




The CAP towards
2020: new concepts,
new rules for direct
payments

Head of Unit D3 – DG AGRI

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The reform introduced a new system of direct payments ...

Providing a basic layer of fixed income support

- Ensuring the long-term viability of farms
- Making them less vulnerable to fluctuations in prices and income

Enhancing the sustainable management of natural resources

- Reflecting the important role of agriculture in the joint delivery of private and public goods
- Supporting agricultural practices beneficial for the environment and climate change

Contributing to territorial development

- Allowing for structural and production diversity
- Supporting agriculture in specific areas with significant spillover effects on food supply chain and rural economies

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... while enhancing their efficiency

Improved
targeting



Active farmer
Young farmers
Green payment
Specific support to territories, sectors and
size

More equitable
distribution



Convergence of payments among MS
Convergence of payments among farmers
Redistributive payment

Greener direct
payments



Mandatory practices beneficial for
environment and climate
30% of direct payment budget
Streamlined cross-compliance

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The new provisions, in particular relevant for LPIS

- EFA Layer
- Impact on LPIS of Crop Diversification and Permanent Grassland
 - Need to know Arable Land (AL) and Permanent Grassland
 - New definition Permanent Grassland

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Basic Act(s) relevant for direct payments (Official Journal of 20 December 2013)

- Regulation (EU) No 1307/2013 of the EP and of the Council of 17 December 2013 establishing rules for direct payments to farmers ("Direct Payments Regulation")
 - Definitions (AL, PC, PG), provisions on BPS, SAPS, redistributive payment, greening (CD, PG, EFA), payments for areas with natural constraints, young farmers, voluntary coupled support, small farmers scheme, Conversion and weighting factors (Annex X)
- Regulation (EU) No 1306/2013 of the EP and of the Council of 17 December 2013 on the financing, management and monitoring of the CAP ("Horizontal Regulation")
 - IACS in its Title V on control systems and penalties, Chapter (art 67 to 78)
 - Cross compliance Title VI

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Delegated and Implementing Act(s): 2 pairs of DA/IA

- 1 "Pair of DA/IA" for direct payments

Commission Delegated Regulation (EU) No 639/2014*

Commission Implementing Regulation (EU) No 641/2014*

- 1 "Pair of DA/IA" for IACS, RD support and cross compliance

Commission Delegated Regulation (EU) No 640/2014*

Commission Implementing Regulation (EU) No 809/2014**

* Adopted on 16/06/2014, published in the OJ of 20/06/2014

** Adopted on 17/07/2014, published in the OJ of 31/07/2014

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Delegated and Implementing Act for direct payments

- **Commission Delegated Regulation (EU) No 639/2014**
 - General provisions on BPS, SAPS
 - Minimum activity and cover etc (Art 4-7)
 - Crop diversification – calculation of shares (art 40)
 - Permanent Grassland (art 41 to 44)
 - Ecological Focus Areas – criteria for EFAs (art 45)
 - Regional implementation of EFAs (art 46)
 - Collective implementation of EFAs (art 47)
 - Notification obligations
 - Conversion and weighting factors (Annex II but amending Reg No 1307/2013 Annex X)
- **Commission Implementing Regulation (EU) No 641/2014**
 - BPS - first allocation of payment entitlements, procedures for notification and assessment of greening equivalent practices



Delegated and Implementing Act for IACS, RD and cross compliance

- **Commission Delegated Regulation (EU) No 640/2014**
 - Provisions on LPIS and 2 % stability threshold (art 5)
 - Provisions for LPIS QA (art 6)
 - Areas with landscape features and trees (art 9)
 - Pro-rata system for permanent grassland with LF and trees (art 10)
 - Calculation of aid and administrative penalties
 - **Commission Implementing Regulation (EU) No 809/2014**
 - Provisions on applications (including geo-spatial aid applications)
 - Administrative checks
 - On-the-spot checks: control rate, selection of control sample, elements of on-the-spot checks, area measurement, checks with remote sensing, control report...
- And not to forget Commission Del Reg No 907/2014 and Commission Imp Reg No 908/2014 with regard to paying agencies and other bodies, financial management, clearance of accounts





Set of guidelines under preparation

- On the LPIS "reference layer", including 2% stability threshold (document DSCG/2014/33_Rev1)
- On the LPIS "EFA layer" (document DSCG/2014/31_Rev1)
- On on-the-spot checks and area measurement (document DSCG/2014/32)
- Timing for finalisation
- Others to follow in a second step (e.g. geo-spatial aid application...)

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.../...



Implementation

- There is a phasing-in period for some elements (EFA layer in the LPIS, geo-spatial aid applications) but...
- ... There is none for others (e.g. crop diversification, 5 % EFA for farmers, inclusion of new eligible land in LPIS) which are fully applicable from claim year 2015)

=> Important to strive for full and correct implementation from the very beginning

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