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THE EUROPEAN PARLIAMENT **THE COUNCIL**

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REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL LAYING DOWN CERTAIN TRANSITIONAL PROVISIONS FOR SUPPORT FROM THE EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT (EAFRD) AND FROM THE EUROPEAN AGRICULTURAL GUARANTEE FUND (EAGF) IN THE YEARS 2021 AND 2022 AND AMENDING REGULATIONS (EU) NO 1305/2013, (EU) NO 1306/2013 AND (EU) NO 1307/2013 AS REGARDS RESOURCES AND APPLICATION IN THE YEARS 2021 AND 2022 AND REGULATION (EU) NO 1308/2013 AS REGARDS RESOURCES AND THE DISTRIBUTION OF SUCH SUPPORT IN RESPECT OF THE YEARS 2021 AND 2022

REGULATION (EU) 2020/…
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 23 December 2020

laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) thereof,

Having regard to the proposal from the European Commission, After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[1],

After consulting the Committee of the Regions,

Having regard to the opinion of the Court of Auditors[2],

Acting in accordance with the ordinary legislative procedure[3],

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1 OJ C 232, 14.7.2020, p. 29.
2 OJ C 109, 1.4.2020, p. 1.
3 Position of the European Parliament of 16 December 2020 (not yet published in the Official Journal) and decision of the Council of 22 December 2020.

Whereas:

(1) The Commission’s legislative proposals on the common agricultural policy (CAP) beyond 2020 aimed to establish the strong Union framework essential to ensure that the CAP remains a common policy with a level playing field, while also giving Member States greater responsibility as regards how they meet the objectives and achieve the targets set. Accordingly, Member States are to draw up CAP strategic plans and to implement them after their approval by the Commission.

(2) The legislative procedure regarding the Commission’s legislative proposals on the CAP beyond 2020 has not been concluded in time to allow Member States and the Commission to prepare all elements necessary to apply the new legal framework and the CAP strategic plans as from 1 January 2021, as initially proposed by the Commission. That delay has created uncertainty and risks for farmers in the Union and the entire Union agriculture sector. In order to alleviate that uncertainty and to maintain the vitality of rural areas and regions, as well as to contribute to environmental sustainability, this Regulation should provide for the continued application of the rules of the current CAP framework covering the period 2014 to 2020 ('current CAP framework') and for uninterrupted payments to farmers and other beneficiaries, and thus provide predictability and stability during the transitional period in the years 2021 and 2022 (‘transitional period’) until the date of application of the new legal framework covering the period starting on 1 January 2023 (‘new legal framework’).

(3) Since the legislative procedure regarding the Commission's legislative proposals on CAP beyond 2020 still needs to be concluded and the CAP strategic plans are still to be developed by Member States, and the stakeholders need to be consulted, the current CAP framework should continue to apply for the additional period of two years. The aim of the transitional period is to facilitate a smooth transition for beneficiaries to a new programming period and to provide for the possibility to take into account the Commission's Communication of 11 December 2019 on the European Green Deal ('European Green Deal').

(4) In order to ensure that support can be granted to farmers and other beneficiaries from the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) in the years 2021 and 2022, the Union should continue to grant such support during the transitional period under the conditions of the current CAP framework. The current CAP framework was established, in particular, by Regulations (EU) No 1303/2013[1], (EU) No 1305/2013[2], (EU) No 1306/2013[3], (EU) No 1307/2013[4] and (EU) No 1308/2013[5] of the European Parliament and of the Council.

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1 Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

2 Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005 (OJ L 347, 20.12.2013, p. 487).

3 Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 (OJ L 347, 20.12.2013, p. 549).

4 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 73/2009 (OJ L 347, 20.12.2013, p. 608).

5 Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671).

(5) This Regulation should provide Member States with sufficient time to prepare their respective CAP strategic plans, as well as facilitate the creation of administrative structures necessary for successful implementation of the new legal framework, in particular by allowing for an increase in technical assistance. All CAP strategic plans should be ready to enter into force once the transitional period ends in order to provide much-needed stability and certainty for the farming sector.

(6) In light of the fact that the Union should continue to support rural development throughout the transitional period, Member States should have the possibility to finance their extended rural development programmes from the corresponding budget allocation for the years 2021 and 2022. The extended programmes should ensure that at least the same overall share of the EAFRD contribution is reserved for the measures referred to in Article 59(6) of Regulation (EU) No 1305/2013, in line with the new ambitions set out in the European Green Deal.

(7) Regulation (EU) No 1303/2013 lays down common rules applicable to the EAFRD and to other funds which operate under a common framework. That Regulation should continue to apply to programmes supported by the EAFRD for the 2014–2020 programming period and programming years 2021 and 2022.

(8) The deadlines laid down in Regulation (EU) No 1303/2013 in respect of implementation reports, annual review meetings, ex-post evaluations and synthesis reports, eligibility of expenditure and de-commitment as well as budget commitments are limited to the 2014-2020 programming period. Those deadlines should be adapted in order to take account of the extended duration of the period during which programmes relating to support from the EAFRD should be implemented.

(9) Regulation (EU) No 1310/2013 of the European Parliament and of the Council[1] and Commission Delegated Regulation (EU) No 807/2014[2] provide that expenditure for certain long-term commitments undertaken pursuant to certain regulations that granted support for rural development before Regulation (EU) No 1305/2013 was applicable, should continue, under certain conditions, to be paid by the EAFRD in the 2014-2020 programming period. That expenditure should also continue to be eligible for the duration of their respective legal commitment under the same conditions in the programming years 2021 and 2022. For reasons of legal clarity and certainty, it should also be made clear that the legal commitments undertaken under earlier measures that correspond to the measures of Regulation (EU) No 1305/2013 to which the integrated administration and control system applies, should be subject to that integrated administration and control system and that payments related to those legal commitments should be made within the period from 1 December to 30 June of the following calendar year.

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1 Regulation (EU) No 1310/2013 of the European Parliament and of the Council of 17 December 2013 laying down certain transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), amending Regulation (EU) No 1305/2013 of the European Parliament and of the Council as regards resources and their distribution in respect of the year 2014 and amending Council Regulation (EC) No 73/2009 and Regulations (EU) No 1307/2013, (EU) No 1306/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards their application in the year 2014 (OJ L 347, 20.12.2013, p. 865).

2 Commission Delegated Regulation (EU) No 807/2014 of 11 March 2014 supplementing Regulation (EU) No 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and introducing transitional provisions (OJ L 227, 31.7.2014, p. 1).

(10) The EAFRD should be able to support the costs of capacity-building and preparatory actions supporting the design and the future implementation of the community-led local development strategies under the new legal framework.

(11) In 2015, at the allocation of payment entitlements or at the recalculation of payment entitlements for Member States keeping existing entitlements under Regulation (EU) No 1307/2013, some Member States made errors when establishing the number or value of payment entitlements. Many of those errors, even when they occurred in respect of a single farmer, influence the value of the payment entitlements for all farmers and for all years. Some Member States also made errors after 2015, when allocating entitlements from the reserve, for example in the calculation of the average value. Such non-compliance is normally subject to financial correction until corrective measures are taken by the Member State concerned. In the light of the time that has elapsed since the first allocation, the efforts made by Member States to establish, and where relevant, correct entitlements, and also in the interest of legal certainty, the number and value of payment entitlements should be considered legal and regular with effect from a certain date.

(12) Under Article 24(6) of Regulation (EU) No 1307/2013, Member States were given the option to apply for the allocation of payment entitlements a reduction coefficient to eligible hectares consisting of permanent grassland located in areas with difficult climate conditions. Alpine pastures are often managed collectively and therefore areas are assigned on a yearly basis, thus creating a significant degree of uncertainty amongst farmers in the Member States concerned. The implementation of that system has proven to be particularly complex especially with regard to the exact definition of the areas concerned. Since the value of payment entitlements in areas where the reduction coefficient is not applied depends on the sum of the payment entitlements in the designated areas, that uncertainty subsequently affects all farmers in the Member States concerned. In order to stabilise the system currently applied in those Member States, and with a view to ensuring legal certainty for all farmers in the Member States concerned as early as possible, the Member States concerned should be able to consider legal and regular the value and number of all entitlements allocated to all farmers before 1 January 2020. The value of those entitlements should, without prejudice to any legal remedies open to individual beneficiaries, be the value for calendar year 2019 valid on 31 December 2019.

(13) The confirmation of payment entitlements does not represent an exemption from Member States' responsibility under the shared management of the EAGF to ensure the protection of the Union budget from irregular expenditure. Hence, the confirmation of the payment entitlements allocated to farmers before 1 January 2021 or, by way of derogation, before 1 January 2020, should not prejudice the Commission's power to take decisions referred to in Article 52 of Regulation (EU) No 1306/2013 in relation to irregular payments granted in respect of any calendar year up to 2020 inclusive or, by way of derogation, up to 2019 inclusive, resulting from errors in the number or value of those payment entitlements.

(14) In light of the fact that the new legal framework for the CAP has not yet been adopted, it should be made clear that transitional arrangements should be laid down to regulate the transition from existing support schemes granted on a multiannual basis to the new legal framework.

(15) In order to limit a significant carry-over of commitments from the current programming period for rural development to the CAP strategic plans, the duration of new multiannual commitments in relation to agri-environment-climate, organic farming and animal welfare should, as a general rule, be limited to a period of a maximum of three years. From 2022, the extension of existing commitments should be limited to one year.

