

Common agricultural policy (CAP): direct payments to farmers under support schemes 2014-2020

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Ministers held an **orientation debate on the greening of the common agricultural policy (CAP)** within the framework of the CAP reform. The debate covered provisions contained in three of the main proposals of the CAP reform package:

- **Regulation for direct payments to farmers;**
- [Regulation](#) on the financing, management and monitoring of the CAP (the "horizontal" regulation);
- [Regulation for rural development](#).

While **broadly supporting the principle** of greening the CAP for the period 2014-2020 under the pillar I, delegations nonetheless made clear that, in order to achieve this ambition, an **adjustment of the modalities** proposed by the Commission was required.

Most delegations stressed that any additional greening measures had to be consistent with their specific objective circumstances be easy to apply and monitor, with the implementation costs remaining proportional and avoiding unnecessary red tape. A **more flexible approach** would help to take into account the diversity of agricultures in the EU and would avoid a "one size fits all" approach.

Many Member States considered that the scope of farming practices that are "**green by definition**" had to be widened to include pillar II agri-environment practices, as well as practices under national or regional environmental certification schemes. The Commission expressed openness to consider an adjustment of its proposal to take this into account.

On the **three mandatory greening measures**, a number of adjustments were suggested by delegations:

- **on crop diversification** : most delegations considered that there was a **need to increase the minimum threshold**, the minimal number of crops requested and to adjust the definition of crop. Moreover land predominantly covered by permanent grassland needed to be taken into account.
- **on the retention of permanent grassland**, and to maintain the management of these areas at regional or national level instead of farm level as proposed by the Commission,
- **on the Ecological focus area (EFA) and the 7% requirement** : most delegations wanted more flexibility and suggested a minimum farm area threshold; , areas under pillar II agrienvironment schemes with high benefits for the environment and climate needed to be taken into account.

Instead of the three mandatory greening measures as proposed by the Commission (crop diversification, permanent grassland and EFAs), some delegations would prefer a "menu" approach where member states could choose from a list of measures.

Other Member States would prefer to build greening upon existing instruments, especially cross compliance in pillar I and agrienvironment schemes in pillar II.

Lastly, a large majority of delegations estimated that the **level of sanctions** applicable when the greening objectives are not met should not go beyond the level of the greening payment and therefore should not affect the basic payment itself.

Timetable:

- The Council already held policy debates on the proposals for regulation on direct payments, rural development and on the single common market organisation during the three last Agriculture Council meetings in November and December last year and in January this year.
- In March 2012, Ministers held a debate on the simplification of the CAP.
- During its last meeting in April 2012, the Council held an orientation debate on young farmers, small farmers, voluntary coupled support and top ups for farmers in areas with natural constraints, as well as on internal distribution, active farmer and capping of support to large farms.

In June, the Danish Presidency intends to organise an orientation debate on the proposal on rural development and to present a progress report on the CAP reform.