

Agenda 2000: direct support schemes to farmers under the common agricultural policy

1998/0113(CNS) - 18/03/1998 - Legislative proposal

OBJECTIVE: the proposed regulation seeks to establish common rules for the direct support systems in the framework of the common agricultural policy. It forms part of the group of proposals on the reform of the common agricultural policy and translates the guidelines of Agenda 2000. **SUBSTANCE:** the Commission proposes to deal with certain issues concerning all common market organizations providing direct payments in a horizontal regulation which will contain the following rules: - cross compliance: with respect to integrating the environment more effectively into the CAP, Member States should apply appropriate environmental measures, concerning in particular the market support schemes. They will also be able to decide on appropriate and proportional penalties for infringements and will be authorized to reduce or to annul direct payments; - modulation: as agricultural income (including direct payments) has important employment impacts in rural areas, Member States will be authorized to modulate direct payment per farm within certain limits and relative to employment on the farm; - funds made available from aid reductions (either under cross-compliance or under modulation) will remain available for the Member State concerned as an additional Community support for agri-environmental measures: - ceilings: to avoid excessive transfers of public funds to individual farmers, the Commission proposes to introduce a degressive overall ceiling to direct payments. The changes in the different market organizations will require an adaptation of the integrated management and control system (Regulation 3508/92/EEC). The Commission will submit a proposal in due course.