(16) Article 31(5) of Regulation (EU) No 1305/2013 provided for transitional arrangements to facilitate the phasing-out of payments in areas that, because of the application of new delimitation criteria, would no longer be considered areas facing natural constraints. Such payments were to be paid until 2020 and for a maximum period of four years. Regulation (EU) 2017/2393 of the European Parliament and of the Council[1] extended the initial deadline for the new delimitation of such areas to 2019. For farmers in the Member States setting the delimitation in 2018 and 2019, phasing-out of payments could not reach the maximum of four years. In order to continue the phasing-out of payments, Member States should be allowed to continue paying them in the years 2021 and 2022, where applicable. In order to ensure an adequate level of payments per hectare, in accordance with Article 31(5) of Regulation (EU) No 1305/2013, the level of payments in the years 2021 and 2022 should be fixed at EUR 25 per hectare.

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1 Regulation (EU) 2017/2393 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1305/2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), (EU) No 1306/2013 on the financing, management and monitoring of the common agricultural policy, (EU) No 1307/2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products and (EU) No 652/2014 laying down provisions for the management of expenditure relating to the food chain, animal health and animal welfare, and relating to plant health and plant reproductive material (OJ L 350, 29.12.2017, p. 15).

(17) Since farmers are exposed to increasing economic and environmental risks as a consequence of climate change and increased price volatility, Regulation (EU) No 1305/2013 provides for a risk management measure to assist farmers in addressing those risks. That measure includes financial contributions to mutual funds and an income stabilisation tool. Specific conditions were provided for the granting of support under that measure in order to ensure that farmers receive equal treatment across the Union, competition is not distorted and the international obligations of the Union are complied with. In order to further promote the use of that measure to farmers of all sectors, Member States should be provided with the possibility to reduce the threshold of 30 % that triggers the compensation of farmers for the drop in production or income applicable to the respective tool, however to not lower than 20 %.

(18) Farmers and rural businesses have been affected by the consequences of the COVID-19 outbreak in an unprecedented manner. The prolongation of extensive restrictions on movement put in place in the Member States, as well as mandatory closures of shops, outdoor markets, restaurants and other hospitality establishments, have created economic disruption in the agricultural sector and rural communities and have led to liquidity and cash-flow problems for farmers and for small businesses active in the processing, marketing or development of agricultural products. In order to respond to the impact of the crisis arising from the COVID-19 outbreak, the duration of the measure referred to in Article 39b of Regulation (EU) No 1305/2013 should be extended to address the ongoing liquidity problems that put at risk the continuity of farming activities and of small businesses active in the processing, marketing or development of agricultural products. Support for that measure should be financed by up to 2 % of the EAFRD funds allocated to Member States in the programming period 2014-2020.

(19) In order to avoid a situation in which funds for community-led local development in the programming years 2021 and 2022 are unspent, Member States that make use of the possibility to transfer amounts from direct payments to rural development should be able to apply the 5 %, and in the case of Croatia 2,5 %, minimum allocation for community-led local development only to the EAFRD contribution to the rural development extended to 31 December 2022 calculated before the transfer of amounts from direct payment has been made.

(20) In accordance with Council Regulation (EU) …/…[1+] establishing a European Union Recovery Instrument ('EURI') to support the recovery in the aftermath of the COVID-19 crisis ('EURI Regulation'), additional resources should be made available for the years 2021 and 2022 to address the impact of the COVID-19 crisis and its consequences for the Union agricultural sector and rural areas.

(21) Given the unprecedented challenges the Union agricultural sector and rural areas are faced with because of the COVID-19 crisis, the additional resources provided by the EURI should be used to fund measures under Regulation (EU) No 1305/2013, paving the way for a resilient, sustainable and digital economic recovery in line with the objectives of the Union's environmental and climate commitments and with the new ambitions set out in the European Green Deal.

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[1] Council Regulation (EU) …/… of … establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis (OJ …).

[+] OJ: Please insert the number in the text and complete the footnote.

(22) Member States should therefore not reduce the environmental ambition of their existing rural development programmes. They should ensure the same overall share for the additional resources as the overall share which they reserved in their rural development programmes for measures that are particularly beneficial for the environment and climate under the EAFRD contribution ('non-regression principle'). In addition, at least 37 % of the additional resources provided by the EURI should be devoted to measures that are particularly beneficial to the environment and climate, as well as to animal welfare and LEADER. Moreover, at least 55 % of those additional resources should be devoted to measures that promote economic and social development in rural areas, namely to investments in physical assets, farm and business development, support for basic services and village renewal in rural areas and co-operation.

(23) In the event that Member States are otherwise unable to comply with the non-regression principle, they should have the possibility to derogate from the obligation to allocate at least 55 % of the additional resources from the EURI for measures that promote economic and social development in rural areas, and should preferably support measures that are particularly beneficial to the environment and climate. However, in order to provide Member States with sufficient flexibility, Member States should also have the possibility to derogate from the non-regression principle in respect of those additional resources to the extent necessary to comply with that obligation of 55 %.

(24) The additional resources from the EURI are subject to specific conditions. Those additional resources should thus be programmed and monitored separately from the Union support for rural development, while applying, as a general rule, the rules set out in Regulation (EU) No 1305/2013. Hence, those additional resources should be implemented through Regulation (EU) No 1305/2013 and considered in the framework of that Regulation as amounts that finance measures under the EAFRD. In consequence, the rules set out in Regulation (EU) No 1305/2013, including the rules on amendments of rural development programmes, Regulation (EU) No 1306/2013, including the rules on automatic de-commitment, and Regulation (EU) No 1307/2013 should apply, except where this Regulation provides otherwise.

(25) A specific maximum Union co-financing rate, as well as an increased support rate for investments contributing to a resilient, sustainable and digital economic recovery, and support aid for young farmers should be established in order to ensure the adequate leverage effect of the additional resources provided by the EURI.

(26) In order to ensure continuity during the transitional period, the reserve for crises in the agricultural sector should be maintained for the years 2021 and 2022. The relevant amount of the reserve for the years 2021 and 2022 should be included in that reserve.

(27) As regards pre-financing arrangements from the EAFRD, it should be made clear that neither the extension until 31 December 2022 of programmes supported by the EAFRD in accordance with this Regulation nor the additional resources made available on the basis of the EURI Regulation should lead to any additional pre-financing granted for the programmes concerned.

(28) Article 11 of Regulation (EU) No 1307/2013 currently only provides for a notification obligation for Member States as regards their decisions taken in accordance with that Article and the estimated product related to the reduction of the part of the amount of direct payments to be granted to a farmer for a given calendar year exceeding EUR 150 000 for the years 2015 to 2020. With a view to ensuring a continuation of the existing system, Member States should also notify their decisions taken in accordance with that Article and the estimated product related to the reduction for calendar years 2021 and 2022.

(29) Article 14 of Regulation (EU) No 1307/2013 allows Member States to transfer funds between direct payments and rural development as regards calendar years 2014 to 2020. In order to ensure that Member States may follow their own strategy, the flexibility between pillars should be made available also for calendar year 2021 (financial year 2022) and calendar year 2022 (financial year 2023).

(30) In order to allow the Commission to be able to set the budgetary ceilings in accordance with Article 22(1), Article 36(4), Article 42(2), Article 49(2), Article 51(4) and Article 53(7) of Regulation (EU) No 1307/2013, it is necessary for Member States to notify their decisions on financial allocations by scheme for calendar year 2021 by 19 February 2021 and for calendar year 2022 by 1 August 2021.

(31) Article 22(5) of Regulation (EU) No 1307/2013 provides for a linear adjustment of the value of payment entitlements in the event of a change in the ceiling for the basic payment scheme from one year to the following due to certain decisions taken by Member States and affecting the ceiling for the basic payment scheme. The extension of Annex II to that Regulation on national ceilings after calendar year 2020 and the possible annual changes from that date might have an impact on the ceiling for the basic payment scheme. Therefore, for Member States to be able to respect the obligation of equality of the sum of the value of payment entitlements and reserves with the ceiling for the basic payment scheme laid down in Article 22(4) of that Regulation, it is appropriate to provide for a linear adjustment to adapt to the extension of or the amendments to Annex II to that Regulation during the transitional period. Moreover, to provide Member States with greater flexibility, it appears appropriate to allow them to adapt the value of payment entitlements or of the reserve, possibly with different rates of adjustment.

(32) In accordance with the current legal framework, Member States notified in 2014 their decisions up to calendar year 2020 on the division of the annual national ceiling for the basic payment scheme between the regions and the possible annual progressive modifications for the period covered by Regulation (EU) No 1307/2013. It is necessary that Member States also notify those decisions for calendar years 2021 and 2022.

(33) The internal convergence mechanism is the core process for a more equitable distribution of direct income support among farmers. Significant individual differences based on old historic references become increasingly difficult to justify. In Regulation (EU) No 1307/2013, the basic model of internal convergence consists of the application by Member States of a uniform flat rate for all payment entitlements, at national or regional level, from 2015. However, in order to ensure a smoother transition to a uniform value, a derogation was set out allowing Member States to differentiate the values of payment entitlements by applying partial convergence, also called the ‘tunnel model’, between 2015 and 2019. Some Member States made use of that derogation. To continue the process towards a more equitable distribution of direct payments, Member States should be able to further converge towards a national or regional average after 2019 instead of going to a uniform flat rate or keeping the value of entitlements at their 2019 level. That possibility for Member States should therefore apply as of 1 January 2021. Member States should notify the Commission on an annual basis of their decision for the following year.

(34) The provisions of Regulation (EU) No 1307/2013 on the adjustment of all payment entitlements being amended by this Regulation should apply retroactively from 1 January 2020 so that it is clarified that Member States were able to converge after 2019.

