **three** practises referred to in paragraph 1 that are **relevant for them**, and in function

Amendment

1. Farmers entitled to a payment under the basic payment scheme referred to in Chapter 1 shall **be granted an additional annual payment for agricultural practices beneficial for the climate and the environment when they observe, as appropriate**, on their eligible hectares as defined in Article 25(2) the following practices:

(a) **crop diversification;**

(b) **maintaining** existing permanent grassland and permanent pasture;

(c) **having** ecological focus area on their agricultural area.

2. Without prejudice to paragraphs 3, 4 **and 4a** and to the application of financial discipline and linear reductions in accordance with Article 7, Member States shall grant the payment referred to in this Chapter to farmers observing those of the practices referred to in paragraph 1 that are **applicable to their holding**, and in function of their compliance with Articles 30, 31,

of their compliance with Articles 30, 31 and 32.

3. Farmers whose holdings are fully or partly situated in areas covered by Directives 92/43/EEC or 2009/147/EC shall be entitled to the payment referred to in this Chapter provided that they observe the practises referred to in this Chapter to the extent that those practises are compatible in the holding concerned with the objectives of those Directives.

4. Farmers complying with the requirements laid down in Article 29(1) of Regulation (EC) No 834/2007 as regards organic farming shall be entitled ipso facto to the payment referred to in this Chapter.

The first subparagraph shall apply only to the units of a holding that are used for organic production in accordance with Article 11 of Regulation (EC) No 834/2007.

and 32.

3. Farmers shall be entitled ipso facto to the payment referred to in this Chapter when they fall within the following categories:

- farmers complying with the requirements laid down in Article 29 (1) of Regulation (EC) N° 834/2007 as regards organic farming; or

- beneficiaries of agri-environment-climatic payments established pursuant to Article 29 of Regulation (EU) N° [...] [RDR]; or

- farmers whose holdings are situated in areas situated under the Natura 2000 network covered by Directives 92/43/EEC or 2009/147/EC.

4. Farmers where more than 75% of their eligible agricultural area of the holding is permanent grassland or permanent pasture or used for the production of grass or other herbaceous forage or cultivated with crops under water for a significant part of the year and where the remaining eligible agricultural land does not exceed 50 hectares are exempt from the obligations in Article 30 and 32.

4a. Farmers whose holding is certified under national or regional environmental certification schemes shall be considered to be complying with the relevant agricultural practices referred to in paragraph 1 provided that these schemes shall have at least an equivalent impact as

5. The payment referred to in paragraph 1 shall take the form of an annual payment per eligible hectare declared according to Article 26(1), the amount of which shall be calculated annually by dividing the amount resulting from the application of Article 33(1) by the total number of eligible hectares declared in the Member State concerned according to Article 26.

the relevant practices referred to in paragraph 1.

5. The payment referred to in paragraph 1 shall take the form of an annual payment per eligible hectare declared according to Article 26(1), the amount of which shall be calculated annually by dividing the amount resulting from the application of Article 33(1) by the total number of eligible hectares declared in the Member State concerned according to Article 26.

5a. By way of derogation from paragraph 5 of this Article, for Member States applying Article 22a, the payment referred to in paragraph 1 of this Article, which shall represent 30% of the national envelope in accordance with Article 33(1), is payable to farmers as a percentage relative to their basic payment.

5b. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 in order to validate the certification schemes referred to in paragraph 4a, in order to guarantee that these schemes will have at least an equivalent impact as the relevant practices referred to in paragraph 1.

These certification schemes may include the following measures:

- an on-farm nutrient management plan;*
- an on-farm energy efficiency plan on their holding, including optimisation for the use of effluents;*
- a biodiversity action plan, including creation or maintenance of biodiversity corridors;*
- a water management plan;*
- soil cover;*
- integrated pest management.*

Or. en

(Il s'agit d'une option par rapport à l'AM.COMP. 14. Le texte est identique sauf que le 2eme alinéa du paragraphe 3 est supprimé et le 4a modifié)

Amendment 16

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 73

Proposal for a regulation

Article 30

Text proposed by the Commission

Article 30

Crop diversification

1. Where the arable land of the farmer covers more than **3** hectares **and is not entirely used for grass production (sown or natural), entirely left fallow or entirely cultivated with crops under water for a significant part of the year**, cultivation on the arable land shall consist of at least three different crops. **None of those three crops shall cover less than 5 % of the arable land and the main one shall not exceed 70 % of the arable land.**

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 laying down the definition of 'crop' and the rules concerning the application of the precise calculation of shares of different crops.

Amendment

Article 30

Crop diversification

1. **Where the arable land of the farmer covers between 10 and 30 hectares, cultivation on the arable land shall consist of at least two different crops. None of those crops shall cover more than 80 % of the arable land.**

Where the arable land of the farmer covers more than **30** hectares, cultivation on the arable land shall consist of at least three different crops **except for holdings situated north of the 62nd parallel. The main crop shall not cover more than 75 % of the arable land and the 2 main crops together shall not cover more than 95 % of the arable land.**

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 laying down the definition of 'crop' and the rules concerning the application of the precise calculation of shares of different crops.

Or. en

Amendment 17

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 1608

Proposal for a regulation

Article 31

Text proposed by the Commission

Article 31

Permanent grassland

1. *Farmers* shall ***maintain as*** permanent grassland the areas of ***their*** holdings declared as such in the application made pursuant to Article 74(1) of Regulation (EU) No XXX (HZ) for claim year 2014, hereinafter referred to as “reference areas under permanent grassland”.

