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COVER NOTE

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	27 March 2015
To:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union
No. Cion doc.:	C(2015) 1958 final
Subject:	COMMISSION DELEGATED REGULATION (EU) .../... of 27.3.2015 amending Annexes II, III and VI to Regulation (EU) No 1307/2013 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

Delegations will find attached document C(2015) 1958 final.

Encl.: C(2015) 1958 final



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COMMISSION DELEGATED REGULATION (EU) .../...

of 27.3.2015

amending Annexes II, III and VI to Regulation (EU) No 1307/2013 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

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

Articles 6(3) and 7(3) of Regulation (EU) No 1307/2013¹ empower the Commission to adopt delegated acts to adapt the national and net ceilings set following the developments relating to the total maximum amounts of direct payments that may be granted.

Furthermore, Article 20(6) of the same Regulation empowers the Commission to adapt the amounts laid down in Annex VI of that Regulation which are relevant for the minimum requirements for receiving direct payments in Croatia as well as the level up to which complementary national direct payments can be granted.

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

Consultations, involving experts from all the 28 Member States and from the European Parliament, have been carried in the Expert Group for Direct Payments. A meeting held on 11 February 2015 was organised for the specific purpose of exchanging expert views on the present act. The meeting allowed for a full presentation of the Commission's draft provisions. No comments were raised by participants.

3. LEGAL ELEMENTS OF THE DELEGATED ACT

As indicated in Article 20(2) of Regulation (EU) No 1307/2013, the act amends the annual national ceilings and the annual net ceilings in Annexes II and III of Regulation (EU) No 1307/2013 further to the notification made by Croatia pursuant to Article 20(1) of Regulation (EU) No 1307/2013 on the area of land de-mined and returned to use for agriculture in 2014, the number of payment entitlements available to farmers on 31 December 2014 and the amount remained unspent in the special national de-mining reserve on that same date.

In addition, the act amends Annex VI of Regulation (EU) No 1307/2013 in order to take account of the consequences of the return of de-mined land to use for agricultural activities (Article 20(6) of Regulation (EU) No 1307/2013).

4. BUDGETARY IMPLICATIONS

The financial impact of the proposed adaptation of the annual national ceilings (Annex II) and the annual net ceilings (Annex III) for direct payments following the notifications from Croatia will result in additional expenditure of EUR 5.1 million for the financial years 2016-2020. This additional expenditure was already taken into account in the overall amounts for the market related expenditure and direct payments in the Multiannual Financial Framework 2014-2020. Based on the notification of 31 January 2015 from Croatia the maximum amounts of the annual increments as set in Annex VII to Regulation (EU) No 1307/2013 are reached for calendar year 2015 onwards.

¹ Regulation (EU) No 1307/2013 of the European Parliament and the Council of 17 December 2013 establishing rules for direct payment to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347, 20.12.2013, p. 608).

The adaptation in Annex VI of certain financial provisions for Croatia has no budgetary implications as it relates to setting the minimum requirements for receiving direct payments and the ceilings for the complementary national direct payments.

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amending Annexes II, III and VI to Regulation (EU) No 1307/2013 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

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009², and in particular Articles 6(3), 7(3) and 20(6) thereof,

Whereas:

- (1) In accordance with Article 20(1) of Regulation (EU) No 1307/2013, Croatia has notified the Commission by 31 January 2015 of the area of land de-mined and returned to use for agricultural activities in 2014, the number of payment entitlements available to farmers on 31 December 2014 and the amount remained unspent in the special national de-mining reserve on that same date.
- (2) According to Article 20(2) of Regulation (EU) No 1307/2013, the amount to be added to the national ceilings set for Croatia in Annex II to that Regulation has to be calculated by the Commission on the basis of the data notified by Croatia in accordance with Article 20(1) of that Regulation and the estimated average direct payments per hectare in Croatia for the year concerned.
- (3) The average direct payments per hectare for 2015 should be calculated by dividing the national ceiling for Croatia in 2015, reduced by the unspent amount in the special de-mining reserve on 31 December 2014, by the number of payment entitlements available to farmers on the same date. The amount to be added to the national ceiling for 2015 and the following years is calculated on the basis of the schedule of increments referred to in Article 17 of Regulation (EU) No 1307/2013 and reflects that the notification of 31 January 2015 reaches the maximum amounts of the annual increments set out in Annex VII to that Regulation for calendar year 2015 onwards.
- (4) In accordance with Article 20(6) of Regulation (EU) No 1307/2013, Annex VI to that Regulation should be adapted in order to take into account of the consequences of the return of de-mined land to use for agricultural activities in 2014, as notified by Croatia.

² OJ L 347, 20.12.2013, p. 608.

- (5) Annexes II, III and VI to Regulation (EU) No 1307/2013 should therefore be amended accordingly.
- (6) As this Regulation is essential for a smooth and timely adoption of the implementing acts referred to in Articles 22(1), 36(4), 42(2), 47(3), 49(2), 51(4) and 53(7) of Regulation (EU) No 1307/2013, it is appropriate that it enters into force on the day following that of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS REGULATION:

Article 1

Annexes II, III and VI to Regulation (EU) No 1307/2013 are amended in accordance with the Annex to this Regulation.

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 27.3.2015

For the Commission
The President
Jean-Claude JUNCKER