(35) Article 30 of Regulation (EU) No 1307/2013 provides for annual progressive modifications in the value of the payment entitlements allocated from the reserve to reflect the annual steps of the national ceiling set out in Annex II to that Regulation, reflecting a multiannual management of the reserve. Those rules should be adapted in order to reflect that it is possible to amend both the value of all allocated payment entitlements and of the reserve to adjust to a change in the amount in Annex II to that Regulation between two years. In Member States deciding to continue internal convergence, that internal convergence is implemented on an annual basis. For calendar years 2020, 2021 and 2022, only the value of the payment entitlement of the current year needs to be determined in the year of allocation. The unit value of payment entitlements to be allocated from the reserve in a given year should be calculated after possible adjustment of the reserve in accordance with Article 22(5) of that Regulation. In any subsequent year, the value of the payment entitlements allocated from the reserve should be adapted in accordance with Article 22(5) of that Regulation.

(36) Article 36 of Regulation (EU) No 1307/2013 provides for the application of the single area payment scheme until 31 December 2020. It is appropriate to allow the prolongation of the single area payment scheme in the years 2021 and 2022.

(37) Given that the amendment, set out in this Regulation, to Annex II to Regulation (EU) No 1307/2013 will enter into force too late for Member States to observe the original deadline for certain notification obligations in 2020, it is necessary to postpone the deadline for Member States to take the decision to introduce for the first time the redistributive payment from 2021 or 2022, and the notification of that decision to the Commission. It is appropriate to set that deadline at the same time as the deadline for the decisions concerning flexibility between pillars.

(38) Under Article 37 of Regulation (EU) No 1307/2013, Member States applying the single area payment scheme may decide to grant transitional national aid in the period 2015-2020 to avoid a sudden and substantial decrease of support in those sectors that benefitted from transitional national aid until 2014. In order to ensure that, during the transitional period, such aid continues to play its role in supporting the income of farmers in those specific sectors, provision should be made for the continuation of that aid under the same conditions and limitations as in the period 2015-2020.

(39) For the sake of legal certainty, it should be clarified that Articles 41 and 42 of Regulation (EU) No 1307/2013 allow Member States to review, on an annual basis, their decisions on the redistributive payment. The deadline for the review applicable in 2021 and 2022 should be set at the same time as the deadline for the decisions concerning flexibility between pillars.

(40) Article 52(10) of Regulation (EU) No 1307/2013 empowers the Commission to adopt delegated acts allowing Member States to decide that voluntary coupled support can continue to be paid until 2020 on the basis of the production units for which such support was granted in a past reference period. That empowerment aims at ensuring the greatest possible consistency between Union schemes targeting sectors that can be marked by structural market imbalances. It is therefore appropriate to prolong that empowerment to also cover the years 2021 and 2022.

(41) Given that the amendment, set out in this Regulation, to Annex II to Regulation (EU) No 1307/2013 will enter into force too late for Member States to observe the original deadline for certain notification obligations in 2020, it is necessary to postpone the deadline for Member States to take the decision to introduce for the first time the voluntary coupled support from 2021 or 2022 and the notification of that decision to the Commission. It is appropriate to set that deadline at the same time as the deadline for the decisions concerning flexibility between pillars. Similarly, the deadline for a decision of Member States to continue or cease granting voluntary coupled support in the years 2021 and 2022, and the notification of that decision to the Commission, should be postponed to the same date.

(42) Article 54 of Regulation (EU) No 1307/2013 lays down the elements of Member States' notifications concerning voluntary coupled support. It is appropriate to clarify that those notifications for calendar years 2021 and 2022 should include the percentage of the national ceiling used to finance that support for the years 2021 and 2022.

(43) Regulation (EU) No 1308/2013 lays down rules for the common organisation of agricultural markets and includes certain aid schemes. The Commission's legislative proposals on the CAP beyond 2020 provided that those aid schemes are to be integrated in the future CAP strategic plans of Member States. To ensure a smooth integration of those aid schemes into the future CAP, rules should be laid down regarding the duration of each of those aid schemes when they are to be renewed during the transitional period. Therefore, as regards the aid scheme in the olive oil and table olive sector, the existing work programmes drawn up for the period running from 1 April 2018 until 31 March 2021 should be followed by new work programmes running from 1 April 2021 until 31 December 2022. Existing operational programmes in the fruit and vegetable sector that have not reached their maximum duration of five years may only be extended until 31 December 2022. New operational programmes in the fruit and vegetable sector should only be approved for a maximum duration of three years. The existing national programmes for the apiculture sector drawn up for a period running from 1 August 2019 until 31 July 2022 should be extended until 31 December 2022.

(44) Due to the crisis caused by the COVID-19 pandemic, winegrowers holding planting authorisations for new plantings or for replanting which expire in 2020 were largely prevented from making planned use of those authorisations in the last year of their validity. To avoid the loss of those authorisations and reduce the risk of the deterioration of the conditions under which the planting would need to be carried out, it is necessary to allow for a prolongation of the validity of planting authorisations for new plantings or for replanting which expire in 2020. All planting authorisations for new plantings or for replanting expiring in 2020 should therefore be prolonged until 31 December 2021. Also, taking into account changes in market perspectives, the holders of planting authorisations that expire in 2020 should have the possibility not to use their authorisations without being subject to the administrative penalties.

(45) The provision of Regulation (EU) No 1308/2013 on planting authorisations for new plantings or for replanting that expire in 2020, amended by this Regulation, should, because of the disturbances due to the COVID-19 pandemic and the difficulties it caused as regards the use of those planting authorisations, apply retroactively from 1 January 2020.

(46) In 2013, transitional provisions were laid down in order to ensure a smooth transition from the former wine grape planting rights regime to the new scheme of planting authorisations, in particular in order to avoid excessive plantings before the start of that new scheme. The latest deadline for the submission of requests for conversion of planting rights into authorisations ends on 31 December 2020. However, authorisations have to be used by the applicant and are not tradable as the former planting rights used to be. Moreover, the applicants for authorisations might be requested to have a corresponding vineyard area, which can lead to situations where holders of planting rights did not yet manage to acquire the corresponding vineyard areas to use the authorisations which would result from the conversion of their planting rights. The severe economic impact of the COVID-19 pandemic on the wine sector has led to cash flow problems for winegrowers and also to uncertainty concerning the future demand for wine. Winegrowers still holding planting rights should not be forced to decide whether they want to convert their planting rights into authorisations while facing exceptional difficulties due to the crisis caused by the COVID-19 pandemic, especially as they would be subject to an administrative penalty if they do not use their planting authorisations resulting from the conversion. Those Member States that allowed winegrowers to submit their requests for conversion of planting rights until 31 December 2020 should therefore be enabled to extend the deadline for the submission of such requests to 31 December 2022. Consequently, the latest date for the validity of such converted authorisations should be adapted and should end on 31 December 2025.

(47) Article 214a of Regulation (EU) No 1308/2013 allowed Finland to grant, under certain conditions, national aid in Southern Finland until 2020, subject to the authorisation of the Commission. In order to ensure continuity of payments of that aid during the transitional period, the granting of that national aid needs to continue to be allowed under the same conditions and same amounts as in 2020.

(48) In order to improve the operation of the market for olive oil, Member States should be able to decide on implementation of marketing rules to regulate supply. The scope of such decisions should, however, exclude practices which could distort competition.

(49) Recent events have shown that farmers are increasingly facing risks of income volatility, partly because of market exposure and partly because of extreme weather events and frequent sanitary and phytosanitary crises affecting Union livestock and agronomic assets. To alleviate the effects of income volatility by encouraging farmers to make savings in good years to cope with bad years, national tax measures whereby the income tax base applied to farmers is calculated on the basis of a multiannual period should be exempted from the application of State aid rules.

(50) Since the objective of this Regulation, namely to provide for the continued application of the rules of the current CAP framework and for uninterrupted payments to farmers and other beneficiaries, and thus provide predictability and stability during the transitional period, cannot be sufficiently achieved by the Member States but can rather, by reason of the scale and effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

(51) Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the Treaty on the Functioning of the European Union (TFEU) apply to this Regulation. Those rules are laid down in Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council[1] and determine in particular the procedure for establishing and implementing the budget through grants, procurement, prizes and indirect implementation, and provide for checks on the responsibility of financial actors. Rules adopted on the basis of Article 322 TFEU also include a general regime of conditionality for the protection of the Union budget.

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[1] Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

(52) Regulations (EU) No 1305/2013, (EU) No 1306/2013, (EU) No 1307/2013 and (EU) No 1308/2013 should therefore be amended accordingly.

(53) In order to ensure that the additional resources made available on the basis of the EURI Regulation are available from 1 January 2021, the provisions on EURI support in this Regulation should apply retroactively from that date.

(54) In view of the overriding need to immediately ensure legal certainty for the agricultural sector in the current circumstances, this Regulation should enter into force as a matter of urgency on the day following that of its publication in the *Official Journal of the European Union*,

HAVE ADOPTED THIS REGULATION:

TITLE I
TRANSITIONAL PROVISIONS

Chapter I
Extension of certain periods under Regulations (EU) No 1303/2013 and (EU) No 1310/2013 and continued application of Regulation (EU) No 1303/2013 for the programming years 2021 and 2022

Article 1

Extension of the period of duration of programmes supported by the European Agricultural Fund for Rural Development

1. For programmes supported by the European Agricultural Fund for Rural Development (EAFRD), the period from 1 January 2014 to 31 December 2020 laid down in Article 26(1) of Regulation (EU) No 1303/2013 is hereby extended until 31 December 2022.