The reference areas under permanent grassland shall be increased in cases where the farmer has an obligation to reconvert areas into permanent grassland in 2014 and/or in 2015 as referred to in Article 93 of Regulation (EU) No [...] HZR.

2. ***Farmers shall be allowed to convert*** a maximum of 5 % of ***their*** reference areas under permanent grassland. ***That limit shall not apply in the case of force majeure or exceptional circumstances.***

3. The Commission shall be empowered to

Amendment

Article 31

Permanent grassland and permanent pasture

1. ***Member States*** shall ***ensure that the ratio of the land under permanent grassland and permanent pasture to the total agricultural area is maintained.*** ***Member States may apply this obligation at national, regional or sub regional level.***

For the purpose of the first subparagraph, land under permanent grassland and permanent pasture corresponds to the areas of the holdings declared as such in the application made pursuant to Article 74(1) of Regulation (EU) No XXX (HZ) for claim year 2014, and shall hereinafter referred to as “reference areas under permanent grassland and permanent pasture”.

The reference areas under permanent grassland ***and permanent pasture*** shall be increased in cases where the farmer has an obligation to reconvert areas into permanent grassland in 2014 and/or in 2015 as referred to in Article 93 of Regulation (EU) No [...] HZR.

2. ***Conversion of*** a maximum of 5% of ***the*** reference areas under permanent grassland ***and permanent pasture shall be allowed, with the exception of carbon rich soils, wetlands and semi natural grassland and pastures. Under exceptional circumstances, this percentage may be increased to 7%.***

3. The Commission shall be empowered to

adopt delegated acts in accordance with Article 55 laying down rules concerning the increase of reference areas under permanent grassland as laid down in the **second** subparagraph of paragraph 1, the renewal of permanent grassland, the reconversion of agricultural area into permanent grassland in case the authorised decrease referred to in paragraph 2 is exceeded, as well as the modification of the reference areas under permanent grassland in case of transfer of land.

adopt delegated acts in accordance with Article 55 laying down rules concerning the increase of reference areas under permanent grassland **and permanent pasture** as laid down in the **third** subparagraph of paragraph 1, the renewal of permanent grassland **and permanent pasture**, the reconversion of agricultural area into permanent grassland **and permanent pasture** in case the authorised decrease referred to in paragraph 2 is exceeded, **the exceptional circumstances referred to in paragraph 2**, as well as the modification of the reference areas under permanent grassland **and permanent pasture** in case of transfer of land.

Or. en

Amendment 18

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 84, 1696, 1697, 1721, 1754, 1762, 1775

Proposal for a regulation

Article 32

Text proposed by the Commission

Article 32

Ecological focus area

1. **Farmers** shall ensure that at least 7% of their eligible hectares as defined in Article 25(2), excluding areas under permanent grassland, is ecological focus area such as land left fallow, terraces, landscape features, buffer strips and afforested areas as referred to in article 25(2)(b)(ii).

Amendment

Article 32

Ecological focus area

1. **Where the arable land covers more than 10 hectares, farmers** shall ensure, **during the first year of implementation of the present regulation**, that at least 3% of their eligible hectares as defined in Article 25(2), excluding areas under permanent grassland **and permanent pasture and permanent crops**, is ecological focus area such as land left fallow, terraces, landscape features **including hedgerows, ditches, stonewalls, in field trees, ponds, land planted with nitrogen-fixing crops**, buffer strips and afforested areas as referred to in article 25(2)(b)(ii). **Farmers may apply**

this measure to their entire holding.

Farmers may use an ecological focus area for production without utilisation of pesticide and fertiliser application.

From 1 January 2016, the percentage indicated in the first subparagraph is raised to 5%.

1a. Before 31 March 2017, the Commission shall present an evaluation report of the measures under paragraph 1 to the European Parliament and the Council; accompanied by the necessary legislative proposals, in order to increase, if appropriate, up to 7% the percentage mentioned in paragraph 1 for the year 2018 and following taking into account the impact on the environment and agricultural production.

1b. By way of derogation from paragraph 1, from 1 January 2016, Member States may decide to implement up to 3 percentage points of the ecological focus areas at a regional level in order to obtain adjacent ecological areas.

1c. Farmers may lease back from the local authority a high nature value agricultural area which has entered public ownership as a result of land consolidation or similar procedures and designate it as ecological focus area provided that it meets the criteria of the paragraph 1.

1d. Ecological focus areas may be weighted on the basis of their ecological significance. The Commission shall approve the set of weighting coefficients submitted by Member States taking into account equivalent environmental and climatic performance criteria.

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 to further define the types of ecological focus areas referred to in paragraph 1 of this Article **and** to add and define other types of ecological focus areas

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 to further define the types of ecological focus areas referred to in paragraph 1 of this Article, **to lay down an EU-wide framework of weighting**

that can be taken into account *for the respect of* the percentage referred to in *that* paragraph.

coefficients for the purpose of calculating the hectares represented by the various types of ecological focus area referred to in paragraph 1c of this Article, to add and define other types of ecological focus areas that may be taken into account *when assessing* the percentage referred to in paragraph *1 of this Article and defining the regional level referred to in paragraph 1b of this Article*.

Or. en

Amendment 19

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendments 88, 1960, 1969

Proposal for a regulation

Article 36

Text proposed by the Commission

Article 36

General rules

1. Member States shall grant an annual payment to young farmers who are entitled to a payment under the basic payment scheme referred to in Chapter 1.

2. For the purposes of this Chapter, 'young farmers', shall mean:

(a) natural persons who are setting up for the first time an agricultural holding as head of the holding, or who have already set up such a holding during the five years preceding the first submission of an application to the basic payment scheme as referred in Article 73(1) of Regulation (EU) No [...] [HZR], and

(b) who are less than 40 years of age at the moment of submitting the application referred to in point (a).

