

Common agricultural policy (CAP): common rules for direct support schemes and certain support schemes for farmers; support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

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The Committee on Agriculture and Rural Development adopted the report by Jan **MULDER** (ALDE, NL) amending, under the consultation procedure, the proposal for a Council regulation amending Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).

Although supportive of the system of cross compliance, the rapporteur underlines that it is a complicated system and it should, as well as the legislation falling under the scope of cross compliance be simplified, deregulated and improved continuously.

The key amendments adopted in committee are as follows:

Reduction or exclusion of direct payments: the Commission proposes that the Member States could decide in such cases not to apply a reduction in aid for sums less than or equal to EUR 50 per farmer per calendar year. MEPs believe this threshold should be set at EUR 250 in order to reduce bureaucracy sufficiently. Any findings of non-compliance shall nevertheless be subject to a specific follow-up in the risk analysis and should not oblige controlling agencies to perform a repetitive control, as this would mean an unacceptable increase of the costs of control for the Member States.

The committee prefers to maintain the current text of the article according to which the farmer who owns a particular parcel should be responsible for complying with the statutory management requirements and good agricultural and environmental conditions, and only for the period that he owns the parcel. Also in case non-compliance is found on a parcel which is owned by a farmer, different from the farmer who submitted an aid application for that particular parcel, only the new owner's direct payment may be reduced. This will prevent unnecessary legal battling and simplify execution by the controlling agencies. Moreover, the Commission proposal is transferring the burden of proof to the farmer. The current situation should be maintained, in which the controlling agency has to prove that a certain case of non-compliance is attributable to an action or omission directly attributable to the farmer concerned.

Reductions and exclusions: a new measure provides that Member States should ensure that farmers are not punished twice (reduction or exclusion of payments, as well as a fine following non-compliance with the relevant national legislation) for the same case of non-compliance.

Controls on cross-compliance: the report states that Member States shall carry out on-the-spot checks to verify whether the farmer complies with the specific obligations. These controls shall take place within a period of not more than one day for a particular farm. Member States shall endeavour to plan controls in such a way that farms which can best be controlled in a particular period during the year, due to seasonal reasons, are indeed controlled in that particular period. However, if the controlling agency could not control a particular statutory management requirement, or a part thereof, or good agricultural and

environmental conditions during an on-the- spot check, due to seasonal reasons, those requirements and conditions shall be deemed to be met.

Use of payment entitlements: the committee welcomes the plans to scrap the 10-month rule but believes the Commission's alternative solution - that pieces of land should be available to farmers on 15 June each year if they wish to be entitled to the single payments - would result in red tape. Instead the committee suggests that farmers should have to prove that they held the land on the deadline set by the Member State concerned.

Review: MEPs request that by 31 December 2007 at the latest, and every two years thereafter, the Commission shall submit a report on the application of the cross-compliance system accompanied, if necessary, by appropriate proposals notably with a view to: i) amending the list of statutory management requirements; ii) simplifying, deregulating and improving the legislation under the list of statutory management requirements, special attention being paid to legislation concerning nitrates; iii) simplifying, improving and harmonising the control systems in place, taking into account the opportunities offered by the development of indicators and “bottleneck based” controls, controls already performed under private certification schemes, controls already performed under national legislation implementing the statutory management requirements.

Transition period for new Member States: the committee suggests that the transition period for application of cross-compliance rules by new Member States as proposed by the Commission should be extended: to 2013 for countries that joined the EU in 2004 and to 2016 for those that joined in 2007.