2. The extension of the period of duration of programmes supported by the EAFRD, referred to in paragraph 1 of this Article, shall be without prejudice to the need to submit a request to amend rural development programmes for the transitional period as referred to in point (a) of Article 11 of Regulation (EU) No 1305/2013. Such an amendment shall ensure that at least the same overall share of the EAFRD contribution is reserved for the measures referred to in Article 59(6) of that Regulation.

Article 2

Continued application of Regulation (EU) No 1303/2013 to programmes supported by the EAFRD

1. Regulation (EU) No 1303/2013 shall continue to apply to programmes supported by the EAFRD under the 2014–2020 programming period and extended in accordance with Article 1 of this Regulation.

2. For programmes extended in accordance with Article 1 of this Regulation, the references to periods or deadlines in Article 50(1), Article 51(1), Article 57(2) and Article 65(2) and (4) and the first paragraph of Article 76 of Regulation (EU) No 1303/2013 shall be extended by two years.

3. For programmes extended in accordance with Article 1 of this Regulation, Member States shall amend their targets established in the context of the performance framework set out in Annex II to Regulation (EU) No 1303/2013 to establish targets for 2025. For those programmes, references to targets for 2023 set out in implementing acts adopted in accordance with Article 22(7) of Regulation (EU) No 1303/2013 or Article 8(3), Article 67, Article 75(5) or Article 76(1) of Regulation (EU) No 1305/2013 shall be read as references to targets for 2025.

4. The final date by which the Commission is to prepare a synthesis report outlining the main conclusions of ex-post evaluations of the EAFRD provided for in Article 57(4) of Regulation (EU) No 1303/2013 shall be 31 December 2027.

Article 3

Eligibility of certain types of expenditure during the transitional period

Without prejudice to Article 2(2) of this Regulation, to Article 65(2) of Regulation (EU) No 1303/2013 and to Article 38 of Regulation (EU) No 1306/2013, the expenditure referred to in Article 3(1) of Regulation (EU) No 1310/2013 and in Article 16 of Delegated Regulation (EU) No 807/2014 shall be eligible for an EAFRD contribution from the 2021 and 2022 allocation for programmes supported by the EAFRD which were extended in accordance with Article 1 of this Regulation, subject to the following conditions:

(a) such expenditure is provided for in the respective rural development programme for the years covered by the transitional period;

(b) the EAFRD contribution rate of the corresponding measure under Regulation (EU) No 1305/2013, as set out in Annex I to Regulation (EU) No 1310/2013 and in Annex I to Delegated Regulation (EU) No 807/2014, applies;

(c) the system referred to in Article 67(2) of Regulation (EU) No 1306/2013 applies to the legal commitments undertaken under measures that correspond to support granted in accordance with points (a) and (b) of Article 21(1) and Articles 28 to 31, 33, 34 and 40 of Regulation (EU) No 1305/2013 and the relevant operations are clearly identified; and

(d) the payments for the legal commitments referred to in point (c) of this Article are made within the period laid down in Article 75 of Regulation (EU) No 1306/2013.

Chapter II

Preparation of future community-led local development strategies in the programming years 2021 and 2022

Article 4

Community-led local development

For programmes extended in accordance with Article 1 of this Regulation, the EAFRD may support the costs of capacity building and preparatory actions supporting the design and future implementation of community-led local development strategy under the new legal framework.

Chapter III

Payment entitlements for direct payments to farmers

Article 5

Definitive payment entitlements

1. Payment entitlements allocated to farmers before 1 January 2020 shall be considered legal and regular as from 1 January 2021. The value of those entitlements to be considered legal and regular shall be the value for calendar year 2020 valid on 31 December 2020.

2. By way of derogation from paragraph 1 of this Article, a Member State which has made use of the option provided for in Article 24(6) of Regulation (EU) No 1307/2013 may, while respecting the legitimate expectations of farmers, decide that all payment entitlements allocated before 1 January 2020 shall be considered legal and regular as from that date. In that case, the value of those entitlements to be considered legal and regular shall be the value for calendar year 2019 valid on 31 December 2019.

3. Paragraphs 1 and 2 of this Article shall apply without prejudice to the relevant provisions of Union law, in particular to Article 22(5) and Article 25(12) of Regulation (EU) No 1307/2013, concerning the value of payment entitlements for calendar year 2020 and onwards.

4. Paragraphs 1 and 2 shall not apply to payment entitlements allocated to farmers on the basis of factually incorrect applications, except in cases where the error could not reasonably have been detected by the farmer.

5. Paragraphs 1 and 2 of this Article shall not prejudice the Commission's power to take decisions referred to in Article 52 of Regulation (EU) No 1306/2013 in relation to expenditure incurred for payments granted in respect of calendar years up to 2020 inclusive where paragraph 1 of this Article applies, or up to 2019 inclusive where paragraph 2 of this Article applies.

Chapter IV

Transitional provisions relating to rural development

Article 6

Eligibility of expenditure incurred under Regulation (EU) No 1305/2013, and certain types of expenditure incurred under Regulations (EC) No 1698/2005 and (EC) No 1257/1999

Expenditure relating to legal commitments to beneficiaries incurred under Regulation (EU) No 1305/2013, and certain types of expenditure incurred under Council Regulations (EC) No 1698/2005[1] and (EC) No 1257/1999[2] may be eligible for a contribution from the EAFRD in the period 2023-2027 from 1 January 2023, subject to the conditions to be determined in accordance with the CAP legal framework applicable in the period 2023-2027.

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[1] Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (OJ L 277, 21.10.2005, p. 1).

[2] Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations (OJ L 160, 26.6.1999, p. 80).

TITLE II
AMENDMENTS

Article 7

Amendments to Regulation (EU) No 1305/2013

Regulation (EU) No 1305/2013 is amended as follows:

(1) point (h) of Article 8(1) is amended as follows:

(a) point (i) is replaced by the following:

‘(i) a table setting out, in accordance with Article 58(4) and Article 58a(2) of this Regulation, the total EAFRD contribution planned for each year. That table shall indicate separately the additional resources as referred to in Article 58a(2) of this Regulation. When applicable, that table shall also indicate separately, within the total EAFRD contribution, the appropriations provided for the less developed regions and the funds transferred to the EAFRD pursuant to Article 7(2) of Regulation (EU) No 1307/2013. The planned annual EAFRD contribution shall be compatible with the Multiannual Financial Framework;’;

(b) point (ii) is replaced by the following:

‘(ii) a table setting out, for each measure, for each type of operation with a specific EAFRD contribution rate, for the type of operation referred to in Article 37(1) and Article 39a, for the type of operation referred to in Article 38(3) and Article 39(1) when a Member State applies a percentage less than 30 %, and for technical assistance, the total Union contribution planned and the applicable EAFRD contribution rate. Where applicable, that table shall indicate separately the EAFRD contribution rate for less developed regions and for other regions;’;

(2) in Article 28(5), the following subparagraphs are added:

‘For new commitments to be undertaken from 2021, Member States shall determine a shorter period of one to three years in their rural development programmes.

If Member States provide for an annual extension of commitments after the termination of the initial period in accordance with the first subparagraph, from 2022 the extension shall not go beyond one year.

By way of derogation from the second subparagraph, for new commitments to be undertaken in 2021 and 2022, Member States may determine a period of longer than three years in their rural development programmes based on the nature of the commitments and the environmental and climate-related objectives sought.’;

(3) in Article 29(3), the following subparagraphs are added:

‘For new commitments to be undertaken from 2021, Member States shall determine a shorter period of one to three years in their rural development programmes.

If Member States provide for an annual extension for the maintenance of organic farming after the termination of the initial period in accordance with the first subparagraph, from 2022 the extension shall not go beyond one year.

By way of derogation from the second subparagraph, for new commitments to be undertaken in 2021 and 2022, where support is granted for conversion to organic farming, Member States may determine a period of longer than three years in their rural development programmes.’;

(4) in Article 31(5), the second subparagraph is replaced by the following:

'In the years 2021 and 2022, for programmes extended in accordance with Article 1 of Regulation (EU) …/… of the European Parliament and of the Council[+][*] [this amending Regulation], where degressive payments were not granted by the Member States for the maximum duration of four years up to 2020, those Member States may decide to continue those payments until the end of 2022 but for no longer than four years in total. In that case, the payments in the years 2021 and 2022 shall not exceed EUR 25 per hectare.

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[*] Regulation (EU) …/… of the European Parliament and of the Council of … laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022 (OJ L …).';

[+] OJ: please, insert the number of this amending Regulation in the text and complete the footnote.

(5) in Article 33(2), the following subparagraphs are added:

‘For new commitments to be undertaken as from 2021, Member States shall determine a shorter period of one to three years in their rural development programmes.

If Member States provide for an annual renewal of commitments after the termination of the initial period in accordance with the second subparagraph, as from 2022 the renewal shall not go beyond one year.