Amendment

Article 36

General rules

1. Member States shall grant an annual payment, *in accordance with the conditions of this Chapter*, to young farmers who are entitled to a payment under the basic payment scheme referred to in Chapter 1.

2. For the purposes of this Chapter, 'young farmers', shall mean:

(a) natural persons who are setting up for the first time an agricultural holding as head of the holding, or who have already set up such a holding during the five years preceding the first submission of an application to the basic payment scheme as referred in Article 73(1) of Regulation (EU) No [...] [HZR], and

(b) who are less than 40 years of age at the moment of submitting the application referred to in point (a).

(ba) Member States may determine additional objective and non-discriminatory criteria that young farmers shall fulfil as regards, in particular, appropriate skills, experience and/or training requirements.

3. Without prejudice to the application of financial discipline, progressive reduction and capping, linear reductions as referred in Article 7, and any reductions and exclusions imposed pursuant to Article 65 of Regulation (EU) No [...] [HZR], the payment referred to in paragraph 1 of this Article shall be granted annually upon activation of payment entitlements by the farmer.

4. The payment referred to in paragraph 1 shall be granted per farmer for a period of maximum five years. That period shall be reduced by the number of years elapsed between the setting up and the first submission of the application referred to in point (a) of paragraph 2.

5. Member States shall calculate each year the amount of the payment referred to in paragraph 1 by multiplying a figure corresponding to 25% of the average value of the payment entitlements ***held by the farmer*** by the number of entitlements he has activated in accordance with Article 26(1).

When applying the first subparagraph, Member States shall ***respect the following maximum limits in the number of activated payment entitlements that are to be taken into account:***

(a) in Member States where the average size of agricultural holdings as set out in Annex VI is lower than, or equal to, 25 hectares, a maximum of 25;

(b) in Member States where the average size of agricultural holdings as set out in Annex VI is higher than 25 hectares, a maximum that shall be no less than 25 and no greater than that average size.

3. Without prejudice to the application of financial discipline, progressive reduction and capping, linear reductions as referred in Article 7, and any reductions and exclusions imposed pursuant to Article 65 of Regulation (EU) No [...] [HZR], the payment referred to in paragraph 1 of this Article shall be granted annually upon activation of payment entitlements by the farmer.

4. The payment referred to in paragraph 1 shall be granted per farmer for a period of maximum five years. That period shall be reduced by the number of years elapsed between the setting up and the first submission of the application referred to in point (a) of paragraph 2.

5. Member States shall calculate each year the amount of the payment referred to in paragraph 1 by multiplying a figure corresponding to 25% of the average value of the payment entitlements ***in the Member State or region concerned*** by the number of entitlements the farmer he has activated in accordance with Article 26(1).

When applying the first subparagraph, Member States shall ***fix a limit which should be up to a maximum of 100 hectares.***

6. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 concerning the conditions under which a legal person may be considered eligible for receiving the payment referred to in paragraph 1, in particular the application of the age-limit set out in paragraph 2(b) to one or more natural persons participating in the legal person.

6. The Commission shall be empowered to adopt delegated acts in accordance with Article 55 concerning the conditions under which a legal person may be considered eligible for receiving the payment referred to in paragraph 1, in particular the application of the age-limit set out in paragraph 2(b) to one or more natural persons participating in the legal person.

Or. en

Amendment 20
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Article 37

Text proposed by the Commission

Article 37

Financial provisions

1. In order to finance the payment referred to in Article 36, Member States shall use **a percentage** of the annual national ceiling set out in Annex II **which shall not be higher than 2%. They shall notify the Commission, by 1 August 2013, of the estimated percentage necessary to finance that payment.**

Amendment

Article 37

Financial provisions

1. In order to finance the payment referred to in Article 36, Member States shall use **2%** of the annual national ceiling set out in Annex II.

Where the estimated percentage necessary to finance the payment referred to in Article 36 is lower than 2%, Member States may allocate the remainder of the respective amounts to linearly increase the value of payment entitlements of the national reserve, with priority to young farmers and new farmers in accordance with Article 23(4).

By way of derogation from the first subparagraph, Member States may decide to increase the percentage mentioned in that subparagraph in order to give priority

Member States may, by 1 August 2016, review their estimated percentage with effect from 1 January 2017. They shall notify the Commission of the reviewed percentage by 1 August 2016.

2. Without prejudice to the maximum of 2% set under paragraph 1, where the total amount of the payment applied for in a Member State in a particular year exceeds the ceiling set pursuant to paragraph 4, and where that ceiling is lower than 2% of the annual national ceiling set out in Annex II, Member States shall apply a linear reduction to all payments to be granted to all farmers in accordance with Article 25.

3. Where the total amount of the payment applied for in a Member State in a particular year exceeds the ceiling set pursuant to paragraph 4, and where that ceiling amounts to 2% of the annual national ceiling set out in Annex II, Member States shall apply a linear reduction to the amounts to be paid in accordance with Article 36 in order to comply with that ceiling.

4. On the basis of the estimated percentage notified by Member States pursuant to paragraph 1, the Commission shall, by means of implementing acts, set the corresponding ceiling for the payment referred to in Article 36 on a yearly basis. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).

to chosen beneficiaries at national level, based on objective and non-discriminatory criteria. This decision shall be notified to the Commission before 1 August 2013.

Member States may, by 1 August 2016, review their estimated percentage ***necessary to finance the payment referred to in Article 36*** with effect from 1 January 2017. They shall notify the Commission of the reviewed percentage by 1 August 2016.

