Rural development: adapting Annex VIII to the Act of Accession of Bulgaria and Romania (derog. Regulation (EC) No 1698/2005)

2007/0217(CNS) - 12/10/2007 - Legislative proposal

PURPOSE: to adapt Annex VIII to the Bulgarian and Romanian Act of Accession.

PROPOSED ACT: Council Decision

CONTENT: section IV of Annex VIII to the Act of Accession of Bulgaria and Romania established the financial contribution of the Community for rural development at 85% for agri-environment and animal welfare measures and at 80% for all other measures. This, however, is at odds with other Community provisions, most notably Council Regulation (EC) No 1698/2005 (EAFRD). Article 70 of this Regulation introduces a new financial architecture, under which co-financing rates are no longer set at the level of the measure, but at axis level.

Council Decision 2006/664/EC consequently adapted the Act of Accession by replacing the previous text with a paragraph that introduced financial contributions at axis level. Further Community provisions now provide for an indicative financial breakdown by rural development axis and measure, including the measure “complements to direct payments” in the programmes, which was later established in the Act of Accession.

In the Act of Accession it was transferred to Pillar 1 of the CAP for the years 2007, 2008 and 2009. Pillar I, however, falls outside the architecture of the four rural development axes and, as a result, is not covered by the co-financing rates per axis.

The purpose of this proposal, therefore, is to adopt the Bulgarian and Romanian Act of Accession in order to specify that the maximum financial contribution of the Community to the measure “complements to direct payments” is 80%. This would be the same as for axes 1 and 3 and for technical assistance. The co-financing rate for axes 2 has been established, by the Council, at 82%.

The proposal has no financial implications for the Community’s budget.