By way of derogation from the third subparagraph, for new commitments to be undertaken in 2021 and 2022, Member States may determine a period of longer than three years in their rural development programmes based on the nature of the commitments and the animal welfare benefits sought.’;

(6) in Article 38(3), the second subparagraph is replaced by the following:

‘Support under point (b) of Article 36(1) shall only be granted to cover for loss caused by the outbreak of adverse climatic events, animal or plant disease, pest infestation, or measures adopted in accordance with Directive 2000/29/EC to eradicate or contain a plant disease or pest or environmental incident, which destroy more than 30 % of the average annual production of the farmer in the preceding three-year period or a three-year average based on the preceding five-year period, excluding the highest and lowest entry. Indexes may be used in order to calculate the annual production of the farmer. The calculation method used shall permit the determination of the actual loss of an individual farmer in a given year. Member States may decide to reduce that percentage of 30 %, however, to not less than 20 %.’;

(7) in Article 39, paragraph 1 is replaced by the following:

‘1. Support under point (c) of Article 36(1) shall only be granted where the drop in income exceeds 30 % of the average annual income of the individual farmer in the preceding three-year period or a three-year average based on the preceding five-year period excluding the highest and lowest entry. Income for the purposes of point (c) of Article 36(1) shall refer to the sum of revenues the farmer receives from the market, including any form of public support, deducting input costs. Payments by the mutual fund to farmers shall compensate for less than 70 % of the income lost in the year the producer becomes eligible to receive this assistance. Indexes may be used to calculate the annual loss of income of the farmer. Member States may decide to reduce that percentage of 30 %, however, to not less than 20 %.’;

(8) in Article 39b, paragraph 4 is replaced by the following:

‘4. The support shall take the form of a lump sum payment to be paid by 31 December 2021, based on applications for support approved by the competent authority by 30 June 2021. The subsequent reimbursement by the Commission shall be made in accordance with budget appropriations and subject to available funding. The level of payment may be differentiated by categories of beneficiaries, in accordance with objective and non-discriminatory criteria.’;

(9) in Article 42, paragraph 1 is replaced by the following:

‘1. In addition to the tasks referred to in Article 34 of Regulation (EU) No 1303/2013 and in Article 4 of Regulation (EU) …/…+ [this amending Regulation], local action groups may also perform additional tasks delegated to them by the Managing Authority and/or the paying agency.’;

(10) in Article 51(2), the following subparagraph is added:

‘By way of derogation from the first subparagraph, Member States for which the total amount of Union support for rural development for the years 2014-2020 as laid down in Annex I to this Regulation is less than EUR 1 800 million may, after the extension of their programmes in accordance with Article 1 of Regulation (EU) …/…+ [this amending Regulation], decide to devote 5 % of the total amount of each rural development programme to tasks referred to in Article 59 of Regulation (EU) No 1303/2013.’;

(11) Article 58 is amended as follows:

(a) in paragraph 1, the following subparagraph is added:

‘Without prejudice to paragraphs 5, 6 and 7, the total amount of Union support for rural development under this Regulation for the period from 1 January 2021 to 31 December 2022 shall be a maximum of EUR 26 896 831 880, in current prices, in accordance with the multiannual financial framework for the years 2021 to 2027.’;

+ OJ: Please insert the number of this amending Regulation in the text.

(b) paragraph 7 is replaced by the following:

‘7. In order to take account of the developments relating to the annual breakdown referred to in paragraph 4 of this Article, including the transfers referred to in paragraphs 5 and 6 of this Article and the transfers resulting from the application of Article 1 of Regulation (EU) …/…[+] [this amending Regulation], to make technical adjustments without changing the overall allocations, or to take account of any other change provided for by a legislative act after the adoption of this Regulation, the Commission shall be empowered to adopt delegated acts, in accordance with Article 83 of this Regulation, to review the ceilings set out in Annex I to this Regulation.’;

(12) the following Article is inserted:

‘*Article 58a*

Resources for the recovery of the Union agricultural sector and rural areas

1. Point (g) of Article 1(2) of Council Regulation (EU) …/… (‘EURI Regulation’)[*++] shall be implemented in accordance with this Article through measures that are eligible under the EAFRD and that are directed at addressing the impact of the COVID-19 crisis, with an amount of EUR 8 070 486 840 in current prices of the amount referred to in point (vi) of Article 2(2)(a) of that Regulation, subject to Article 3(3), (4) and (8) thereof.

[+] OJ: Please insert the number of this amending Regulation in the text.

[++] OJ: Please insert the number of EURI Regulation in the text and complete the footnote.

That amount of EUR 8 070 486 840 in current prices shall constitute external assigned revenues in accordance with Article 21(5) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council**.

It shall be made available as additional resources for budgetary commitment under the EAFRD for the years 2021 and 2022, in addition to the total resources set out in Article 58 of this Regulation as follows:

– 2021: EUR 2 387 718 000;

– 2022: EUR 5 682 768 840.

For the purpose of this Regulation and Regulations (EU) No 1306/2013 and (EU) No 1307/2013, those additional resources shall be considered as amounts financing measures under the EAFRD. They shall be considered as being part of the total amount of Union support for rural development, as referred to in Article 58(1) of this Regulation, to which they shall be added when reference is made to the total amount of Union support for rural development. Article 14 of Regulation (EU) No 1307/2013 shall not apply to the additional resources referred to in this paragraph and in paragraph 2 of this Article.

2. The breakdown for each Member State of the additional resources referred to in paragraph 1 of this Article, after deduction of the amount referred to in paragraph 7 of this Article, is set out in Annex Ia.

3. The percentage thresholds of the total EAFRD contribution to the rural development programme referred to in Article 59(5) and (6) of this Regulation shall not apply to the additional resources referred to in paragraph 1 of this Article. However, Member States shall ensure that at least the same overall share of the EAFRD contribution, including the additional resources referred to in paragraph 2 of this Article, is reserved in each rural development programme for the measures referred to in Article 59(6) of this Regulation, in line with Article 1(2) of Regulation (EU) …/…+ [this amending Regulation].

4. At least 37 % of the additional resources referred to in paragraph 2 of this Article shall be reserved in each rural development programme for measures referred to in Article 33 and Article 59(5) and (6), and in particular for:

   (a) organic farming;

   (b) mitigation of, and adaptation to, climate change, including reduction of greenhouse gas emissions from agriculture;

+ OJ: Please insert the number of this amending Regulation in the text.

(c) soil conservation, including the enhancement of soil fertility through carbon sequestration;

(d) improvement of the use and management of water, including water saving;

(e) creation, conservation and restoration of habitats favourable to biodiversity;

(f) reduction of the risks and impacts of pesticide and antimicrobial use;

(g) animal welfare;

(h) LEADER cooperation activities.

5. At least 55 % of the additional resources referred to in paragraph 2 of this Article shall be reserved in each rural development programme for measures referred to in Articles 17, 19, 20 and 35, provided that the designated use of such measures in the rural development programmes promotes economic and social development in rural areas, and contributes to a resilient, sustainable and digital economic recovery in line, inter alia, with the agri-environment-climate objectives pursued under this Regulation, and in particular:

(a) short supply chains and local markets;

(b) resource efficiency, including precision and smart farming, innovation, digitalisation and modernisation of production machinery and equipment;

(c) safety conditions at work;

(d) renewable energy, circular and bio-economy;

(e) access to high-quality ICT in rural areas.

When allocating the additional resources referred to in paragraph 2 of this Article, Member States may decide to derogate from the percentage threshold set out in the first subparagraph of this paragraph to the extent necessary to comply with the non-regression principle set out in Article 1(2) of Regulation (EU) …/…[+] [this amending Regulation]. However, Member States may instead decide to derogate from that non-regression principle to the extent necessary to comply with the percentage threshold set out in the first subparagraph of this paragraph.

6. Up to 4 % of the total additional resources referred to in paragraph 2 of this Article may be allocated to technical assistance, at the initiative of the Member States, to the rural development programmes in accordance with Article 51(2). That percentage threshold may be 5 % for those Member States to which the fourth subparagraph of Article 51(2) applies.

7. Up to 0,25 % of the total additional resources referred to in paragraph 1 of this Article may be allocated to technical assistance in accordance with Article 51(1).

[+] OJ: Please insert the number of this amending Regulation in the text.

8. The budget commitments relating to the additional resources referred to in paragraphs 1 and 2 of this Article shall in each rural development programme be made separately from the allocation referred to in Article 58(4).

9. Articles 20, 21 and 22 of Regulation (EU) No 1303/2013 shall not apply to the total additional resources referred to in paragraphs 1 and 2 of this Article.

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* Council Regulation (EU) …/… of … establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis (OJ …).

** Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).';

(13) Article 59 is amended as follows:

(a) in paragraph 4, the following point is inserted:

‘(ea) 100 % for operations receiving funding from additional resources referred to in Article 58a(1). Member States may establish a single, specific EAFRD contribution rate applicable to all those operations;’;

(b) paragraph 5 is replaced by the following:

‘5. At least 5 %, and in the case of Croatia 2,5 %, of the total EAFRD contribution to the rural development programme shall be reserved for LEADER and community-led local development as referred to in Article 4 of Regulation (EU) …/…+ [this amending Regulation].

When Member States make use of the possibility provided for in the sixth or seventh subparagraph of Article 14(1) of Regulation (EU) No 1307/2013, the percentages laid down in the first subparagraph of this paragraph shall apply to the total EAFRD contribution to the rural development programme without the additional support made available in accordance with the sixth or seventh subparagraph of Article 14(1) of Regulation (EU) No 1307/2013.’;

+ OJ: Please insert the number of this amending Regulation in the text.