2. Without prejudice to the maximum of 2% set under paragraph 1, where the total amount of the payment applied for in a Member State in a particular year exceeds the ceiling set pursuant to paragraph 4, and where that ceiling is lower than 2% of the annual national ceiling set out in Annex II, Member States shall apply a linear reduction to all payments to be granted to all farmers in accordance with Article 25.

3. Where the total amount of the payment applied for in a Member State in a particular year exceeds the ceiling set pursuant to paragraph 4, and where that ceiling amounts to 2% of the annual national ceiling set out in Annex II, Member States shall apply a linear reduction to the amounts to be paid in accordance with Article 36 in order to comply with that ceiling.

4. On the basis of the estimated percentage notified by Member States pursuant to paragraph 1, the Commission shall, by means of implementing acts, set the corresponding ceiling for the payment referred to in Article 36 on a yearly basis. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 56(2).

Or. en

Amendment 21

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 2192

Proposal for a regulation

Article 47

Text proposed by the Commission

Article 47

General rules

1. Farmers holding payment entitlements allocated in 2014 pursuant to Article 21 and fulfilling the minimum requirements provided for in Article 10(1) ***may opt for participation*** in a simplified scheme under the conditions laid down in this Title, hereinafter referred to as 'small farmers scheme'.

2. Payments under the small farmers scheme shall replace the payments to be granted pursuant to Titles III and IV.

3. Farmers participating in the small farmers scheme shall be exempted from the agricultural practises provided for in Chapter 2 of Title III.

4. Member States shall ensure that no payment is made to farmers for whom it is established that, as from the date of publication of the Commission proposal for this Regulation, they divide their holding with the sole purpose of benefiting from the small farmers scheme. This shall also apply to farmers whose holdings result from that division.

Amendment

Article 47

General rules

1. ***Member States may set up a simplified small farmers scheme in accordance with the conditions laid down in this Title. If a Member State applies such a scheme,*** farmers holding payment entitlements allocated in 2014 pursuant to Article 21 and fulfilling the minimum requirements provided for in Article 10(1) ***shall participate*** in a simplified scheme under the conditions laid down in this Title, hereinafter referred to as 'small farmers scheme'.

Farmers entitled to payments of less than EUR 1 500 pursuant to Titles III and IV shall automatically be included in the small farmers scheme.

2. Payments under the small farmers scheme shall replace the payments to be granted pursuant to Titles III and IV.

3. Farmers participating in the small farmers scheme shall be exempted from the agricultural practises provided for in Chapter 2 of Title III.

4. Member States shall ensure that no payment is made to farmers for whom it is established that, as from the date of publication of the Commission proposal for this Regulation, they divide their holding with the sole purpose of benefiting from the small farmers scheme. This shall also apply to farmers whose holdings result from that division.

Or. en

Amendment 22
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Article 48

Text proposed by the Commission

Article 48

Participation

Farmers *wishing to participate in the small farmers scheme shall submit an application* by 15 October 2014.

Farmers *not having applied for participation in the small farmers scheme by 15 October 2014 or* deciding to withdraw from it after that date or selected for support under Article 20(1)(c) of Regulation (EU) No [...] [RDR] shall no longer have the right to participate in that scheme.

Amendment

Article 48

Participation

Farmers *referred to in Article 47(1) shall be notified to the Commission by national authorities* by 15 October 2014.

Farmers *referred to in Article 47(1)* deciding to withdraw from *the small farmers scheme* after that date or selected for support under Article 20(1)(c) of Regulation (EU) No [...] [RDR] shall no longer have the right to participate in that scheme.

Or. en

Amendment 23
Luis Manuel Capoulas Santos
Compromise amendment replacing Amendments 102, 103, 104, 2261

Proposal for a regulation
Article 49

Text proposed by the Commission

Article 49

Amount of the payment

1. Member States shall set the amount of the annual payment for the small farmers scheme at one of the following levels, subject to paragraphs 2 and 3:

(a) an amount not exceeding **15%** of the

Amendment

Article 49

Amount of the payment

1. Member States shall set the amount of the annual payment for the small farmers scheme at one of the following levels, subject to paragraphs 2 and 3:

(a) an amount not exceeding **25%** of the

national average payment per beneficiary;
(b) an amount corresponding to the national average payment per hectare multiplied by a figure corresponding to the number of hectares with a maximum of *three*.

The national average referred to in point (a) of the first subparagraph shall be established by the Member States on the basis of the national ceiling set in Annex II for calendar year 2019 and the number of farmers having obtained payment entitlements pursuant to Article 21(1).

The national average referred to in point (b) of the first subparagraph shall be established by the Member States on the basis of the national ceiling set in Annex II for calendar year 2019 and the number of eligible hectares declared in accordance with Article 26 in 2014.

2. The amount referred to in paragraph 1 shall not be lower than EUR 500 and not be higher than EUR **1 000**. Without prejudice to Article 51(1), where the application of paragraph 1 results in an amount lower than EUR 500 or higher than EUR **1 000**, the amount shall be rounded up or down, respectively, to the minimum or maximum amount.

3. By way of derogation from paragraph 2, in Croatia, Cyprus and Malta the amount referred to in paragraph 1 may be set at a value lower than EUR 500, but not less than EUR 200.

national average payment per beneficiary;
(b) an amount corresponding to the national average payment per hectare multiplied by a figure corresponding to the number of hectares with a maximum of *five*.

By way of derogation from subparagraph 1, Member States may decide that the annual payment shall be equal to the amount that the farmer would be entitled to under Article 18, Article 29, Article 34, Article 36 and Article 38 in the year of entering into the scheme, but not higher than EUR 1 500.

