



**COUNCIL OF
THE EUROPEAN UNION**



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Transitional measures in place ahead of the CAP reform

The Council adopted a set of amendments to Regulation 73/2009 concerning the application of direct payments to farmers in the year 2013 following a first reading agreement with the European Parliament ([33/12](#)).

This regulation (the "2013" regulation) is one of two transitional regulations to be adopted this year ahead of the common agricultural policy (CAP) reform which is scheduled to enter into force in 2014. The other transitional regulation (agreement expected in September) concerns support to vine growers.

The aim of the "2013" regulation is to provide for a smooth transition from the current direct payments system (Regulation 73/2009) to the new payments scheme foreseen by the Commission in the CAP reform proposals.

This includes providing an adjustment mechanism similar to modulation, so as to ensure continuity in payment levels while taking into account the phasing-in of direct payments in the new Member States.

It also includes provisions to allow for transition from the existing voluntary modulation mechanism ; the complementary national direct payments / state aid mechanisms applied in some new Member States and a mechanism to facilitate the more efficient use of funds

The current modulation system expires at the end of 2012. This system has imposed a compulsory progressive reduction of direct payments to farmers. Direct payments of over EUR 5 000 have therefore been reduced year on year and in 2012 amounted to 10 %. The corresponding amounts are transferred to the European agricultural fund for rural development (EAFRD) to enhance rural development programmes, in particular for measures concerning climate change, renewable energies, water management and biodiversity. The modulation system does not apply to either the outermost regions, the Aegean Islands or to the new Member States subject to "phasing in" for the direct payments to their farmers.

P R E S S

As regards the regulation on support to vine-growers, at its meeting on Monday 9 July, the Special Committee on Agriculture (SCA) chaired by the Cyprus Presidency, unanimously supported, the compromise text agreed by the Council and the European Parliament representatives during the trilogue of 4 July.

The purpose of the vine-growers regulation is to amend the current single common market organisation (CMO) regulation (Regulation 1234/2007) by providing for the definitive transfer of the support measures to vine-growers to the single payment scheme (SPS). The SPS allocates aid to farmers irrespective of their production and aims to ensure greater income stability for farmers. The aim of this regulation is therefore to facilitate the transition from one system to the other and to bridge the gap between 2013, when the 5-year programmes would have to be renewed, and 2014, when the CAP reform is expected to come into force.

According to the agreement between the Council and the Parliament, once all procedural steps are completed, including a vote by the Parliament at the plenary session, the regulation regarding the support to vine-growers will be adopted by the Council and the European Parliament in the first reading.