(c) paragraph 6a is replaced by the following:

‘6a. The EAFRD support provided under Article 39b shall not exceed 2 % of the total EAFRD contribution to the rural development programme for the years 2014-2020 as provided for in Part One of Annex I.’;

(14) in Article 75, paragraph 1 is replaced by the following:

‘1. By 30 June 2016 and by 30 June of each subsequent year until and including 2026, the Member State shall submit to the Commission the annual implementation report on implementation of the rural development programme in the previous calendar year. The report submitted in 2016 shall cover the calendar years 2014 and 2015.’;

(15) Article 78 is replaced by the following:

‘In 2026, an ex-post evaluation report shall be prepared by the Member States for each of their rural development programmes. That report shall be submitted to the Commission by 31 December 2026.’;

(16) Annex I is amended in accordance with Annex I to this Regulation;

(17) A new Annex Ia is inserted as set out in Annex II to this Regulation;

(18) Annex II is amended as follows:

(a) Article 17(3) Investment in physical assets, fourth column is amended as follows:

(i) row 6 is replaced by the following:

‘Of the amount of eligible investment in other regions

The above rates may be increased by an additional maximum 35 percentage points in case of financing operations from funds referred to in Article 58a(1) contributing to a resilient, sustainable and digital economic recovery, provided that such support does not exceed 75 %, and by an additional 20 percentage points, provided that maximum combined support does not exceed 90 %, for:

– Young farmers as defined in this Regulation, or who have already set up during the five years preceding the application for support;

– Collective investments and integrated projects, including those linked to a merger of producer organisations;

– Areas facing natural constraints and other specific constraints as referred to in Article 32;

– Operations supported in the framework of the EIP;

– Investments linked to operations under Articles 28 and 29’;

(ii) row 11 is replaced by the following:

'Of the amount of eligible investment in other regions

The above rates may be increased by an additional maximum 35 percentage points in case of financing operations from funds referred to in Article 58a(1) contributing to a resilient, sustainable and digital economic recovery, provided that such support does not exceed 75 %, and by an additional 20 percentage points, provided that maximum combined support does not exceed 90 %, for operations supported in the framework of the EIP or those linked to a merger of producer organisations';

(b) Article 19(6) Farm and business development, fourth column, row 1 is replaced by the following:

'Per young farmer under Article 19(1)(a)(i)

That amount may be increased by an additional maximum of EUR 30 000 in the case of financing operations from funds referred to in Article 58a(1).'.

Article 8

Amendments to Regulation (EU) No 1306/2013

Regulation (EU) No 1306/2013 is amended as follows:

(1) in Article 25, the following subparagraph is added:

‘For each of the years 2021 and 2022, the amount of the reserve shall be EUR 400 million (at 2011 prices) and shall be included under Heading 3 of the Multiannual Financial Framework as set out in the Annex to Council Regulation (EU) …/…[*+] [MFF].

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[*] Council Regulation (EU) …/… of … [laying down the multiannual financial framework for the years 2021 to 2027 (OJ …).’;

[+] OJ: Please insert the number of the MFF Regulation in the text and complete the footnote.

(2) Article 33 is replaced by the following:

'*Article 33*

Budget commitments

As regards the Union's budget commitments for rural development programmes, Article 76 of Regulation (EU) No 1303/2013 and where applicable in conjunction with Article 2(2) of Regulation (EU) …/… of the European Parliament and of the Council*+ [this amending Regulation] shall apply.

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* Regulation (EU) …/… of the European Parliament and of the Council of […] laying down certain transitional provisions for support from the European Agricultural Fund for Rural Development (EAFRD) and from the European Agricultural Guarantee Fund (EAGF) in the years 2021 and 2022 and amending Regulations (EU) No 1305/2013, (EU) No 1306/2013 and (EU) No 1307/2013 as regards resources and application in the years 2021 and 2022 and Regulation (EU) No 1308/2013 as regards resources and the distribution of such support in respect of the years 2021 and 2022 (OJ …).';

+ OJ: Please insert the number of this amending Regulation in the text and complete the footnote.

(3) in Article 35, the following paragraph is added:

‘5. For programmes extended in accordance with Article 1 of Regulation (EU) …/…+ [this amending Regulation], no pre-financing shall be granted for the 2021 and 2022 allocation or for additional resources referred to in Article 58a(1) and (2) of Regulation (EU) No 1305/2013.’;

(4) in Article 36(3), the following subparagraph is added:

‘Point (b) of the first subparagraph shall apply, *mutatis mutandis*, to the additional resources referred to in Article 58a of Regulation (EU) No 1305/2013.’;

(5) in Article 37, paragraph 1 is replaced by the following:

‘1. After receiving the last annual progress report on the implementation of a rural development programme, the Commission shall pay the balance, subject to the availability of resources, on the basis of the financial plan in force, the annual accounts for the last execution year for the relevant rural development programme and of the corresponding clearance decision. Those accounts shall be presented to the Commission no later than six months after the final eligibility date of expenditure as referred to in Article 65(2) of Regulation (EU) No 1303/2013, and where applicable in conjunction with Article 2(2) of Regulation (EU) …/…+ [this amending Regulation], and shall cover the expenditure effected by the paying agency up to the last eligibility date of expenditure.’;

+ OJ: Please insert the number of this amending Regulation in the text.

(6) in Article 38, paragraph 2 is replaced by the following:

‘2. The part of budget commitments that is still open on the last eligibility date for expenditure as referred to in Article 65(2) of Regulation (EU) No 1303/2013, and where applicable in conjunction with Article 2(2) of Regulation (EU) …/…+ [this amending Regulation], for which no declaration of expenditure has been made within six months of that date shall be automatically de-committed.’.

Article 9

Amendments to Regulation (EU) No 1307/2013

Regulation (EU) No 1307/2013 is amended as follows:

(1) in Article 11(6), the following subparagraph is added:

‘Member States shall notify the Commission of the decisions taken in accordance with this Article and of any estimated product of reductions for the year 2021 by 19 February 2021 and for the year 2022 by 1 August 2021.’;

+ OJ: Please insert the number of this amending Regulation in the text.

(2) Article 14 is amended as follows:

(a) in paragraph 1, the following subparagraph is added:

‘Member States may decide to make available, as additional support financed under the EAFRD in financial years 2022 and 2023, up to 15 % of their annual national ceilings for the calendar years 2021 and 2022 set out in Annex II to this Regulation. As a result, the corresponding amount shall no longer be available for granting direct payments. That decision shall be notified to the Commission for the calendar year 2021 by 19 February 2021 and for the calendar year 2022 by 1 August 2021 and shall set out the percentage chosen.’;

(b) in paragraph 2, the following subparagraph is added:

'Member States which do not take the decision referred to in the seventh subparagraph of paragraph 1 for financial years 2022 and 2023, may decide to make available as direct payments up to 15 %, or in the case of Bulgaria, Estonia, Spain, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Finland and Sweden up to 25 %, of the amount allocated to support financed under the EAFRD in financial year 2022 by Regulation (EU) No 1305/2013 and in financial year 2023 by Union legislation adopted after the adoption of Council Regulation (EU) …/…[*+] [MFF]. As a result, the corresponding amount shall no longer be available for support financed under the EAFRD. That decision shall be notified to the Commission for the financial year 2022 by 19 February 2021 and for the financial year 2023 by 1 August 2021 and shall set out the percentage chosen.

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* Council Regulation (EU) …/… of […] [laying down the multiannual financial framework for the years 2021 to 2027 (OJ …).';

\+ OJ: Please insert the number of MFF Regulation in the text and complete the footnote.

(3) Article 22 is amended as follows:

(a) paragraph 2 is replaced by the following:

‘2. For each Member State, the amount calculated in accordance with the paragraph 1 of this Article may be increased by a maximum of 3 % of the relevant annual national ceiling set out in Annex II after deduction of the amount resulting from the application of Article 47(1) for the relevant year. When a Member State applies such an increase, that increase shall be taken into account by the Commission when setting the annual national ceiling for the basic payment scheme pursuant to paragraph 1 of this Article. For that purpose, Member States shall notify the Commission by 1 August 2014 of the annual percentages by which the amount calculated pursuant to paragraph 1 of this Article is to be increased. By 19 February 2021, Member States shall notify the Commission of the annual percentage by which the amount calculated pursuant to paragraph 1 of this Article is to be increased for calendar years 2021 and 2022.’;

(b) in paragraph 5, the following subparagraph is added:

'For calendar years 2021 and 2022, if the ceiling for a Member State set by the Commission pursuant to paragraph 1 of this Article is different from that of the previous year as a result of a change in the amount set out in Annex II or as a result of any decision taken by that Member State in accordance with this Article, Article 14(1) or (2), Article 42(1), Article 49(1), Article 51(1) or Article 53, that Member State shall linearly reduce or increase the value of all payment entitlements and/or reduce or increase the national reserve or regional reserves in order to ensure compliance with paragraph 4 of this Article.';

(4) in Article 23(6), the following subparagraph is added:

'Member States applying the first subparagraph of paragraph 1 shall notify the Commission for calendar year 2021 by 19 February 2021 and for calendar year 2022 by 1 August 2021 of the decisions referred to in paragraphs 2 and 3.';

(5) in Article 25, the following paragraphs are added:

‘11. After having applied the adjustment referred to in Article 22(5), Member States that have made use of the derogation provided for in paragraph 4 of this Article may decide that payment entitlements held by farmers on 31 December 2019 which have a value lower than the national or regional unit value in 2020 as calculated in accordance with the second subparagraph of this paragraph have their unit value increased towards the national or regional unit value in 2020. The increase shall be calculated under the following conditions:

(a) the calculation method for the increase decided upon by the Member State concerned is based on objective and non-discriminatory criteria;

(b) in order to finance the increase, all or part of the owned or leased-in payment entitlements held by farmers on 31 December 2019 which have a value higher than the national or regional unit value in 2020 as calculated in accordance with the second subparagraph shall be reduced; that reduction shall apply to the difference between the value of those entitlements and the national or regional unit value in 2020; the application of that reduction shall be based on objective and non-discriminatory criteria, which may include the fixing of a maximum decrease.

The national or regional unit value in 2020 referred to in the first subparagraph of this paragraph shall be calculated by dividing the national or regional ceiling for the basic payment scheme set in accordance with Article 22(1) or Article 23(2) for 2020, excluding the amount of the national or regional reserves, by the number of the owned or leased-in payment entitlements held by farmers on 31 December 2019.