The national average referred to in point (a) of the first subparagraph shall be established by the Member States on the basis of the national ceiling set in Annex II for calendar year 2019 and the number of farmers having obtained payment entitlements pursuant to Article 21(1).

The national average referred to in point (b) of the first subparagraph shall be established by the Member States on the basis of the national ceiling set in Annex II for calendar year 2019 and the number of eligible hectares declared in accordance with Article 26 in 2014.

2. The amount referred to in paragraph 1 shall not be lower than EUR 500 and not be higher than EUR **1 500**. Without prejudice to Article 51(1), where the application of paragraph 1 results in an amount lower than EUR 500 or higher than EUR **1 500**, the amount shall be rounded up or down, respectively, to the minimum or maximum amount.

3. By way of derogation from paragraph 2, in Croatia, Cyprus and Malta the amount referred to in paragraph 1 may be set at a value lower than EUR 500, but not less than EUR 200.

Or. en

Amendment 24
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Article 51

Text proposed by the Commission

Article 51

Financial provisions

1. In order to finance the payment referred to in this Title, Member States shall deduct the amounts corresponding to the amounts to which the small farmers would be entitled as a basic payment referred to in Chapter 1 of Title III, as a payment for agricultural practises beneficial for the climate and the environment referred to in Chapter 2 of Title III and, where applicable, as a payment for areas with natural constraints referred to in Chapter 3 of Title III, as a payment for young farmers referred to in Chapter 4 of Title III and as coupled support referred to in Title IV from the total amounts available for the respective payments.

The difference between the sum of all payments due under the small farmers scheme and the total amount financed in accordance with the first sub-paragraph shall be financed by applying a linear reduction to all payments to be granted in accordance with Article 25.

The elements on the basis of which the amounts referred to in the first subparagraph are established shall remain the same for the entire duration of the participation of the farmer in the scheme.

2. If the total amount of payments due under the small farmers scheme exceeds

Amendment

Article 51

Financial provisions

1. In order to finance the payment referred to in this Title, Member States shall deduct the amounts corresponding to the amounts to which the small farmers would be entitled as a basic payment referred to in Chapter 1 of Title III, as a payment for agricultural practises beneficial for the climate and the environment referred to in Chapter 2 of Title III and, where applicable, as a payment for areas with natural constraints referred to in Chapter 3 of Title III, as a payment for young farmers referred to in Chapter 4 of Title III and as coupled support referred to in Title IV from the total amounts available for the respective payments.

The difference between the sum of all payments due under the small farmers scheme and the total amount financed in accordance with the first sub-paragraph shall be financed by applying a linear reduction to all payments to be granted in accordance with Article 25.

Member States that avail themselves of the provisions of Article 20(1) may apply different reduction rates at regional level.

The elements on the basis of which the amounts referred to in the first subparagraph are established shall remain the same for the entire duration of the participation of the farmer in the scheme.

2. If the total amount of payments due under the small farmers scheme exceeds

10% of the annual national ceiling set out in Annex II, Member States shall apply a linear reduction to the amounts to be paid in accordance with this Title in order to respect that percentage.

15% of the annual national ceiling set out in Annex II, Member States shall apply a linear reduction to the amounts to be paid in accordance with this Title in order to respect that percentage.

Or. en

Amendment 25

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 107

Proposal for a regulation

Annex II

Text proposed by the Commission

(In thousands EUR)

Calendar year	2014	2015	2016	2017	2018	2019 and subsequent years
Belgium	553 521	544 065	534 632	525 205	525 205	525 205
Bulgaria	655 661	737 164	810 525	812 106	812 106	812 106
Czech Republic	892 698	891 875	891 059	890 229	890 229	890 229
Denmark	942 931	931 719	920 534	909 353	909 353	909 353
Germany	5 275 876	5 236 176	5 196 585	5 156 970	5 156 970	5 156 970
Estonia	108 781	117 453	126 110	134 749	134 749	134 749
Ireland	1 240 652	1 239 027	1 237 413	1 235 779	1 235 779	1 235 779
Greece	2 099 920	2 071 481	2 043 111	2 014 751	2 014 751	2 014 751
Spain	4 934 910	4 950 726	4 966 546	4 988 380	4 988 380	4 988 380
France	7 732 611	7 694 854	7 657 219	7 619 511	7 619 511	7 619 511
Italy	4 023 865	3 963 007	3 902 289	3 841 609	3 841 609	3 841 609
Cyprus	52 273	51 611	50 950	50 290	50 290	50 290
Latvia	163 261	181 594	199 895	218 159	218 159	218 159
Lithuania	396 499	417 127	437 720	458 267	458 267	458 267
Luxemburg	34 313	34 250	34 187	34 123	34 123	34 123
Hungary	1 298 104	1 296 907	1 295 721	1 294 513	1 294 513	1 294 513
Malta	5 316	5 183	5 050	4 917	4 917	4 917
Netherlands	806 975	792 131	777 320	762 521	762 521	762 521
Austria	707 503	706 850	706 204	705 546	705 546	705 546
Poland	3 038 969	3 066 519	3 094 039	3 121 451	3 121 451	3 121 451
Portugal	573 046	585 655	598 245	610 800	610 800	610 800
Romania	1 472 005	1 692 450	1 895 075	1 939 357	1 939 357	1 939 357
Slovenia	141 585	140 420	139 258	138 096	138 096	138 096
Slovakia	386 744	391 862	396 973	402 067	402 067	402 067
Finland	533 932	534 315	534 700	535 075	535 075	535 075