By way of derogation from the first subparagraph of this paragraph, Member States that have made use of the derogation provided for in paragraph 4 of this Article may decide to keep the value of payment entitlements calculated in accordance with that paragraph subject to the adjustment referred to in Article 22(5).

Member States shall inform farmers in due time of the value of their payment entitlements as calculated in accordance with this paragraph.

12. For calendar years 2021 and 2022, Member States may decide to apply further internal convergence by applying paragraph 11 to the year concerned.';

(6) in Article 29, the following paragraph is added:

'For calendar years 2020 and 2021, Member States shall notify the Commission of their decisions referred to in Article 25(11) and (12) by 19 February 2021.

For calendar year 2022, Member States shall notify the Commission of their decision referred to in Article 25(12) by 1 August 2021.';

(7) in Article 30(8), the following subparagraph is added:

‘For allocations from the national reserve or regional reserves in 2021 and 2022, the amount of the national reserve or regional reserves to be excluded in accordance with the second subparagraph of this paragraph shall be adjusted in accordance with the second subparagraph of Article 22(5). For allocations from the national reserve or regional reserves in 2021 and 2022, the third subparagraph of this paragraph shall not apply.’;

(8) Article 36 is amended as follows:

(a) in paragraph 1, the following subparagraph is added:

‘Member States applying the single area payment scheme in 2020 shall continue to do so after 31 December 2020.’;

(b) in paragraph 4, the second subparagraph is replaced by the following:

‘For each Member State, the amount calculated in accordance with the first subparagraph of this paragraph may be increased by a maximum of 3 % of the relevant annual national ceiling set out in Annex II after deduction of the amount resulting from the application of Article 47(1) for the relevant year. When a Member State applies such an increase, that increase shall be taken into account by the Commission when setting the annual national ceiling for the single area payment scheme pursuant to the first subparagraph of this paragraph. For that purpose, Member States shall notify the Commission by 31 January 2018 of the annual percentages by which the amount calculated pursuant to paragraph 1 of this Article is to be increased each calendar year from 2018. By 19 February 2021, Member States shall notify the Commission of the annual percentage by which the amount calculated pursuant to paragraph 1 of this Article is to be increased for calendar years 2021 and 2022.’;

(9) Article 37 is amended as follows:

(a) in paragraph 1, the following subparagraph is added:

‘Member States granting transitional national aid in the period 2015-2020 may decide to grant transitional national aid in 2021 and 2022.’;

(b) in paragraph 4, the sixth indent is replaced by the following:

‘- 50 % in 2020, 2021 and 2022.’;

(10) in Article 41, paragraph 1 is replaced by the following:

‘1. Member States may decide by 1 August of any given year to grant, from the following year, an annual payment to farmers who are entitled to a payment under the basic payment scheme referred to in Sections 1, 2, 3 and 5 of Chapter 1 or under the single area payment scheme referred to in Section 4 of Chapter 1 (“the redistributive payment”). Member States may take such a decision by 19 February 2021 for calendar year 2021 and by 1 August 2021 for calendar year 2022. Member States already applying the redistributive payment may review their decision to grant such payment or the details of the scheme by 19 February 2021 for calendar year 2021 and by 1 August 2021 for calendar year 2022.

Member States shall notify the Commission of any such decision by the relevant date referred to in the first subparagraph.’;

(11) in Article 42(1), the following subparagraph is added:

'Member States shall notify the Commission of the percentage referred to in the first subparagraph by 19 February 2021 for calendar year 2021 and by 1 August 2021 for calendar year 2022.';

(12) in Article 49(1), the following subparagraph is added:

'Member States granting payments in accordance with Article 48 in calendar year 2020 shall notify the Commission of the percentage referred to in the first subparagraph by 19 February 2021 for calendar year 2021 and by 1 August 2021 for calendar year 2022.';

(13) in Article 51(1), the first subparagraph is replaced by the following:

'1. In order to finance the payment for young farmers, Member States shall use a percentage, which shall not be higher than 2 %, of the annual national ceiling set out in Annex II. The Member States shall notify the Commission, by 1 August 2014, of the estimated percentage necessary to finance that payment. By 19 February 2021, Member States shall notify the Commission of the estimated percentages necessary to finance that payment for calendar years 2021 and 2022.';

(14) in Article 52, paragraph 10 is replaced by the following:

‘10. The Commission is empowered to adopt delegated acts in accordance with Article 70 supplementing this Regulation as regards measures in order to avoid beneficiaries of voluntary coupled support suffering from structural market imbalances in a sector. Those delegated acts may allow Member States to decide that such support may continue to be paid until 2022 on the basis of the production units for which voluntary coupled support was granted in a past reference period.’;

(15) Article 53 is amended as follows:

(a) in paragraph 1, the following subparagraph is added:

‘Member States not having granted voluntary coupled support until claim year 2020 may take a decision in accordance with the first subparagraph for calendar year 2021 by 19 February 2021.’;

(b) paragraph 6 is replaced by the following:

‘6. Member States may, by 1 August of any given year, review their decision pursuant to this Chapter.

By 8 February 2020, Member States may also review their decision pursuant to this Chapter to the extent necessary to adjust to the decision on flexibility between pillars for calendar year 2020 taken in accordance with Article 14.

Member States shall decide by 19 February 2021 for calendar year 2021, and by 1 August 2021 for calendar year 2022, whether to continue or cease granting voluntary coupled support for the respective claim year.

By means of a review pursuant to the first and second subparagraphs of this paragraph, or a notification pursuant to the third subparagraph of this paragraph, Member States may decide with effect from the following year and for calendar years 2020 and 2021 with effect from the same calendar year:

(a) to leave unchanged, increase or decrease the percentage fixed pursuant to paragraphs 1, 2 and 3, within the limits laid down therein where applicable, or to leave unchanged or decrease the percentage fixed pursuant to paragraph 4;

(b) to modify the conditions for granting the support;

(c) to cease granting the support under this Chapter.

Member States shall notify the Commission of any decision relating to the first, second and third subparagraphs of this paragraph by the respective dates referred to in those subparagraphs. The notification of the decision relating to a review pursuant to the second subparagraph of this paragraph shall explain the link between the review and the decision on flexibility between pillars for calendar year 2020 taken in accordance with Article 14.';

(16) in Article 54, paragraph 1 is replaced by the following:

‘1. Member States shall notify the Commission of the decisions referred to in Article 53 by the dates referred to in that Article. Except for the decision referred to in point (c) of the fourth subparagraph of Article 53(6), the notification shall include information on the regions targeted, the selected types of farming or sectors, and the level of support to be granted. The notifications of the decisions referred to in Article 53(1) and of the decision referred to in the third subparagraph of Article 53(6) shall also include the percentage of the national ceiling referred to in Article 53 for the relevant calendar year.’;

(17) in Article 58, paragraph 3 is replaced by the following:

‘3. The amount of the crop-specific payment for cotton per hectare of eligible area shall be calculated for 2020 by multiplying the yields established in paragraph 2 with the following reference amounts:

– Bulgaria: EUR 649,45,

– Greece: EUR 234,18,

– Spain: EUR 362,15,

– Portugal: EUR 228,00.

The amount of the crop-specific payment for cotton per hectare of eligible area shall be calculated for 2021 and 2022 by multiplying the yields established in paragraph 2 with the following reference amounts:

– Bulgaria: EUR 636,13,

– Greece: EUR 229,37,

– Spain: EUR 354,73,

– Portugal: EUR 223,32.';

(18) Annexes II and III are amended in accordance with Annex III to this Regulation.

Article 10

Amendments to Regulation (EU) No 1308/2013

Regulation (EU) No 1308/2013 is amended as follows:

(1) Article 29 is amended as follows:

(a) in paragraph 1, the following subparagraph is added:

'Work programmes drawn up for the period running from 1 April 2021 shall end on 31 December 2022.';

(b) paragraph 2 is replaced by the following:

‘2. The Union financing of the work programmes referred to in paragraph 1 for 2020 shall be:

(a) EUR 11 098 000 for Greece;

(b) EUR 576 000 for France;

(c) EUR 35 991 000 for Italy.

The Union financing of the work programmes referred to in paragraph 1 for each of the years 2021 and 2022 shall be:

(a) EUR 10 666 000 for Greece;

(b) EUR 554 000 for France;

(c) EUR 34 590 000 for Italy.’;

(2) in Article 33(1), the following subparagraphs are added:

‘Operational programmes for which an extension in line with the maximum duration of five years referred to in the first subparagraph is to be approved after … [the date of entry into force of this amending Regulation] may only be extended until 31 December 2022.

By way of derogation from the first subparagraph, new operational programmes that are approved after … [the date of entry into force of this amending Regulation] shall have a maximum duration of three years.';

(3) in Article 55(1), the following subparagraph is added:

'By way of derogation from the first subparagraph, national programmes drawn up for the period running from 1 August 2019 until 31 July 2022 shall be extended until 31 December 2022. Member States shall modify their national programmes to take account of that extension and shall notify the modified programmes to the Commission for their approval.';

(4) in Article 58, paragraph 2 is replaced by the following:

'2. The Union financing for the aid to producer organisations provided for in paragraph 1 for 2020 shall be EUR 2 277 000 for Germany.

The Union financing for the aid to producer organisations provided for in paragraph 1 for each of the years 2021 and 2022 shall be EUR 2 188 000 for Germany.';

(5) in Article 62(3), the following subparagraphs are added:

‘By way of derogation from the first subparagraph, the validity of authorisations granted in accordance with Article 64 and Article 66(1), which expires in the year 2020, is extended until 31 December 2021.