Sweden	710 853	711 798	712 747	713 681	713 681	713 681
United-Kingdom	3 624 384	3 637 210	3 650 038	3 662 774	3 662 774	3 662 774

Amendment

	2014	2015	2016	2017	2018	2019 and subsequent years
Belgium	554.701	548.646	542.261	535.640	535.640	535.640
Bulgaria	657.571	735.055	805.495	814.887	814.887	814.887
Czech Republic	891.307	892.742	893.686	894.054	894.054	894.054
Denmark	940.086	929.824	919.002	907.781	907.781	907.781
Germany	5.237.224	5.180.053	5.119.764	5.057.253	5.057.253	5.057.253
Estonia	113.168	125.179	137.189	149.199	149.199	149.199
Ireland	1.236.214	1.235.165	1.233.425	1.230.939	1.230.939	1.230.939
Greece	2.098.834	2.075.923	2.051.762	2.026.710	2.026.710	2.026.710
Spain	4.939.152	4.957.834	4.973.833	4.986.451	4.986.451	4.986.451
France	7.655.794	7.572.222	7.484.090	7.392.712	7.392.712	7.392.712
Italy	4.024.567	3.980.634	3.934.305	3.886.268	3.886.268	3.886.268
Cyprus	52.155	51.585	50.985	50.362	50.362	50.362
Latvia	176.500	206.565	236.630	266.695	266.695	266.695
Lithuania	402.952	426.070	449.189	472.307	472.307	472.307
Luxemburg	33.943	33.652	33.341	33.015	33.015	33.015
Hungary	1.295.776	1.297.535	1.298.579	1.298.791	1.298.791	1.298.791
Malta	5.365	5.306	5.244	5.180	5.180	5.180
Netherlands	809.722	800.883	791.561	781.897	781.897	781.897
Austria	706.071	706.852	707.242	707.183	707.183	707.183
Poland	3.079.652	3.115.887	3.152.121	3.188.356	3.188.356	3.188.356
Portugal	582.466	598.550	614.635	630.719	630.719	630.719
Romania	1.485.801	1.707.131	1.928.460	2.002.237	2.002.237	2.002.237
Slovenia	140.646	139.110	137.491	135.812	135.812	135.812
Slovakia	391.608	397.576	403.543	409.511	409.511	409.511
Finland	533.451	535.518	537.295	538.706	538.706	538.706
Sweden	709.922	712.820	715.333	717.357	717.357	717.357
United-Kingdom	3.652.541	3.655.113	3.657.684	3.660.255	3.660.255	3.660.255

Or. en

(Identique à l'am 107 dans PR/881154)

Amendment 26
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) In order to take into account specific new elements and to guarantee the protection of the rights of beneficiaries, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission for the purpose of laying down further definitions regarding the access to support under this Regulation, establishing the framework within which Member States shall define the minimum activities to be carried out on areas naturally kept in a state suitable for grazing or cultivation as well as the criteria to be met by farmers in order to be deemed to have respected the obligation of maintaining the agricultural area in the state suitable for production ***and the criteria to determine the predominance of grasses and other herbaceous forage as regards permanent grassland.***

Amendment

(9) In order to take into account specific new elements and to guarantee the protection of the rights of beneficiaries, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission for the purpose of laying down further definitions regarding the access to support under this Regulation, establishing the framework within which Member States shall define the minimum activities to be carried out on areas naturally kept in a state suitable for grazing or cultivation as well as the criteria to be met by farmers in order to be deemed to have respected the obligation of maintaining the agricultural area in the state suitable for production.

Or. en

Amendment 27
Luis Manuel Capoulas Santos
Compromise amendment replacing Amendments 13

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) Experience from the application of the various support schemes for farmers has shown that support was in a number of cases granted to ***beneficiaries*** whose business purpose was not or only

Amendment

(13) Experience from the application of the various support schemes for farmers has shown that support was in a number of cases granted to ***natural and legal persons*** whose business purpose was not or only

marginally targeted at an agricultural activity, such as airports, *railway companies*, real estate companies *and* companies managing sport grounds. *To ensure the better targeting of support*, Member States should *refrain* from *granting* direct payments *to such natural and legal persons*. Smaller part-time farmers contribute directly to the vitality of rural areas, for that reason they should not be prevented from being granted direct payments.

marginally targeted at an agricultural activity. *To ensure the better targeting of support and to reflect national realities as closely as possible, it is important that responsibility for the definition of an "active farmer" be given to the Member States. They shall thus refrain from granting direct payments to entities* such as *transport companies*, airports, real estate companies, companies managing sport grounds, *campsite operators and mining companies; unless such entities can prove that they meet the criteria for definition as active farmers*. Smaller part-time farmers contribute directly to the vitality of rural areas, for that reason they should not be prevented from being granted direct payments.

Or. en

Amendment 28

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 177

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) In order to ensure a better distribution of support amongst agricultural land in the Union, including in those Member States which applied the single area payment scheme established under Regulation (EC) No 73/2009, a new basic payment scheme should replace the single payment scheme established under Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers , and continued under Regulation (EC) No 73/2009, which combined previously existing support mechanisms into a single

Amendment

(20) In order to ensure a better distribution of support amongst agricultural land in the Union, including in those Member States which applied the single area payment scheme established under Regulation (EC) No 73/2009, a new basic payment scheme should replace the single payment scheme established under Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers , and continued under Regulation (EC) No 73/2009, which combined previously existing support mechanisms into a single

scheme of decoupled direct payments.
Such a move should entail the expiry of payment entitlements obtained under those Regulations and the allocation of new ones, although still based on the number of eligible hectares at the disposal of farmers in the first year of implementation of the scheme.

scheme of decoupled direct payments.
Member States should modify their existing support systems in line with this Regulation, without necessarily abolishing their current direct payments models.

Or. en

Amendment 29

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 8

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) Due to the successive integration of various sectors into the single payment scheme and the ensuing period of adjustment granted to farmers, it has become increasingly difficult to justify the presence of significant individual differences in the level of support per hectare resulting from use of historical references. Therefore direct income support should be more equitably distributed ***between Member States***, by reducing the link to historical references and having regard to the overall context of the Union budget. To ensure a more equal distribution of direct support, while taking account of the differences that still exist in wage levels and input costs, the levels of direct support per hectare should be progressively adjusted. ***Member States with direct payments below the level of 90 % of the average should close one third of the gap between their current level and this level. This convergence should be financed proportionally by all Member States with direct payments above the Union average. In addition***, all payment

Amendment

(21) Due to the successive integration of various sectors into the single payment scheme and the ensuing period of adjustment granted to farmers, it has become increasingly difficult to justify the presence of significant individual differences in the level of support per hectare resulting from use of historical references. Therefore direct income support should be more equitably distributed by ***gradually*** reducing the link to historical references and having regard to the overall context of the Union budget. To ensure a more equal distribution of direct support, while taking account of the differences that still exist in wage levels and input costs, the levels of direct support per hectare should be progressively adjusted. All payment entitlements activated in 2019 in a Member State or in a region should ***approximate to or reach*** a uniform unit value following a convergence towards this value that should take place during ***a flexible*** transition period in steps. In order to avoid disruptive financial consequences for farmers,

entitlements activated in 2019 in a Member State or in a region should have a uniform unit value following a convergence towards this value that should take place during *the* transition period in linear steps. However, in order to avoid disruptive financial consequences for farmers, Member States having used the single payment scheme, and in particular the historical model, should be allowed to partially take historical factors into account when calculating the value of payment entitlements *in the first year of application of the new scheme. The debate on the next Multiannual Financial Framework for the period starting in 2021 should also focus on the objective of complete convergence through the equal distribution of direct support across the European Union during that period.*

Member States may limit individual losses and Member States having used the single payment scheme, and in particular the historical model, should be allowed to take historical factors into account when calculating the value of payment entitlements.

Or. en

Amendment 30
Luis Manuel Capoulas Santos
Compromise amendment replacing Amendment 9

Proposal for a regulation
Recital 21 a (new)

Text proposed by the Commission

Amendment

(21a) In addition to the convergence of support payments at national and regional levels, the national envelopes for direct payments should also be adjusted so that in Member States with a current level of direct payments per hectare below 70% of the Union average, that shortfall is reduced by 30%. In Member States with a level of direct payments between 70% and 80% of the average, the shortfall should be reduced by 25%, and in those Member States where the level is more than 80% of the average it should be reduced by 10%. Following application of these

mechanisms, the level received should not, in any Member State, be less than 65% of the Union average. In the case of Member States with payment levels above the Union average, the convergence effort should not pull those levels below the average. The convergence should be financed proportionally by all Member States with direct payments above the Union average.

Or. en

Amendment 31

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 218

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) The experience gained with the application of the single payment scheme shows that some of its main elements should be kept, including the determination of national ceilings to ensure that the total level of support does not exceed current budgetary constraints. Member States should also continue to operate a national reserve that should be used to facilitate the participation of young *new* farmers in the scheme or may be used to take account of specific needs in certain regions. Rules on the transfer and use of payment entitlements should be kept but, where possible, simplified.

Amendment

(22) The experience gained with the application of the single payment scheme shows that some of its main elements should be kept, including the determination of national ceilings to ensure that the total level of support does not exceed current budgetary constraints. Member States should also continue to operate, ***at least in the first year of implementing the new basic payment scheme, a national reserve which can be administered regionally*** that should be used to facilitate the participation of young farmers ***and new farmers*** in the scheme or may be used to take account of specific needs in certain regions. Rules on the transfer and use of payment entitlements should be kept but, where possible, simplified.

Or. en

Amendment 32
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) Member States may fix a reduction coefficient, which could be fixed at a zero value in order to have the opportunity to reduce the eligible areas with lower yield potential or for specific productions.

Or. en

Amendment 33
Luis Manuel Capoulas Santos
Compromise amendment replacing Amendment 123

Proposal for a regulation
Recital 24 a (new)

Text proposed by the Commission

Amendment

(24a) Member States may decide to use a part of their national ceilings to grant a complementary annual payment on the first hectares to farmers in order to better take into consideration the diversity of farms with regard to their economic size, to their choice of production and to employment.

Or. en

Amendment 34
Luis Manuel Capoulas Santos
Compromise amendment replacing Amendment 229

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) One of the objectives of the new CAP is the enhancement of environmental performance ***through a mandatory "greening" component of direct payments which will support agricultural practices beneficial for the climate and the environment applicable throughout the Union.*** For that purpose, Member States should use part of their national ceilings for direct payments to grant an annual payment, ***on top of the basic payment,*** for compulsory practices to be followed by farmers addressing, as a priority, both climate and environment policy goals. Those *practises* should take the form of simple, generalised, non-contractual and annual actions that go beyond cross-compliance and are linked to agriculture such as crop diversification, maintenance of permanent grassland and ecological focus areas. ***The compulsory nature of those practises should also concern farmers whose holdings are fully or partly situated in "Natura 2000" areas covered by Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora and by Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds, as long as these practises are compatible with the objectives of those Directives.*** Farmers who fulfil the conditions laid down in Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 should benefit from the "greening" component without fulfilling any further obligation, ***given the recognised environmental benefits of the organic farming systems. Non-respect of the 'greening' component should lead to***