Producers who hold authorisations in accordance with Article 64 and Article 66(1) of this Regulation, which expire in 2020, shall not, by way of derogation from the first subparagraph of this paragraph, be subject to the administrative penalty referred to in Article 89(4) of Regulation (EU) No 1306/2013 provided that they inform the competent authorities by 28 February 2021 that they do not intend to make use of their authorisation and do not wish to benefit from the extension of their validity as referred to in the second subparagraph of this paragraph.’;

(6) Article 68 is amended as follows:

(a) in paragraph 1, the second subparagraph is replaced by the following:

‘Such conversion shall take place upon a request to be submitted by those producers before 31 December 2015. Member States may decide to allow producers to submit such a request to convert rights into authorisations until 31 December 2022.’;

(b) paragraph 2 is replaced by the following:

'2. Authorisations granted pursuant to paragraph 1 shall have the same period of validity as the planting rights referred to in paragraph 1. If those authorisations are not used, they shall expire at the latest by 31 December 2018, or, where a Member State has taken the decision referred to in the second subparagraph of paragraph 1, at the latest by 31 December 2025.';

(7) The following Article is inserted at the end of Title II, Chapter III, Section 4:

'*Article 167a*
Marketing rules to improve and stabilise the operation of the common market in olive oils

1. In order to improve and stabilise the operation of the common market in olive oils, including the olives from which they derive, producer Member States may lay down marketing rules to regulate supply.

Such rules shall be proportionate to the objective pursued and shall not:

(a) relate to any transaction after the first marketing of the produce concerned;

(b) allow for price fixing, including where prices are set for guidance or recommendation;

(c) render unavailable an excessive proportion of the production of the marketing year that would otherwise be available.

2. The rules provided for in paragraph 1 shall be brought to the attention of operators by being published in full in an official publication of the Member State concerned.

3. Member States shall notify the Commission of any decisions taken under this Article.';

(8) in Article 211, the following paragraph is added:

'3. By way of derogation from paragraph 1 of this Article, Articles 107, 108 and 109 TFEU shall not apply to national fiscal measures whereby Member States decide to deviate from general tax rules by allowing for the income tax base applied to farmers to be calculated on the basis of a multiannual period with a view to evening out the tax base over a certain number of years.';

(9) in Article 214a, the following paragraph is added:

'In 2021 and 2022, Finland may continue to grant the national aids referred to in the first paragraph subject to the same conditions and amounts as authorised by the Commission for 2020.';

(10) Annex VI is replaced by the text set out in Annex IV to this Regulation.

TITLE III
FINAL PROVISIONS

Article 11

Entry into force and application

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

Point 5 of Article 9 (concerning Article 25(11) of Regulation (EU) No 1307/2013) and point 5 of Article 10 (concerning Article 62(3) of Regulation (EU) No 1308/2013) shall apply from 1 January 2020.

By way of derogation from the first paragraph of this Article, point 12, point (a) of point 13 and points 17 and 18 of Article 7 shall enter into force on the date of entry into force of the EURI Regulation. Point 12, point (a) of point 13 and points 17 and 18 of Article 7 shall apply from 1 January 2021.

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

Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

ANNEX I

Annex I to Regulation (EU) No 1305/2013 is amended as follows:

(1) the title is replaced by the following:

'PART ONE: BREAKDOWN OF UNION SUPPORT FOR RURAL DEVELOPMENT (2014 TO 2020)';

(2) the following title and table are added:

'PART TWO: BREAKDOWN OF UNION SUPPORT FOR RURAL DEVELOPMENT (2021 AND 2022)

(current prices in EUR)

	2021	2022
Belgium	101 120 350	82 800 894
Bulgaria	344 590 304	282 162 644
Czechia	316 532 230	259 187 708
Denmark	92 734 249	75 934 060
Germany	1 334 041 136	1 092 359 738
Estonia	107 490 074	88 016 648
Ireland	380 590 206	311 640 628
Greece	680 177 956	556 953 600
Spain	1 319 414 366	1 080 382 825
France	1 782 336 917	1 459 440 070

	2021	2022
Croatia	363 085 794	297 307 401
Italy	1 648 587 531	1 349 921 375
Cyprus	29 029 670	23 770 514
Latvia	143 490 636	117 495 173
Lithuania	238 747 895	195 495 162
Luxembourg	15 034 338	12 310 644
Hungary	509 100 229	416 869 149
Malta	24 406 009	19 984 497
Netherlands	89 478 781	73 268 369
Austria	635 078 708	520 024 752
Poland	1 612 048 020	1 320 001 539
Portugal	660 145 863	540 550 620
Romania	1 181 006 852	967 049 892
Slovenia	134 545 025	110 170 192
Slovakia	316 398 138	259 077 909
Finland	432 993 097	354 549 956
Sweden	258 769 726	211 889 741
Total EU-27	14 750 974 100	12 078 615 700
Technical Assistance	36 969 860	30 272 220
Total	14 787 943 960	12 108 887 920

’.

ANNEX II

Annex Ia to Regulation (EU) No 1305/2013 is inserted as follows:

‘ANNEX Ia

BREAKDOWN OF THE ADDITIONAL RESOURCES BY MEMBER STATE AS REFERRED TO IN ARTICLE 58A

(current prices, in EUR)

	2021	2022
Belgium	14 246 948	33 907 737
Bulgaria	59 744 633	142 192 228
Czechia	54 879 960	130 614 305
Denmark	16 078 147	38 265 991
Germany	209 940 765	499 659 020
Estonia	18 636 494	44 354 855
Ireland	56 130 739	133 591 159
Greece	108 072 886	257 213 470
Spain	212 332 550	505 351 469
France	256 456 603	610 366 714
Croatia	59 666 188	142 005 526
Italy	269 404 179	641 181 947
Cyprus	3 390 542	8 069 491
Latvia	24 878 226	59 210 178
Lithuania	41 393 810	98 517 267
Luxembourg	2 606 635	6 203 790
Hungary	88 267 157	210 075 834
Malta	2 588 898	6 161 577
Netherlands	15 513 719	36 922 650

	2021	2022
Austria	101 896 221	242 513 006
Poland	279 494 858	665 197 761
Portugal	104 599 747	248 947 399
Romania	204 761 482	487 332 328
Slovenia	21 684 662	51 609 495
Slovakia	48 286 370	114 921 561
Finland	61 931 116	147 396 056
Sweden	44 865 170	106 779 104
Total EU-27	2 381 748 705	5 668 561 918
Technical Assistance (0,25 %)	5 969 295	14 206 922
Total	2 387 718 000	5 682 768 840

’.

ANNEX III

Annexes II and III to Regulation (EU) No 1307/2013 are amended as follows:

(1) in Annex II, the following columns are added:

‘

2021	2022
494 926	494 926
788 626	797 255
854 947	854 947
862 367	862 367
4 915 695	4 915 695
190 715	193 576
1 186 282	1 186 282
1 891 660	1 890 730
4 800 590	4 797 439
7 285 001	7 274 171
344 340	374 770
3 628 529	3 628 529
47 648	47 648
339 055	344 140
569 965	578 515

2021	2022
32 748	32 748
1 243 185	1 243 185
4 594	4 594
717 382	717 382
677 582	677 582
3 030 049	3 061 233
595 873	600 528
1 891 805	1 919 363
131 530	131 530
391 174	396 034
515 713	517 532
685 676	685 904

’;

(2) in Annex III, the following columns are added:

‘

2021	2022
494,9	494,9
791,2	799,8
854,9	854,9
862,4	862,4
4 915,7	4 915,7
190,7	193,6
1 186,3	1 186,3
2 075,7	2 074,7
4 860,3	4 857,1
7 285,0	7 274,2
344,3	374,8
3 628,5	3 628,5
47,6	47,6
339,1	344,1
570,0	578,5
32,7	32,7
1 243,2	1 243,2

2021	2022
4,6	4,6
717,4	717,4
677,6	677,6
3 030,0	3 061,2
596,1	600,7
1 891,8	1 919,4
131,5	131,5
391,2	396,0
515,7	517,5
685,7	685,9

’.

ANNEX IV

Annex VI to Regulation (EU) No 1308/2013 is replaced by the following:

‘ANNEX VI

BUDGETARY LIMITS FOR SUPPORT PROGRAMMES REFERRED TO IN ARTICLE 44(1)

in 1 000 EUR per budget year					
	2014	2015	2016	2017-2020	2021 onwards
Bulgaria	26 762	26 762	26 762	26 762	25 721
Czechia	5 155	5 155	5 155	5 155	4 954
Germany	38 895	38 895	38 895	38 895	37 381
Greece	23 963	23 963	23 963	23 963	23 030
Spain	353 081	210 332	210 332	210 332	202 147
France	280 545	280 545	280 545	280 545	269 628
Croatia	11 885	11 885	11 885	10 832	10 410
Italy	336 997	336 997	336 997	336 997	323 883
Cyprus	4 646	4 646	4 646	4 646	4 465
Lithuania	45	45	45	45	43
Luxembourg	588	—	—	—	—
Hungary	29 103	29 103	29 103	29 103	27 970
Malta	402	—	—	—	—
Austria	13 688	13 688	13 688	13 688	13 155
Portugal	65 208	65 208	65 208	65 208	62 670
Romania	47 700	47 700	47 700	47 700	45 844
Slovenia	5 045	5 045	5 045	5 045	4 849
Slovakia	5 085	5 085	5 085	5 085	4 887
United Kingdom	120	—	—	—	—

’.