Amendment

(26) One of the objectives of the new CAP is the enhancement of environmental performance. For that purpose, Member States should use part of their national ceilings for direct payments to grant an annual payment for compulsory practices to be followed by farmers addressing, as a priority, both climate and environment policy goals. Those *practices* should take the form of simple, generalised, non-contractual and annual actions that go beyond cross-compliance and are linked to agriculture such as crop diversification, maintenance of permanent grassland ***and permanent pasture*** and ecological focus areas. Farmers who fulfil the conditions laid down in Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91, ***beneficiaries of agri-environment-climatic payments established pursuant to Article 29 of Regulation (EU) N° [...] [RDR] and farmers whose holdings are situated in "Natura 2000" areas*** should benefit from the 'greening' component without fulfilling any further obligation. ***On certain conditions, farmers whose holding is certified under national environmental certification schemes may also benefit from the "greening" component. Farmers should be exempted from the obligation of crop diversification and from the obligations linked to ecological focus areas, where at least 75% of their farm is covered by permanent grassland or permanent pasture or crops under water. This exemption applies only where the arable land of the remaining eligible agricultural land does not exceed 50 hectares.***

penalties on the basis of Article 65 of Regulation (EU) No [...] [HZR].

Or. en

Amendment 35
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Recital 28

Text proposed by the Commission

(28) In order to ensure that the land under permanent grassland is maintained as such by *the farmers*, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission for the purpose of the adoption of rules concerning the application of the measure.

Amendment

(28) In order to ensure that the land under permanent grassland *and permanent pasture* is maintained as such by *Member States*, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission for the purpose of the adoption of rules concerning the application of the measure.

Or. en

Amendment 36
Luis Manuel Capoulas Santos
Compromise amendment

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) In order to ensure the implementation of the ecological focus area measure in an efficient and coherent way, while taking into account Member States' specificities, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission for the purpose of the further definition of the

Amendment

(29) In order to ensure the implementation of the ecological focus area measure in an efficient and coherent way, while taking into account Member States' specificities, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission for the purpose of the further definition of the

types of ecological focus areas mentioned under that measure **and** the addition and definition of other types of ecological focus areas that can be taken into account for the respect of the percentage referred to in that measure.

types of ecological focus areas mentioned under that measure, the addition and definition of other types of ecological focus areas that can be taken into account for the respect of the percentage referred to in that measure **and to lay down an EU wide framework of weighting coefficients for calculating the hectares represented by various types of ecological focus areas.**

Or. en

Amendment 37

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 301

Proposal for a regulation

Recital 38

Text proposed by the Commission

(38) A simple and specific scheme for small farmers **should** be put in place in order to reduce the administrative costs linked to the management and control of direct support. For that purpose, a lump-sum payment replacing all direct payments should be established. Rules seeking simplification of formalities should be introduced by reducing, amongst others, the obligations imposed on small farmers such as those related to the application for support, to agricultural practices beneficial for the climate and the environment, to cross-compliance and to controls as laid down in Regulation (EU) No [...] [HZR] without endangering the achievement of the overall objectives of the reform, it being understood that Union legislation as referred to in Annex II to Regulation (EU) No [...] [HZR] applies to small farmers. The objective of that scheme should be to support the existing agricultural structure of small farms in the Union without

Amendment

(38) A simple and specific scheme for small farmers **may** be put in place **by a Member state** in order to reduce the administrative costs linked to the management and control of direct support. For that purpose, a lump-sum payment **or a fix annual payment per beneficiary** replacing all direct payments **may** be established. **Farmers with annual payments of not more than EUR 1 500 should be automatically included in these scheme.** Rules seeking simplification of formalities **may** be introduced by reducing, amongst others, the obligations imposed on small farmers such as those related to the application for support, to agricultural practices beneficial for the climate and the environment, to cross-compliance and to controls as laid down in Regulation (EU) No [...] [HZR] without endangering the achievement of the overall objectives of the reform, it being understood that Union legislation as referred to in Annex II to

countering the development towards more competitive structures. For that reason, access to the scheme should be limited to existing holdings.

Regulation (EU) No [...] [HZR] applies to small farmers. The objective of that scheme should be to support the existing agricultural structure of small farms in the Union without countering the development towards more competitive structures. For that reason, access to the scheme should be limited to existing holdings.

Or. en

Amendment 38

Luis Manuel Capoulas Santos

Compromise amendment replacing Amendment 17

Proposal for a regulation

Recital 43

Text proposed by the Commission

(43) With a view to strengthening their rural development policy, Member States should be given the possibility to transfer funds from their direct payments ceiling to their support assigned for rural development. At the same time, Member States where the level of direct support remains lower than 90 % of the Union average level of support should be given the possibility to transfer funds from their support assigned for rural development to their direct payments ceiling. Such choices should be made, within certain limits, ***once and for the whole period of application of this Regulation.***

Amendment

(43) With a view to strengthening their rural development policy, Member States should be given the possibility to transfer funds from their direct payments ceiling to their support assigned for rural development. ***All Member States should be able to supplement the transfer by a sum proportional to the unspent monies for “greening” so as to provide additional support for agro-environmental climate measures.*** At the same time, Member States where the level of direct support remains lower than 90 % of the Union average level of support should be given the possibility to transfer funds from their support assigned for rural development to their direct payments ceiling. Such choices should be made, within certain limits, and ***reviewed by 1 August 2015 or 1 August 2017.***

Or. en